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U.S. INTELLIGENCE AND INDIA'S NUCLEAR TESTS: LESSONS LEARNED

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U.S. Intelligence and India's Nuclear Tests: Lessons Learned

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Summary

The U.S. Intelligence Community did not have advance knowledge that India intended to conduct nuclear tests beginning on May 11, 1998. Although intelligence agencies cannot have foreknowledge of every significant development in world affairs, many observers (and senior intelligence officials) believe that, in view of the election of an Indian government committed to "inducting" nuclear weapons, much greater attention should have been given to indications of impending nuclear tests. A commission headed by retired Admiral David Jeremiah reviewed the Intelligence Community's performance and recommended a number of measures to improve future performance. Some of the most important of these were addressed in the FY1997 Intelligence Authorization Act (P.L. 104-293) but implementing the legislation has been delayed as filling key positions has been delayed. A persisting problem is the tendency of analysts to discount seemingly irrational initiatives by other countries.

Background

The series of nuclear tests conducted by India beginning on May 11, 1998, was not predicted by the U.S. Intelligence Community. Although foreknowledge would not necessarily have enabled U.S. policymakers to head off the explosions, the absence of information has raised fundamental questions about the nation's intelligence effort, which will cost some $26.7 billion in FY 1998. Defenders of the Intelligence Community point out that, even though many in the public have come to expect constant coverage of all regions of the world, resources are finite, information of adversary value is routinely hidden, other concerns are pressing, and South Asian developments do not directly threaten U.S. security. Most observers—including Members of Congress and senior officials in intelligence agencies—agree, nonetheless, that the failure to have provided warning of the Indian tests before they occurred was a major lapse with significant implications for predicting nuclear developments in other countries and that actions must be taken to improve intelligence performance.

Indian Nuclear Policy[1]

India, in a previous surprise to the U.S. Intelligence Community, exploded its first nuclear device in 1974. From that time on, proliferation experts realized that India has had the capability to explode nuclear weapons at any time. In late 1995, U.S. intelligence agencies detected preparations for a nuclear test at Pokharan, a site some 350 miles southwest of Delhi, leading to diplomatic representations that many observers credit with persuading the Indian Government to call off the explosions. The protest also may have provided the Indians insight into the capabilities of U.S. intelligence collection efforts.

Parliamentary elections, conducted in February-March 1998, resulted in a minority coalition government headed by Prime Minister Atal Behari Vajpayee of the Hindu Nationalist Bharatiya Janata Party (BJP) whose election manifesto had included a commitment to "exercise the option to induct nuclear weapons." It should be noted that all major Indian parties are committed to maintaining a nuclear option and that Vajpayee, who once served as foreign minister, is considered a moderate among BJP leaders.

The BJP government that took office in late March was soon made aware of international concerns about the possibility of nuclear testing and proliferation. The American U.N. Ambassador Bill Richardson in an April 14th meeting in New Delhi and National Security Advisor Samuel Berger in a subsequent Washington meeting with the Indian Foreign Minister underscored U.S. opposition to nuclear testing and proliferation. In response, Indian leaders indicated that no precipitous actions were likely to be taken and that a full-scale review of the country's national security policies was underway. The Indians also made great efforts to avoid test preparations that would be readily detectable by overhead satellites. The planning for tests was apparently kept within a small circle of senior officials and ministers.[2]

Although the Intelligence Community monitored Indian developments and scrutinized activities at Pokharan on a regular, but not constant, basis, the official confirmation of Indian tests at Pokharan on May 11 caught U.S. intelligence agencies by surprise. Director of Central Intelligence (DCI) George Tenet stated:

> While the Intelligence Community has for years closely followed the Indian nuclear program, there is no getting around the fact that we did not predict these particular Indian nuclear tests. We did not get it right. Period. We have a professional responsibility to stand up, acknowledge that, and learn from it.[3]

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[1] For detailed background on India's nuclear tests, see Richard P. Cronin, Barbara Leitch LePoer, Jonathan Medalia, and Dianne Rennack, *India-Pakistan Nuclear Tests and U.S. Response*, CRS Report 98-570F, June 18, 1998; for background on the Indian elections, see Barbara Leitch LePoer, *India's 1998 Parliamentary Election Results*, CRS Report 98-324F, April 2, 1998.

