

Introduction

The global contest between the United States and the Soviet Union dominated international relations for some 46 years (1945-1991). The Cold War confrontation shaped the foreign policies of the United States and the Soviet Union, deeply affecting their societies and their foreign policies. They engaged in a costly arms race, built devastating nuclear arsenals, and confronted each other in a tense political and military face-off in a divided Europe and in the Third World. The Soviet-American rivalry ended with the collapse of the USSR and the disintegration of the Soviet empire in 1991.

The Central Intelligence Agency (CIA), along with other agencies in the US Intelligence Community, helped American policymakers understand events in the Soviet Union throughout the Cold War. CIA's major analytic component, the Directorate of Intelligence (DI), focused much of its attention on Soviet developments. It tried not only to discern Moscow's intentions, but also to gauge the state of the Soviet economy, the USSR's technological base, the readiness and plans of Soviet military forces, and the internal workings of the Kremlin.

Measuring the degree to which US policymakers read, understood, and acted upon the intelligence assessments they received from the Agency is a difficult task. Each administration formed its foreign policy in different ways. The well-staffed, military-like national security process of the Eisenhower administration, for example, contrasted with the more informal process of the Kennedy administration. On many issues, moreover, the Agency had to compete for the attention of policymakers with the State Department's Bureau of Intelligence and Research (INR), the Defense Intelligence Agency (DIA), the military intelligence organizations, and a wide array of academics, businessmen, and journalists.

A Critical View of the Analysis

Critics of the Agency have argued that CIA provided little accurate and useful information to US policymakers regarding actual conditions within the Soviet Union. Former Senator Daniel Patrick Moynihan (D-NY), for example, in his most recent book, *Secrecy: The American Experience*, contends that CIA overestimated Soviet military strength and failed to predict the collapse of the USSR in 1991. From the 1960s to the 1980s, he argues, American policymakers were led—erroneously—by CIA and other US intelligence organizations to

believe that Soviet military forces and the Soviet economy were fundamentally strong and that the USSR was politically stable. This viewpoint dated at least from the Gaither Report of 1957, which compared US and Soviet military capabilities and portrayed the Soviet Union as a modern, vibrant, and powerful industrial-military power.

Senator Moynihan further maintains that he and others noted as early as 1975 that the Soviet emperor had no clothes, as well as “no shoes, butter, meat, living space, heat, telephones, or toilet paper.” His countervailing view at the time was that the Soviet Union was so weak economically, as well as so divided ethnically, that it could not survive for long. Moynihan claims that by 1984 he believed, and so stated, that the Soviet Union was dying and that the Soviet idea of Communism was a spent force. The economy was collapsing, rising ethnic consciousness was inciting virulent (and often violent) nationalism, and history was moving rapidly away from the Communist model.

Nevertheless, according to the Senator, CIA and the rest of the US Intelligence Community continued to overestimate Soviet strength and to portray the USSR as a despotism that worked:

It was as though two chess grandmasters had pursued an interminable, and highly sophisticated, strategy of feint and counter-feint, not noticing that for the past 40 or 50 moves, one side not only had been in checkmate, but . . . had his queen, his rooks, his bishops, and knights all taken from the board. Only nuclear weapons, however, kept the game from being completely boring.¹

In essence, Senator Moynihan charges that CIA failed in one of its main missions—to accurately assess the political, economic, and military state of the Soviet Union.

¹Daniel P. Moynihan, *Secrecy, The American Experience*, (New Haven: Yale University Press, 1998). See also Gary Wills, “Honorable Man: The Gentleman From New York: Daniel Patrick Moynihan,” *New York Review of Books*, Vol. XLVII, No. 18, November 16, 2000, p. 15. For Secretary of State George Shultz’s criticism of the Agency and its intelligence effort see George P. Shultz, *Turmoil and Triumph My Years as Secretary of State* (New York: Charles Scribner’s Sons, 1993), pp. 864-869. See also Melvin Goodman, “The Politics of Getting It Wrong,” *Harper’s Magazine*, November 2000, pp. 74-80.

