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Why U.S. Intelligence is Inadequate, and How to Fix It

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From the Editor's Desk

With President Bush himself now expressing strong support for the intelligence reform bill, its passage in early December 2004 would appear very likely. This would be unfortunate, because, as Prof. Angelo Codevilla argues persuasively in the essay below, this "reform" consists of little more than "rearranging bureaucratic wiring diagrams" and does nothing to address the systemic problems that have been dogging US intelligence for decades and are currently hindering America's war on terror.

While most observers now agree that 9/11 was the result of a monumental intelligence failure, neither the 9/11 Commission nor the elected officials now clamoring for reform have delved seriously into the real reasons for this failure. Yet, in the absence of a critical reappraisal of what ails our intelligence, any "rewiring" reform of the kind suggested is likely to do more harm than good.

Where to begin such a reappraisal is exactly the focus of Mr. Codevilla's essay. Armed with three decades of experience as a foreign service officer, key Senate Intelligence Committee official and an academic gifted with a keen analytic acumen, Dr. Codevilla zeroes in with characteristic clarity on CIA's failings. These include but are not limited to the agency's politicization and preference for influencing policy rather than providing impartial analysis, its abject failure in the *humint* collection area by a clandestine service that is "clandestine in name only" and largely incapable of covert action and its "groupthink" predisposition and lack of meaningful quality control. If his analysis is correct and it is difficult to argue with most of it, it is easy to understand why we are in the intelligence predicament in which we are and why bureaucratic reshuffling is not going to do much good.

One wishes that our elected officials will read Prof. Codevilla's analysis before casting their votes for an intelligence reform that isn't.

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Why US intelligence Is Inadequate, and How to Fix It

By Angelo M. Codevilla

Conventional wisdom used to be that US intelligence was the lifeblood of the war on terror. By 2004 no one contested that intelligence, especially the CIA, was at the heart of policies that had failed to stem terrorism and had turned military victory in Iraq into embarrassment. The high level commissions that examined current failures began to suspect that these reflected longstanding, basic faults. They only scratched the surface. In fact US intelligence¹ in all its functions – collection, quality control (otherwise known as counter intelligence), analysis, and covert action –is hindering America’s war.

The public, accustomed in recent years to stories of botched anti Saddam coups, had learned that CIA covert action works only in the movies. But in the summer of 2004 newspaper readers were shocked by the CIA’s admission to Senate investigators that it had precisely zero agents in Iraq in the years prior to the invasion, because getting and keeping agents in such places is tough. Was it not CIA’s job to have agents in tough places? The attentive public also remembered that the President had struck specific bunkers at the start of the Iraq war because CIA’s most valued sources assured us Saddam was staying there. But US troops inspecting the wreckage had found neither Saddam nor bunkers. Wasn’t CIA supposed to know enough not to help play America for a sucker? The commissions seemed most impressed that CIA had translated scarce and bad information into misleading analyses without dissent. Groupthink, they called it. Voters and taxpayers wonder how an institution in which so many had placed so much trust could suddenly have been found to be such a loser.

To those close to the intelligence business however, such things are an old story. There never was a golden age of CIA. Its performance against terrorism is not so different from what it was during the Cold War.

Not least of CIA’s problems, then as now, has been its preference for influencing US policy over striving for clarity about the outside world. It has done so by substituting its many judgments for the few hard facts it has. Phrases like “we believe...” and “we have no conclusive evidence that...” (longhand for yes and no) conveyed its prejudices to policymakers and favored media alike, feeding strife in American politics. Because the CIA vouched for the existence of Weapons of Mass Destruction (WMDs) in Iraq, the Bush team chose “disarmament” as the official justification for invading that country. The Democrats’ campaign against the Bush team for believing CIA on WMDs (as they

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themselves believed it), but also for disbelieving its judgment that Iraqi intelligence was not connected with 9/11 – because they themselves want to disbelieve. Such quarrels becloud the essential question: Who are the people whose death will free us from terror?