[2] See James Risen and Tim Weiner, "U.S. May Have Helped India Hide Its Nuclear Activity," *New York Times*, May 25, 1998. P. A3.

[3] Press Statement by the Director of Central Intelligence George J. Tenet on the Release of the Jeremiah Report, June 2, 1998, reproduced at *http://www.odci.gov*.

Intelligence analysts as well as policy-level officials throughout the government shared the blame for failing to anticipate the tests. Phyllis Oakley, the Assistant Secretary of State for Intelligence and Research, was quoted as telling a reporter after a Senate hearing, "Look, we were wrong. We were all wrong."[4] Members of Congress were harshly critical of the lack of warning; Senator Shelby, Chairman of the Senate Intelligence Committee, termed it "a colossal failure."[5] It was small comfort that the Intelligence Community was able to point to the likelihood of the Pakistani tests that did occur in late May.

The Inevitability of Intelligence Failures

Scholars who have studied intelligence history recognize that surprises can never be eliminated. The modern intelligence community,, including the Central Intelligence Agency (CIA), arose in large measure out of the failure to anticipate the Japanese attack on Pearl Harbor in December 1941. There have been nonetheless a number of significant events since the end of World War II for which there was little advance knowledge, *e.g.*, the North Korean attack on South Korea in 1950, the introduction of Soviet nuclear missiles into Cuba in 1962, and the Iraqi invasion of Kuwait in 1990. The quantity of information available has varied in each case, but, like the attack on Pearl Harbor, these intelligence "failures" resulted in part from analysts' inability to realize that hostile countries pursue policies that appear illogical and counterproductive. With a mindset disposed to believe that a potential action is irrational, even almost unthinkable, an analyst may ignore indicators that, in retrospect, make the action appear inevitable.

Sherman Kent, who was for many years in charge of the preparation of National Intelligence Estimates, wrote in the aftermath of his failure to detect the installation of Soviet missiles in Cuba in 1962: "It is a melancholy fact of life that . . . man will often blind himself to truth by going for the comforting hypothesis, by eschewing the painful."[6] In the end, surprises may not achieve their ultimate aims; there is usually no escape from the hard realities of capabilities and resources—the attack on Pearl Harbor, after all, was a colossal strategic error that ultimately led to the total defeat of Imperial Japan. Nevertheless, the Intelligence Community was created to prevent future Pearl Harbors and that is still its main mission.

Analysts studying India, which has never been at the center of U.S. security concerns, may also have to overcome some unconscious biases. India, as the "world's largest democracy" and a non-participant in most of the Cold War, garnered a certain amount of uncritical sympathy from Western academicians who have trained intelligence analysts. Some observers suspect among intelligence officers an institutional bias in favor of India's

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[4] Quoted in Risen and Weiner, "U.S. May Have Helped Indian Hide Its Nuclear Activity." The lack of foresight was not limited to government officials; for example, writing after the 1998 elections, one respected scholar claimed that "the BJP must act cautiously if it is to both preserve its coalition and deliver on its promise. It is unlikely to antagonize Pakistan by curtailing Kashmir's autonomy or the United States by going openly nuclear." Marshall M. Bouton, "India's Problem is Not Politics," *Foreign Affairs*, May-June 1998, p. 85.

[5] Quoted by R. Jeffrey Smith, "CIA Missed Signs of India's Tests, U.S. Officials Say," *Washington Post*, May 13, 1998, p. A1.