A Vigorous Rejoinder

Former CIA officials and some outside scholars have disputed the claims by Senator Moynihan and other critics and defended the Agency's analytical record. In their view, CIA—and the US Intelligence Community as a whole—accurately tracked and foreshadowed key trends and developments, including the decline and ultimate collapse of the Soviet empire. They argue that, throughout the 1980s, CIA warned of the weakening Soviet economy and later of the impending failure of Mikhail Gorbachev.² According to Bruce Berkowitz, for example, the CIA “was right on the mark” in its analysis. He concludes that the Agency performed well in anticipating the Soviet collapse.³

Recent Retrospective Conferences

CIA's Center for the Study of Intelligence (CSI) has sponsored several public conferences in recent years to examine the record of the Intelligence Community's analysis of the Soviet Union during the Cold War. The first such gathering, “Estimating Soviet Military Power, 1950-1984,” was co-sponsored with the John F. Kennedy School of Government and held at Harvard University in December 1994. The CIA declassified and released a series of National Intelligence Estimates (NIEs) for the conference and published them in a 1996 volume *Intentions and Capabilities: Estimates on Soviet Strategic Forces, 1950-1983*.⁴

A second conference, “Assessing the Soviet Threat: The Early Cold War Years, 1946-1950,” took place at CIA Headquarters in Virginia in October 1997 in conjunction with CIA's 50th anniversary. For this event, the Agency

²See Richard Kerr, “CIA's Record Stands Up to Scrutiny,” *New York Times*, October 24, 1991, p.A4; Robert Gates, “The CIA and the Collapse of the Soviet Union: Hit or Miss?” Speech to the Foreign Policy Association, New York, May 20, 1992; and Kirsten Lundberg, “The CIA and the Fall of the Soviet Empire: The Politics of Getting It Right,” Harvard Case Study C16-94-12510, Harvard University. Douglas J. MacEachin, former Director of the DI's Office of Soviet Analysis (SOVA), and Bruce Berkowitz, former CIA analyst, both reach similar conclusions. See Douglas MacEachin, *CIA Assessments of the Soviet Union: The Record Versus the Charges*, (Washington, DC: Center for the Study of Intelligence, CIA, 1996) and Bruce Berkowitz and Jeffrey T. Richelson, “The CIA Vindicated: The Soviet Collapse Was Predicted,” *The National Interest*, (No. 41, Fall 1995).

³Berkowitz, *ibid*.

⁴See Donald P. Steury, ed., *Intentions and Capabilities: Estimates on Soviet Strategic Forces, 1950-1983* (Washington, DC: Center for the Study of Intelligence, CIA, 1994).

declassified and released some of the current intelligence items that had been sent to President Truman on the Soviet threat in Europe, the Middle East, and Asia.⁵

CSI co-sponsored two conferences in 1999. The first, “On the Front Lines of the Cold War, 1946-1961,” was held in September in Berlin and was co-sponsored and hosted by the Allied Museum of Berlin. CSI compiled and edited a volume of operational and analytical documents ranging from NIEs to assorted Station cables for the conference.⁶ In November 1999, CSI and the George Bush School of Government and Public Service at Texas A&M University co-sponsored a conference, “At Cold War’s End.” At this event, held at the Bush School, the focus was on the Intelligence Community’s National Intelligence Estimates on the Soviet Union and Eastern Europe during the final crisis of the Soviet Bloc from 1989 through 1991. Panelists paid particular attention to the question of how effective US intelligence was in tracking the collapse of Communism in the Soviet Union and Eastern Europe. As was the case with the earlier conferences, CIA released a compendium of newly declassified NIEs and other assessments.⁷

Analysis During 1947-1991: A Multidisciplinary Review

Continuing its quest to build as complete and accurate a public record of the Agency’s analytical role as possible during the Cold War, CSI will co-sponsor another retrospective conference with the Center of International Studies at Princeton University in March 2001. The conference will examine the Agency’s analytic record and performance from the early Cold War years through the collapse of the Soviet Union, making use of a large body of recently declassified CIA analytical documents.⁸ Scholars at the conference also will draw upon the sizable collection of previously released documents on Soviet economics, political developments, military programs, scientific and technological progress, published between 1947 and 1991.

⁵See Woodrow J. Kuhns, ed., *Assessing the Soviet Threat: The Early Cold War Years, 1946-1950* (Washington, DC: Center for the Study of Intelligence, CIA, 1997).

⁶See Donald Steury, ed., *On the Front Lines of the Cold War: Documents on the Intelligence War in Berlin, 1946-1961* (Washington, DC: Center for the Study of Intelligence, CIA, 1999).

⁷See Benjamin Fischer, ed., *At Cold War’s End: US Intelligence on the Soviet Union and Eastern Europe, 1989-1991* (Washington, DC: Center for the Study of Intelligence, CIA, 1999).

