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The imperative of reshaping

When India tested nuclear weapons in May 1998, and Pakistan quickly followed with tests of its own, Washington was immediately abuzz with the familiar bemoanings over the latest intelligence failure. Why hadn't the United States known in advance about the tests? George Tenet, the director of central intelligence (DCI), immediately set in motion an investigation, chaired by former vice chairman of the Joint Chiefs of Staff, Admiral David Jeremiah. Tenet himself admitted bluntly: "We did not get it right. Period."[1]

The case displayed all but one of the challenges that U.S. intelligence confronts. The exception is providing intelligence to support military operations around the world by the United States and its coalition partners. Known by its acronym, SMO, this support to military operations has become intelligence's primary new business in the world beyond the Cold War. In other respects, though, Jeremiah's report, which remains secret but whose conclusions were briefed publicly, echoes this book's themes. Intelligence is drifting, unsure of what it does and for whom. It remains mired in institutions, processes, and habits of mind that may have been appropriate to the Cold War but manifestly are not now. It badly needs to be radically reshaped for an age of information. This is a time to reexamine first principles, which are now open to question in a way they haven't been for a half century.

1 For reportage on the case and the Jeremiah report, see *Washington Post*, June 3, 1998, p. A18, and *New York Times*, same date and page.

Most obviously, the United States didn't have a single spy worth his (or, less likely, her) salt in India, the Jeremiah report apparently concluded. That is a shame but not a surprise, given the record of America's clandestine service, the Central Intelligence Agency's (CIA's) Directorate of Operations (DO). The United States needs to build a new clandestine service on the remains of the DO, one that would focus entirely on a few closed potential foes, such as North Korea, on closed and dangerous programs of open societies, such as India's nuclear weapons, and on terrorists or other enemies who may not have nation-state names attached to them.

Intelligence now confronts not one overwhelming target, the Soviet Union, but a myriad of targets: Witness India, which is a democracy and a friend but was also a target. Intelligence also has, much more so than in the past, a range of customers, some of which, such as other governments or private actors such as nongovernmental organizations (NGOs), are unusual ones with which intelligence has little experience in dealing. It needs to fashion new arrangements for organizing itself and, particularly, for getting close to these customers. The old dogma that intelligence should not get too close to policy lest it be politicized is no longer helpful guidance — quite the contrary.

The final set of challenges is the most fundamental. Cold War intelligence lived in a world where information was scarce; it relied on "secrets" not otherwise available. Its business was those secrets. Now, though, it faces an era of information. Information and its sources are mushrooming, and so are the technologies for moving information rapidly around the globe. Given these circumstances, the business of intelligence is no longer just to provide secrets; rather, its business is to produce high-quality understanding of the world using all sources.

The clearest warning of India's impending test came a few days before the test in an obscure anti-India newsletter, *Charhdi Kala International*, which circulated within the Sikh community in British Columbia. The letter reported in its May 7 edition: "Preparations for an Indian nuclear blast have been confirmed by our sources in India (who so far have never been wrong having millions of pairs of eyes and ears fixed to the ground) who report all kinds of feverish activities in the vicinity of Pokharan. . . ."[2]

2 Quoted in *New York Times*, May 17, 1998, p. A5.

FAILING IN INDIA

As usual in Washington's blame wars, the India story was more complicated than it seemed, but that fact made it little the less damning for intelligence. In one sense, the entire fuss was beside the point because the Indians eventually became determined to test a bomb in any case. So whether intelligence could give the United States warning in advance didn't matter very much; Washington would have appeared either feckless if it knew but failed to dissuade New Delhi from testing, or ignorant if it didn't know. If there were real failings, they were less those of intelligence than of a policy that presumed India had little reason to test and so would be easily deterred from doing so. Tenet was being a good soldier by carrying the blame for the administration.

The case underscored that successful spying is both a patient business and a target-of-opportunity one. Spies not recruited as young people a generation ago won't be in a position to know of sensitive matters now. India's 1974 nuclear test had put the United States on notice about the country's nuclear ambitions, so there had been reason to try to recruit spies from within India's nuclear agency. Those efforts, however, might not have succeeded. Or if they did, the spy might have retired or moved on by 1998. A spy in the right place might not have been privy to the exact deliberations of interest. In this case, there seems to have been no spy, but the Indians also tried hard to deceive and so, no doubt, restricted the circle of those who knew the tests were coming. Even had a spy been in a position to know, he or she might not have been able to pass the information in time.