Now all agree that CIA fouled up big, and all are foursquare for reform. But the main proposals embraced by Democrats and Republicans with equal mindlessness, consist of rearranging bureaucratic wiring diagrams. It is anyone's guess how such "reform" would increase knowledge of the outside world, instill the self criticism necessary for quality control, produce intellectual rigor out of wanton analytical sloppiness, or turn US covert action from bloody *opera buffa* to a serious instrument of policy. Just as important, no one seems to have asked whether any intelligence system imaginable could bring success to the current policy of trying to discover individual terrorists before they strike.

To consider what it would take to make US intelligence into an asset in the war on terror, we must first look at its basic problems.

Collection

US intelligence has never had more than a few sources of human reporting of which it could be certain, and the capabilities of US technical collection devices, both imaging and electronic, are too well known.

Money has never been the problem with CIA's espionage. Its clandestine service has some 2500 "case officers" abroad. But this "clandestine" service is clandestine in name only. 98% of its officers are spooks only to the point of claiming they report to some part of the US government other than CIA. The 2% *super* spooks hide their connection to the US government but make no attempt to hide the fact that they are Americans. Rather than prowling the back alleys pretending to be Ruritanian arms dealers, or using identities of convenience to worm information out of unwitting sources, CIA officers are limited to the kinds of contacts that US embassy personnel have. Because personnel standards at CIA are lower than for the Foreign Service, the quality of CIA reporting seldom has equaled that of the State Department.

In Iraq they live and work behind a screen of American soldiers. Everywhere they deal either through translators or with English speaking foreigners. Even less than diplomats do they know languages, or the substance of any subject matter that would lead to natural contact with sources. As for work that requires the use of weapons, CIA policy has always been to hire contractors. In sum, CIA's concept of its case officers as gentlemen spies is the wrong concept, resulting in a service full of the wrong people.

Their relationship with spies typically consists of managing relations with foreigners who seek them out – so called walk ins. The chief problem here is figuring out whether self proposed agents are really working for a hostile intelligence service. That

problem is most serious when foreign intelligence services themselves are providing information. This is especially so regarding terrorism, since Arab governments – whose agendas run counter to America’s – supply a substantial portion of CIA’s information on it. The smelliest information comes from “interrogations” conducted by ignoramus officers, of prisoners who may or may not know anything but who are constrained to say *something*.

Collection by various kinds of cameras and electronic intercepts suffers from problems not entirely dissimilar. CIA wallpapered its lobby with a drawing of downtown Moscow copied from satellite photos, showing every building. Its implication, added to the well advertised fact that the best resolution of satellite photography could theoretically read license plates, gives the impression of omniscience. The equally well advertised fact that US antennas on satellites, on land, sea, and air, intercept billions of communications strengthens that impression. Theoretically, these antennas can also tell when a truck’s engine is on, among other things. Yet cameras and antennas are much less useful than they seem, especially with regard to terrorism.

Satellites travel paths and cover areas at times that are predictable years in advance. They neither see beneath roofs nor into the hearts of men. Hiding from high altitude photography is child’s play, as is spoofing it. The US and Britain misrepresented D Day preparations from German aircraft, the Soviets prevented US satellites from seeing anything of its fourth generation missiles except holes in the ground that may or not have been filled, and during the Gulf War Saddam Hussein managed to hide from satellites and aircraft every last one of the mobile Scud launchers that hit Israel and US troops. When the US government has struck terrorism on the basis of satellite reconnaissance, its bombs and missiles have destroyed empty mud huts. “Pounding sand” is what the pentagon calls it. When the Pentagon used satellites to pick targets for its “shock and awe” campaign against Iraq in 2003, it ended up destroying empty buildings.

Electronic intercepts are even more problematic. Theoretically, if the enemy does not know that his electronic messages are intercepted, we could read them. And if the enemy does know, he must chose between having them intercepted and not sending them. In fact, just as in the case of satellites, the enemy can use his knowledge to give us the impressions he wishes, while sending messages either non electronically or through means he knows are safe. The Soviets long ago developed unbreakable codes. Most governments and serious criminals nowadays have them. Mere individuals as well as governments use multiple cell phone numbers or calling cards from public phones for real communications, while calling between phones they know are monitored to watch in glee as we scramble with security measures.