⁸“Analysis” in this context is defined as papers reflecting in-depth or long-term research and, in many cases, also containing conclusions, estimates, and forecasts.

The Production of Intelligence Analysis

CIA's analytic work began in a small Central Reports Staff (CRS) created in 1946 as part of the Central Intelligence Group (CIG), a forerunner of the Central Intelligence Agency, which was established in September 1947. The CIG inherited some operational elements from the Strategic Services Unit, an organization husbanded by the War Department that had kept intact key personnel and facilities from the wartime Office of Strategic Services (OSS) after it was disbanded in September 1945. The analytic elements of OSS's Research and Analysis Branch, however, had been transferred to the State Department, where they were allowed to be dispersed over the next few years. Thus, while CIA eventually acquired some analysts who had been in OSS, it did not inherit a functioning analytic organization or infrastructure.

CRS quickly became an important intelligence link to the White House. President Harry Truman wanted to ensure that all relevant information available to the US Government on any given national security issue was correlated and evaluated centrally and a daily summary provided to him. He was determined that the country would never again suffer a devastating surprise attack as it had at Pearl Harbor.⁹ With presidential backing, CRS quickly grew into the Office of Reports and Estimates (ORE), which Truman's foreign policy advisers apparently hoped would produce national intelligence estimates by drawing on information available in the established intelligence agencies, the military services, and the State Department. The President himself, however, preferred the daily intelligence summary that ORE prepared for him over more formal estimates.

The mission of CIA's analysts expanded swiftly. In addition to the estimates and current intelligence tasks, they were asked to take on wide-ranging basic research work on such topics as economics, transportation and geography. In many regards, their work and their organizational structure naturally fell within normal academic disciplines and thus it seemed logical to sort it in this fashion. Also, bureaucratic opportunism played a role. The State Department and military services held that political and military analysis were rightfully theirs and should not be tasked to CIA. At the same time, they left scientific and, increasingly, economic subjects for the Agency's analysts.

Meanwhile, a debate over whether CIA had the right to "produce" (as opposed to "correlate" information supplied by others) analysis gradually was

⁹Kuhns, *op. cit.*, p. 3.

resolved in favor of CIA because the work was not being done elsewhere. CIA also inherited from the wartime Manhattan Project the function of providing intelligence on foreign atomic energy matters. To do nuclear-related scientific and technical work, some CIA analysts were given special clearances, and this led in part to the founding of CIA's Office of Scientific Intelligence in 1948. In addition, some CIA analysts were given COMINT clearances for the purposes of producing current intelligence, and thus another important and growing source of information was created. In all of these developments, analysis on the USSR was the dominant task occupying CIA analysts.

Criticism of ORE's work grew in the late 1940s. More than one policymaker and intelligence officer complained that ORE was not producing the kind of "national" estimates many had hoped for. After the Korean War broke out in June 1950, a new Director of Central Intelligence with greater status in Washington than his predecessors, Lieutenant General Walter Bedell Smith, was brought in to improve CIA's performance. Within days of taking office in October 1950, he abolished ORE and replaced it with the Office of National Estimates (ONE), responsible for the production of national estimates; the Office of Research and Reports (ORR), responsible for doing basic research; and the Office of Current Intelligence (OCI), responsible for the production of daily current intelligence.

The bulk of the CIA's analysis thus fell to ORR, which concentrated on economic analysis throughout the 1950s. Aiding this effort was the recruitment of Max Millikan, an economist from the Massachusetts Institute of Technology, to head ORR. Millikan initiated an extensive recruitment program, hiring economists who formed the core group of CIA's economic analysts for the next decade. In addition, CIA reached a landmark agreement with the Department of State in 1951 that gave ORR responsibility for economic research and analysis on the Soviet Union and its East European satellites. ORR soon developed models of the Soviet economy that, with modifications over the ensuing decades, provided US policymakers with invaluable insights into the USSR's massive but cumbersome economy.