The lack of information on the ground left intelligence reliant on photographs and other imagery acquired by spy satellites in space. There, the shortcomings were two. In 1995 and 1996, U.S. intelligence analysts had detected what appeared to be preparations for Indian tests. Armed with that information, U.S. diplomats had persuaded India not to test. In the process, India had learned about what the United States knew and something about how it knew it. Tracking imagery satellites is not all that hard, and in earlier years, the Soviet Union had provided its friends and allies with the tracks of U.S. satellites. Knowing where the United States was looking, and when, and having some idea of what it was looking for made India's efforts at deception easier. The test site was, for instance, kept in a continual state of high readiness, thus masking increased activity in the run-up to a test. In addition, India's nuclear

program was to a considerable extent homegrown, so U.S. intelligence's understanding of Chinese or Russian patterns did not help much in assessing it.

Moreover, the United States takes so many more images than analysts can examine that key signals can be lost in a flood of unexamined "pictures" (actually, it is "dots" that go unexamined, because all U.S. imagery except that from the old U-2 spy planes is now digitized). In the India case, only one imagery analyst at the National Imagery and Mapping Agency (NIMA) was responsible full-time for the Indian nuclear program. While that analyst had colleagues at the CIA, the Defense Intelligence Agency (DIA), and the State Department, they did not cooperate well enough, Jeremiah argued. That ragged cooperation is a feature of U.S. intelligence as old as the attack on Pearl Harbor, which came as such a surprise more than a half century ago.

The lack of priority attention to India is linked to the crucial failing of the case, that of mind-set. As Jeremiah put it, analysts and policy officials alike "acted as if the BJP would behave as we behave."[3] The Hindu nationalist party, BJP, had come to power in 1996 but fell after only thirteen days. It returned to power again in March 1998. According to the Jeremiah report, one 1996 CIA memorandum did call for more focus on India and Pakistan. But for policy and intelligence officials alike, thinking they understood the BJP made it seem unnecessary to pay more attention to it. The party's bluster about nuclear weapons was only campaign rhetoric designed for the Hindu faithful: "To ensure the security, territorial integrity and unity of India we will take all necessary steps and exercise all available options. Towards that end we will re-evaluate the nuclear policy and exercise the option to induct nuclear weapons."[4] The party would moderate in government, especially since it would have to govern in coalition. And so on. Thus ran the mind-set, one that had come to be almost impenetrable.

This mirror imaging was convenient because it spared the need to ask "What if?" In this case, the "what if?" was "what if the BJP meant what it said?" for it had made no secret of its intention to make nuclear weapons part of India's arsenal. As Senator Daniel Patrick Moynihan (D-New York) put it with characteristic puckishness: "The State Department said 'Why didn't the CIA tell us?' To which the answer is, 'Why doesn't the State Department learn to read?'" In that sense, Tenet

3 Quoted in *Washington Post*, June 3, 1998, p. A18.
4 BJP *National Agenda for Governance,* March 18, 1998.

did the State Department, and also the White House where the mind-set was just as impenetrable, a favor by taking the blame.

To be fair, India's America handlers at the foreign ministry and elsewhere purred reassurance, saying that no test was imminent. Whether those reassurances represented deception or simple ignorance remains unclear. In any case, Indian diplomats, who were suave internationalists attuned to India's image abroad, were likely to have had nearly as much trouble understanding the Hindu nationalists for whom they now worked as did the Americans.

The convenience was reinforced by the view in American officialdom that testing would be a disaster *for India*. That view was strongly held in Washington officialdom both before and after the tests, and it is eminently sensible. India had already tested a bomb once, in 1974, so no one, least of all Pakistan, could be in doubt that India was a nuclear power. Yet by not moving overtly to build nuclear weapons and by not testing again, it had avoided international opprobrium and sanctions. India could have its cake and eat it too. It could frighten Pakistan and perhaps deter China with its nuclear weapons in the closet; meanwhile it could get on with India's real business of making itself richer. Why risk that happy state of affairs by testing?

Getting at that "why?" meant getting into the heads of the Hindu nationalists. It meant asking: Why might they be telling the truth? Why might nukes in the closet not be enough for them? It meant challenging mind-sets that were more comfortable for policy than for intelligence. Yet getting into the heads of those who are different is the ultimate task of intelligence. Intelligence is supposed to have the people who understand Bonn and Delhi better than they do Washington. Being contrarian is also part of their job description. On occasion, they are joyfully contrarian, happily kicking the props of premise on which their policy counterparts have erected policy. This time, though, they were as guilty of conventional wisdom as anyone else in government. If intelligence doesn't challenge prevailing mind-sets, what good is it?

THE LEGACY OF HOT WAR AND COLD

The world of intelligence has been upended by both politics and technology. The demise of the Soviet Union and the end of the Cold War are what get the attention, but the underlying transformation is longer and deeper. The history of the first stage of U.S. intelligence,

1945 to 1990 or so, is the history of the last stage of the industrial age. The onset of an age of information has enabled dramatic changes that encompass the end of communism, the onset of the "market state," with accompanying transformations in the roles of government and of private actors, the rise of emerging states, and the proliferation of non-state actors. Intelligence now has many targets, not one; many consumers, not just a few; and vast amounts of information that is to a great extent unreliable, not a scarcity of information that mainly comes from satellites or spies and is therefore regarded as accurate.