Quality Control

If the flow of intelligence on terrorism were subjected to the discipline of counter intelligence and CIA were to reject all that was not secure, its analysts would have to

come to terms with poverty. This would force policy makers to take responsibility for doing what they can on the basis of what they know. But in this field as in others, scarcity presses CIA to take what garbage comes its way and call it good.

It has always been so. From the 1950s to the 70s CIA treated James Angleton's small, independent counter intelligence office as a pest, and spread accusations that Angleton's concerns for the integrity of sources amounted to aspersions on the loyalty of CIA case officers, or reflected his own paranoia. In fact CIA resented the obstacles that Angleton placed in the way of self congratulation -and self promotion - for passing on insecure information. And so in 1975 CIA got rid of Angleton and independent quality control. Since then each geographic division has judged its own integrity – more corrupting than having Arthur Andersen audit Enron.

As it turned out, Angleton was more correct than he feared. Every last CIA agent in or on Cuba was working for Castro's intelligence. All but three in or on East Germany were working for the Stasi. This and much more was due to mere incompetence. The Soviet KGB's total control of the human intelligence that reached the US government resulted from the treason of Aldrich Ames and Robert Hansson, in charge of quality control respectively for CIA's and FBI's anti Soviet espionage. None of these discoveries led to any serious efforts at quality control.

Nor did the discovery that Geoffrey Prime had told the Soviets about how US satellites were intercepting their communications affect the way in which those satellites were funded, nor how their information factored into the rest of our intelligence. Finally, neither the revelation that, because of one John Walker, the Soviets were privy to all of US naval communications, nor the fact that US intelligence had overlooked countless indications that this was so, make those in charge of US intelligence any more skeptical about what they were seeing and hearing.

The CIA's uncritical acceptance of "low hanging fruit" regarding terrorism is part of the same phenomenon. Paranoia would not have been necessary to ask why, if the Arab intelligence services that told us that al Qaeda was responsible for terrorism knew so much about it, they were powerless to prevent it from operating in their police states. After the 1998 US cruise missile attack on an innocent Sudanese pharmaceutical factory that Arab intelligence had designated, and US technical sources had confirmed as an al Qaeda chemical warfare facility, common sense would have counseled skepticism about those sources. No way. In 1993 the CIA decided that Arab regimes were innocent, that "loose networks" of renegades and Islamic extremists were responsible for terrorism, and that to confirm the validity of a source one need only confirm the truth of some of its details.

Since then, CIA has held to its paradigm of terrorism with acts of denial and definition that shock common sense. Foremost is its squaring of the facts with the dogma

that no Arab regime, especially that of Iraq, was responsible for the 1993 or (and) the 2001 attack on the World Trade Center.

Here is a thumbnail sketch. One of the 1993 bombing's masterminds is a secular person who entered the US on an Iraqi passport as Ramzi Yousef (the name under which he was convicted and sent to federal prison). He left the US for Baghdad as Abdul Basit Karim, on a Pakistani passport obtained on the basis of Kuwaiti documents that had been doctored during Iraq's 1990 occupation of Kuwait. The real Kasim, who disappeared during that occupation, was physically different from Yousef. Only Iraqi intelligence could have merged the two identities.

The man who CIA says is Yousef's superior and uncle, and who it calls the mastermind of the 2001 attack, who also took part in the 1993 one, and joined Yousef in the 1995 Philippines plot to bomb US airliners over the Pacific, is a secularist Baluch who goes by the name Shaik Khalid Mohammed. A third secularist by the name of Ali, otherwise known as Ammar al Baluchi provided funds for all three attacks. Only Mohammed had anything to do with al Qaeda, and that only after 1996, long after his own network had performed operations like that of 9/11. Where did the money and motivation for that network come? Could it be that this network thinly disguised as a family worked for Iraqi intelligence, which had long recruited Baluchs for a variety of tasks?