[6] Quoted in Donald P. Steury, ed., *Sherman Kent and the Board of National Estimates* (Washington: Center for the Study of Intelligence, Central Intelligence Agency, 1994), p. 178.

policies that derives from the work of the CIA's predecessor organization, the Office of Strategic Services, many of whose officers gave tacit and overt support to the Indian independence movement during World War II.

Balanced against such difficulties, however, are the facts that nuclear proliferation is one of the highest concerns of the U.S. Government, that the basic parameters of the Indian nuclear program were well known,[7] and that an Indian government had just come into office with no hesitancy about "inducting" nuclear weapons into its strategic arsenal. It is clear—admittedly with 20/20 hindsight—that more collection efforts should have been directed to the nuclear test site and that analysts (and policymakers) should have had a better sense of the dynamics of Indian politics and Delhi's international ambitions.

The Jeremiah Report

In the wake of widespread concern about the Indian tests, DCI Tenet appointed a committee headed by retired Vice Admiral David E. Jeremiah, who had previously served as vice chairman of the Joint Chiefs of Staff, to assess the Intelligence Community's performance and report back within 10 days. Although the Jeremiah Report has not been made public, its major conclusions were discussed in a June 2, 1998, press conference.[8] It made recommendations in four principal areas:

- analytical practices
- collection processes
- manpower and training
- organization

To ameliorate the "mindset problem," Jeremiah recommended that the Intelligence Community use outside regional experts in a more systematic fashion to ensure that government analysts are kept abreast of the latest work by academic and other nongovernmental specialists. It was further suggested that experts in the process of analysis be brought in to encourage consideration of contrarian hypotheses. The report also recommended the establishment of mechanisms to guarantee stronger integration of analysis from different agencies and disciplines.

In regard to collection, Jeremiah acknowledged an imbalance between the Intelligence Community's ability to collect imagery, and the ability to read and analyze it. "In everyday language, that means there is an awful lot of stuff on the cutting room floor at the end of the day that we have not seen." Observers consider this imbalance to be a fundamental problem of Intelligence Community management that has yet to be effectively addressed. It is perversely easier to justify expensive collection programs that produce vast quantities of data than more analysts to review and report the information obtained.

In addition, it is difficult to have an adequate number of collectors and analysts skilled in the foreign languages that become important at specific times. Technical specialists with advanced academic training related to sophisticated collection and

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[7] See Jonathan Medalia, *Indian and Pakistani Nuclear Tests? Potential Test Ban Risks and Technical Benefits*, CRS Report 96-631F, July 17, 1996.

[8] The comments by Admiral Jeremiah quoted herein are taken from the transcript of the Jeremiah News Conference of June 2, 1998, reproduced at *http://www.odci.gov*.

communications systems may be able to command salaries that cannot be matched by government agencies. Observers have suggested greater use of outside experts and even reserve military personnel.

Jeremiah also addressed the need to coordinate collection systems more effectively. Imagery, signals intelligence, human intelligence (including diplomatic reporting), and other disciplines along with open sources (press, television, etc.) yield the evidence on which analysts base their work. Separate U.S. agencies manage different types of collection systems, and it is administratively challenging to ensure that information on important topics is collected by the most appropriate collection means.

The Jeremiah Committee review concluded that the organization of the Intelligence Community needs to be examined thoroughly to assess the process by which responsibilities are assigned and resources allocated, and whether resources are adequate. DCI Tenet indicated his approval of the review, stating that "I accept all of Admiral Jeremiah's recommendations. I am making it my highest priority to implement them as quickly as possible."[9]

Coordinating Intelligence Efforts

Many of the conclusions of the Jeremiah Committee are consistent with recommendations made in 1996 by two wide-ranging reviews, *viz.* the House Intelligence Committee's Staff Study, *IC21: Intelligence Community in the 21st Century* and the report of the Commission on Roles and Missions of the Intelligence Community, usually known as the Aspin-Brown Commission (after its two chairmen, the late Les Aspin and Harold Brown, both former Secretaries of Defense). The fundamental conclusion of these reviews was that there should be better coordination by the DCI of the various agencies that comprise the Intelligence Community, but without full-scale unification.