The nation's existing intelligence, about $27 billion per year in size,[5] was shaped in World War II's wake and the Cold War's shadow. Centralization was a legacy of Pearl Harbor and fears of another surprise attack, this time from the Soviet Union. Pearl Harbor's lesson for intelligence was that critical puzzle pieces of warning had been present in the system but were never assembled by the separate Army and Navy intelligence organizations. A central intelligence agency, with access to everything, would hedge against that happening again.

The bright white line that separated intelligence from policy during the Cold War was not so much a reflection of wartime lessons. Rather, it resulted more from the CIA's growing standing in Washington and from the beliefs of the founders of postwar intelligence, in particular Sherman Kent, who was first the deputy director and then the director of the CIA's prestigious Office of National Estimates (ONE). The operating agencies of government were bound, so Kent's logic went, to want intelligence judgments cut to suit the cloth of ongoing policies. It took no accusations of wrongdoing to worry that the U.S. Air Force, charged with building American missiles, would incline toward higher estimates of the threat posed by Soviet weapons, for instance. Intelligence separated from policy, as the CIA was separated, would serve as a check on such tendencies.

By the early 1950s, the main contours of America's Cold War intelligence were in place. The CIA had moved from coordinating intelligence

5 This and every other number or detail about intelligence capabilities here are derived from published sources. The total budgets finally were officially released in 1997: $26.6 billion for FY97 and $26.7 billion for FY98. For more details, see, for instance, *Washington Post*, June 13, 1994, p. A8, or *New York Times*, November 5, 1994, p. 54.

to collecting and analyzing it. While the CIA was more and more dominated by its clandestine service, it had come to be a major producer of analysis in its own right. The original intention was for the CIA to be the centralizer, the hub of a wheel of intelligence production. In fact, it came to centralize by dominating, especially with regard to the overarching target, the Soviet Union. In the early years, the CIA was also the prime mover of technical collection systems such as the U-2 spy plane.

In the circumstances of the high Cold War, there were powerful arguments for targeting intelligence tightly on the Soviet Union, for giving pride of place to secrets, especially those collected by satellites and other technical means, and for centralizing intelligence and separating it from the stakes of policy agencies. None of these arguments, however, is so compelling today.

To use a business analogy, intelligence then had one main target, the Soviet Union, and essentially one consumer, in form the president but in fact the National Security Council (NSC), encompassing the State and Defense departments, and the NSC staff. Intelligence knew what its business was, and that business was secrets. In that sense its "technology" was stable. To be sure, the particular technologies that made possible spy or eavesdropping satellites were anything but static; the technical achievements of the intelligence in the first Cold War decades were dazzling. But the advances were better ways of doing the job. They did not change the basic task.

So, too, the broader "operating environment" of intelligence was relatively stable. Measuring the extent of the Soviet threat was no mean feat, but the Soviet Union was not about to be supplanted as the main threat to the United States and, as such, the principal target for U.S. intelligence. The hierarchy of U.S. interests, putting Europe in first place, was held over from hot war to cold, and when Europe evolved into a grinding stalemate, new issues or threats that arose in the Third World could be calibrated — sometimes oddly, at least in retrospect — against the U.S.-Soviet competition. And no other information sources were about to break into the franchise that secrets conferred on intelligence.

With one target and one preeminent consumer, there was a certain logic to the way intelligence was — and is — organized. It was structured according to the different ways intelligence is collected: the National Security Agency (NSA) for intercepting signals, the CIA's DO for

spying, and so on. These "INTs," or "stovepipes" in the language of insiders — SIGINT for signals intelligence and HUMINT for human intelligence, or spying — could each concentrate on the distinct contribution it could make to understanding the Soviet Union. In the process, though, the INTs became formidable baronies in their own right.

Now, however, no corporation would organize itself this way given its business, its production processes, and its market. The old structure just has to be wrong. Now there are many targets and many consumers, though there are some consistent alignments among targets, customers, and collectors. In these circumstances, a firm would organize around lines of business, establishing a distributed network or a loose confederation in which the different parts of intelligence would endeavor to build very close links to the customers each served.

OPEN SOURCES VS. SECRETS

No matter how often it is said, it is still difficult for outsiders to grasp what intelligence's focus on the Soviet Union meant, and thus just how big a change its demise represents. To be sure, Russia's fate still makes a difference, not least because of all its nuclear weapons that have not disappeared. Russia will weigh heavily on the prospects for peaceful futures in both Europe and Asia, but it will not again soon threaten America's existence.