CIA however absolved Iraq from responsibility for any of the attacks by this fictitious Baluchi family, while pinning all of them on Islamic extremism and just the 2001 attack on Osama bin Laden's al Qaeda. Go figure. Worse, it refuses to question the sources or the line of reasoning that led to this conclusion.

Analysis and Groupthink

As regards terrorism as well as during the Cold war, scarcity of hard information combined with political prejudice to produce Groupthink at CIA.

During the 1960s and 70s CIA analysts distorted reality concerning Soviet missiles even more radically than they did regarding Iraq in 1993 – 2003. Just as in Iraq, CIA's human collectors did not know with what characteristics the other side intended to endow its weapons. And our technical devices were able to discern only indirect indications of what these might be. Nevertheless to maintain their prejudices CIA analysts had to ignore the plainest facts - just like in Iraq.

Beginning in the mid 1960s the Soviet Union began a massive buildup of its missile force, and of warheads with the combination of power and accuracy for disarming "first strikes." But CIA's dogma had it that the Soviets would not try to match the number of US missiles or seek that capacity. When the Soviets' numbers did, CIA analysts judged that they would not exceed them. When their missiles exceeded ours in

number, CIA judged that the Soviets would not endow them with accuracy. When they did that, CIA judged that this would not matter because the Soviets just had to know that it would be unreasonable to use the force they had built. This line of reasoning developed over a decade, and involved countless redefinitions of what technical evidence was and was not acceptable. Each redefinition prejudiced conclusions in favor of CIA's dogma. Only in 1977, when an independent commission was given access to all data available to CIA, did this intellectual house of cards fall.

Similarly, CIA dogma held that the Soviet Union was not spending a greater proportion of its GDP on military matters than was the US – in those days, some 5 to 6%. To support this prejudice, CIA built an elaborate econometric model, complete with its own valuation of the ruble. It turned out of course that the Soviets had been spending on the order of 40% of GDP on their military. A glance at the Statistical Abstract of the United States for the 1980s, compiled with CIA data, shows even more egregious prejudice. According to CIA, you see, the per capita GDP of East Germany and West Germany were roughly equal. This was news to all but the CIA analysts who made up the econometric models.

There is no reason then to be surprised at CIA analysts' judgment that Iraq was virtually uninvolved with terrorism and full of Weapons of Mass Destruction. To reach the first part of that judgment, they only had to term "inconclusive" the existence of the training camp for foreign terrorists at Salman Pak, the financing of terrorism in Israel (which CIA does not admit is really terrorism), the reported meeting of 9/11 captain Mohammed Atta with Iraqi case officer al Ani (al Ani's denial of the meeting beats Czech intelligence's affirmation of it, you see), the overlap of personnel between the first and second attack on the World Trade Center, Yousef's possession of identity documents doctored by Iraqi intelligence, and much more. To affirm Iraq's possession of WMDs, CIA analysts only had to go with the flow of legalistic argument: The UN had required Iraq to submit to inspections. Iraq had not done so. It had to be hiding WMDs. Easy. Besides, focusing on WMDs averted America's attention from the role that Arab regimes play in terrorism. CIA wanted to make sure of that.

Covert Action

Not only has CIA's covert action, full of half measures and bloody betrayals, produced countless dead Kurds, H'Mong, and other would be allies. Also, it has crippled America's capacity to deal with terrorism. That is because much of CIA's interference in the affairs of the world has consisted of promoting precisely the regimes and ideas that are the matrices of terrorism.

From its earliest days, CIA built a dysfunctional relationship with the "third world." CIA Director Allen Dulles financed political revolutionaries such as Egypt's Gamal Abdel Nasser, as well as intellectuals such as Franz Fanon, author of *The Wretched of the Earth*, the ur text of anti-Westernism. Though CIA did not invent the

Ba'ath party, no one who knows the region would suggest that these parties would have come to power without CIA. To Iraq, CIA sent a young thug named Saddam Hussein . CIA's assumption was that these movements would take its advice, and at least that CIA would retain the loyalty of enough of their members to never lack for excellent sources of information about them.