In practice, it has proven very difficult for DCIs to exercise coordinative responsibilities. In part, this reflects the diverse priorities of individual DCIs, some of whom devoted considerable attention to covert operations or to participating in the policy deliberations of the National Security Council. It is, however, also reflective of an absence of Community-wide mechanisms based on statutes that give the DCI the ability to mandate, effectively pressure, or at least strongly encourage, cooperation among the different agencies. For many years, the only Community-wide officials were the DCI and the Deputy DCI both of whom allocated most of their time to the CIA itself.

The fundamental reality of the Intelligence Community has been the fact that the DCI does not have "line authority" over agencies other than the CIA; in particular, he does not have operational control of the large Defense Department intelligence agencies such as the Defense Intelligence Agency, the National Reconnaissance Office, the National Imagery and Mapping Agency, and the National Security Agency. Amendments over the years to the National Security Act of 1947 gave the DCI some authority to coordinate the work of all agencies and to establish standards and priorities. In reality, however, budgets of DOD agencies are controlled by the Secretary of Defense and their operations are heavily influenced by the pressing needs of military commanders. A number of legislative

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[9] Tenet, Press Statement, June 2, 1998.

initiatives have been introduced to give DCIs the authority to execute budgets and exercise line authority, but, according to many observers, Congress has chosen not to do so as a result of the close operational nexus between DOD agencies and the military services. Some Members of Congress, however, continue to believe that the DCI should have authority to execute the intelligence budget even for agencies in the Defense Department.

Enacted in the aftermath of the IC21 Study and the Aspin-Brown Report, Title VIII of the Intelligence Authorization Act for FY1997 (P.L. 104-293) included provisions designed to strengthen the authority of the DCI.[10] The DCI was given greater authority to develop annual budgets for intelligence and intelligence-related activities; he was also given statutory authority to approve collection requirements and priorities, and to resolve conflicts in collection priorities. Additional positions requiring Senate confirmation were created: a deputy DCI for Community Management, and three assistant DCIs—for collection, for analysis and production, and for administration.

The changes envisioned by the FY1997 Act were not implemented quickly. In late 1996, DCI John Deutch resigned; subsequently, there was a protracted confirmation process that resulted in George Tenet not being sworn in until July 1997. In addition, the Administration (and some Members of Congress) strongly opposed the requirement that the three new assistant DCIs be confirmed by the Senate. As a result of this disagreement, the first Deputy DCI for Community Management—Joan Dempsey, a career intelligence professional—was not confirmed until May 1998 and assistant DCIs have only recently been appointed (it being agreed that they will serve for a year without Senate confirmation).

Many observers believe that sufficient statutory authority now exists to enable the DCI to create a more "corporate" and better coordinated Intelligence Community, even if it is not a consolidated single entity under his direct control. According to this view, the problems reflected in the failure to anticipate the Indian nuclear tests give DCI Tenet the opportunity to align collection and analytical resources more effectively and to demonstrate whether or not additional statutory authority might be required.

Conclusions

The failure to predict the Indian nuclear tests of May 1998 provides an opportunity to review the priorities and capabilities of the Intelligence Community and to implement legislation signed in October 1996 that gives the DCI more specific authorities and additional staff to manage the national intelligence effort. Out of this review and the implementation process may emerge a consensus for further legislative initiatives.

A more intractable problem are the mental biases of analysts who often downplay unpredictable and (in their view) irrational and counterproductive undertakings by foreign countries. Efforts to introduce outside expertise into the intelligence process and to encourage contrarian analyzes may help, but the challenge to overcome the constraints of analysts' own mindsets or the consensus of an agency will likely remain.

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[10] See Richard A. Best, Jr., *Intelligence Reorganization in the 104th Congress: Prospects for a More Corporate Community*, CRS Report 96-681F, September 13, 1996.