During the Cold War, what, literally, could be learned about the United States from the Government Printing Office had to be pieced together painstakingly about the Soviet Union. Take the work on the Soviet economy, work that was later criticized for not appreciating how weak that economy had become by the 1980s. In the 1950s, basic data either didn't exist or were suspect; moreover, because prices were determined by administrative fiat and the ruble wasn't convertible into any other currency, there was no way to calculate Soviet gross national product (GNP).

The CIA's response was to examine Soviet goods and price them by Western standards. The "what price?" question meant, again literally, taking apart Soviet goods. The "how many?" question required vacuuming tidbits of information from everywhere — first, published Soviet sources, and later, intercepted conversations or satellite photos of Soviet factories. The CIA reconstructed the Soviet economy from the

ground up. It may have been, said one outside observer, "the largest single project in social science research ever undertaken."[6]

If the Soviet Union was secretive about its economy, it was still more so about its military might. There, virtually everything had to be pieced together from information that was collected if not secretly, then at least by unusual means, such as intercepting the telemetry from Soviet missile tests. What could be seen or read openly provided at best hints of corroboration. And so the pride of place to secret sources was natural. In the process, the United States built expensive national collection systems matched to *the* national purpose: understanding the Soviet Union. The agency titles reflect that national focus: the National Reconnaissance Office (NRO), whose name remained an official secret until a few years ago, for building, launching, and operating satellites; NSA for code making and breaking and for turning intercepted signals into useful intelligence, or SIGINT; and the Central Imagery Office (CIO), which became the National Imagery and Mapping Agency (NIMA), both of which were experiments of the 1990s intended to mimic NSA by building an efficient stovepipe for imagery, or IMINT.

Now, however, most of the world does not have to be photographed from thousands of feet in the sky. It can simply be looked at directly — what might be called "eyeball INT," not IMINT. Of course the lookers need to be trained to see a factory's output, technology, and morale where the rest of us would perceive only noise. During the Cold War, much of the globe was a "denied area"; now, in this age of information, only North Korea and a few similar states are truly closed.

Now, surfing the Internet provides access to an exploding amount of information. By one estimate, stored information is doubling every two years.[7] The challenge for intelligence — sorting fact from fiction, or signals from noise — is new only in magnitude. But the change in magnitude is awesome. There is so much more information out there, and so much more of it is misleading because, in effect, anyone with a computer can now produce or "publish" anything. The risk that hackers, who may be simply curious kids but who also may have more evil

6 Quoted in "Sunshine and Shadow: The CIA and the Soviet Economy," Case C16-91-1096.0, Kennedy School of Government, Harvard University, 1991, p. 2.

7 The estimate is of the total capacity of all the world's computer hard drives. See John L. Simonds, "Magnetoelectronics Today and Tomorrow," *Physics Today*, April 1995, pp. 26–32.

motives, can enter restricted databases is well known if not yet well addressed. But in some respects, the harder problem for intelligence arises simply from volume, not evil intent: As "publishing" gets easier, standards of verification go down. Collecting information is less of a problem, and verifying it is more of one.

This means that policy-makers will be more, not less, reliant on information brokers. The images that are sometimes evoked of policymakers surfing the Net themselves, in direct touch with their own information sources, are very misleading. Most of the time, as their access to information multiplies, their need for processing, if not analysis, will go up. If collection is easier, *selection* will be harder. There will also be more brokers and more competition among them. Intelligence analysts will be one set of brokers, but others, the competition, will range from CNN anchors (and their producers), to Bloomberg and Oxford Analytica, to journalists and academics.

The more-open world is blurring the distinction between collection and analysis. The best looker is not a spymaster, much less an impersonal satellite, but someone steeped in the substance at hand — in short, an analyst. By the same token, while reference librarians used to be able to point scholars toward reliable sources, the sources on the Net are many, but their reliability is dubious. So consumers need to beware of those who surf the Net but are not themselves experts: Who knows what such people might make of the Net's mix of fact, fancy, and pure error?

To be sure, those who do the surfing or the looking need to be connected to the rest of intelligence. For example, the bombing of China's embassy in Belgrade during NATO's air war over Kosovo in 1999 almost defies explanation — and for that reason the Chinese could be forgiven for believing it had to have been done on purpose. But the awful accident derived, in part, from the gap between spying and looking. Those who analyze spy photos look for telltale signatures such as antennas, and for them, almost any map will do as long as the structure of the buildings hasn't changed. In this case, the imagery analysts used a 1992 map, and because the building looked the same in the satellite photos, they did not know that it had ceased being a war office and become a foreign embassy. They did not know Yugoslavia, and more to the point, they did not routinely talk to those who did. They were disconnected from the "lookers" who, from walking Belgrade's streets, might have told them that the building was now an embassy.