Wrong on all counts. Third world movements turned against America. Meanwhile CIA's large emotional and organizational investment in these movements led it to be their advocate within the U.S. government. To ordinary Americans a Yassir Arafat is a disgusting thug. But to CIA he is always full of hopeful signals. Sunni , Ba'athist domination of Iraq might be patently disastrous to any number of people, but to CIA Saddamism, first with later without Saddam, has been the way to go. CIA's political prejudices color whatever realities U.S. intelligence comes across.

Reform

No one has attempted to show how the main proposals for "reform" proposed by the 9/11 commission and endorsed by both 2004 Presidential candidates would remedy any fault of US intelligence whatever. Creating the post of Director of National Intelligence with budgetary and programmatic authority (Kerry) or supervision (Bush) over all intelligence agencies, as well as a national counter terrorism center to direct all aspects of intelligence about as well as action against terrorism, sidesteps all substantive questions about what intelligence is to be sought, how its integrity is to be guarded, how controversies over its interpretation ought to be resolved, and what action ought to be taken. Much less could anyone show how either of these organizational changes would safeguard America.

The proposal for a Director of National Intelligence has been around since the 1970s. Its implementation would have few if any effects beyond somewhat complicating an already complex bureaucracy. But a national counter terrorism center that could order any agency to collect in certain ways, come to certain conclusions about who is a terrorist, and act on those conclusions without the adult supervision of, say, the Secretary of Defense or State, would likely spawn any number of embarrassing activities. All to naught. Since incentives for terrorism continue to increase, opportunities for attack are irreducible, and fundamental intelligence faults remain unaddressed, events will surely discredit such irrelevant "reforms."

Putting resources into boxes with the proper label does not produce good outcomes. These depend on people knowing the right things to be done, and actually getting them done. Alas, intelligence officials whose work has been their own secret for two generations have defined excellence simply as whatever they happen to turn out.

There is no substitute for firing massive numbers of people who have performed badly or are just useless, and replacing them with persons picked for their capacity to do

the job expected of them. But there is the rub. Someone at the top must define the job. Intelligence is an instrument of conflict. In any given conflict, intelligence is good insofar as it contributes to victory. Whoever is responsible for any operation must – as part of the exercise of his responsibility – define what information is needed for that operation’s success.

For that reason, the idea behind the creation of the Central Intelligence Agency, namely to separate responsibility for knowing the world from responsibility for defense and foreign affairs was a bad idea. Intelligence reform should proceed from the premise that intelligence is naturally the handmaid of strategy.

Strategy and Policy

The faults of US intelligence in anti-terrorism come as much from the outside as from the inside. In 1993 the Clinton administration decided that individuals, not regimes, were responsible for terrorism. and demanded that U.S. intelligence comb through thousands of persons about whom we know nothing, while discounting the fact that terrorist activities breed in authoritarian regimes as expressions of those regimes. The Bush team has not reversed that judgment. And so, as wealthy Saudis spread the Wahhabi movement through oil billions and Syrian dictators and Palestinian warlords rail on TV with impunity against America and all its works, U.S. intelligence interrogators are “going after” the small fry. No problem can be dealt well if it is defined badly. No intelligence can save unintelligent policy or make up for lack of a strategy for victory.

Intelligence can light a path to victory if we make war on the basis of what we know for sure. Policy makers for whom the pursuit of victory is contingent on intelligence beyond their reach make intelligence a scapegoat for their own incompetence.

¹ The US intelligence budget (some \$35 billion) is divided into two roughly equal parts, the Tactical Intelligence related Activities of The Defense Department – mostly for the purchase and operation of devices used for battlefield intelligence – and the National Foreign Intelligence Plan. This consists of the agencies, led by CIA, that do “strategic intelligence. All the agencies in the NFIP share CIA’s problems to some extent. Herein I refer to the CIA and US intelligence interchangeably because CIA is the epitome of NFIP intelligence, and as its politically most important part.