The 1950s and 1960s also saw a rapid expansion in the DI's production of finished intelligence on Soviet strategic capabilities. Contributing to this expansion was the development of modern overhead photographic reconnaissance, beginning with the U-2 aircraft and growing in sophistication with the CORONA satellite program and follow-on systems. These programs generated information in great quantities and caused a "collection revolution," creating a need for new analytical techniques. The small DI photo-analysis office

established in 1952 eventually grew into the National Photographic Interpretation Center (NPIC) in 1961.¹⁰

Military analysis underwent a revolution as a result of the new imagery. Innovative approaches were undertaken within ORR under the auspices of the Office of National Estimates, and the increased data derived from expanded collection, as well as new analytical techniques, were instrumental in settling the “bomber” and “missile” gap debates in the 1950s and early 1960s. The Agency’s performance in these and other issues raised the stature of its analysis of Soviet military intentions and capabilities. At the same time, the Office of Scientific Intelligence expanded to work on missile and other technical weapons issues as well as on atomic energy issues.

In the early 1960s, DCI John McCone recognized the new prominence of technological collection by forming the Directorate of Science and Technology (DS&T). It included both analytic elements and collection organizations, and the synergy between the two was noteworthy. Space and offensive weapons systems joined a new foreign missiles and space center that monitored Soviet missile developments. Defensive weapons systems, naval systems, and nuclear matters remained in OSI until 1973, when a new Office of Weapons Intelligence was formed that brought all the weapons-related issues together. In 1976, OWI and OSI were joined in a new Office of Scientific & Weapons Research, which in turn was moved to the DI, where its successors remain today.

Another element aiding CIA’s analysis of the USSR in this period was the availability of information supplied by human sources such as Colonel Oleg Penkovsky. This information provided the Agency with unique insights into Soviet capabilities and planning, especially regarding Soviet strategic forces.¹¹

The trend in functional specialization continued in the DI in the 1960s. In 1967, DCI Richard Helms created the Office of Strategic Research (OSR), which combined the units in ORR and OCI that engaged in military research. Thus, the military analysts at CIA, who were predominately concerned with the USSR, finally had an office of their own. Prior to this, most of the DI’s military analyses were in the form of contributions to NIEs. Simultaneously, an Office of Economic Research (OER) was established. The workload of CIA’s economists expanded considerably during the 1960s. Among the causes of this growth were

¹⁰NPIC remained in the DI until 1973, when it was transferred to the CIA’s Directorate of Science and Technology. It became part of the National Imagery and Mapping Agency (NIMA) in 1996.

¹¹William M. Leary, ed., *The Central Intelligence Agency* (Tuscaloosa, AL: University of Alabama Press, 1984), p. 70.

(1) the USSR's increasing use of foreign trade and assistance as instruments of its foreign policy, (2) concern in Washington that the Soviet Union would try to penetrate the emerging countries in the Third World economically, (3) the growing economic competitiveness of Japan and Western Europe, and (4) the gradual breakdown of the international monetary order that had been established at Bretton Woods in 1944.

The Office of Current Intelligence also took on a more prominent role in the 1960s when it created a new publication for President John F. Kennedy—the President's Intelligence Checklist—now called the President's Daily Brief. The President took an instant liking to the publication, significantly boosting OCI's prestige within the DI.¹²

OCI had in fact been the “political analysis” office in the DI since its inception in 1951, but a small group of political analysts in OCI had been freed from current intelligence duties in the wake of Stalin's death in 1953 to study high-level Soviet politics. The group grew into a Senior Research Staff (SRS) that was subordinated directly under the Deputy Director for Intelligence. It focused on lengthy, detailed studies of Soviet and Chinese affairs, Sino-Soviet relations, and international communism. During the 1950s and 1960s, the DI's analysis of Soviet political affairs was done by OCI, SRS, and the ONE staff.

In 1973, ONE (both its board and its staff) were abolished, as was SRS. A newly created group of National Intelligence Officers (organized by substantive expertise) took over the function of producing NIEs—the organization became the National Intelligence Council at the end of the 1970s. Most of ONE and SRS were combined into a new Office of Political Research (OPR), paralleling OSR and OER and coexisting with OCI. In 1976 a single Office of Regional and Political Analysis (later renamed Office of Political Analysis) replaced both OPR and OCI.

In 1981 the DI went through a large reorganization to pull together analysts from the political, economic, and military disciplines working on the same countries into regional offices. Thus, OSR, OER, and OPA were abolished and a series of geographic offices, including an Office of Soviet Analysis (SOVA) was created. The new SOVA was headed initially by the director of OSR, with the chief Soviet economist in OER as his deputy.

¹²The *President's Daily Brief* continues to be produced today as a premier product of CIA's Intelligence Directorate.

With this reorganization (which remains the basis of the Directorate's current structure), the DI's structure for analyzing the USSR returned to a model first pioneered by the OSS's Research and Analysis Branch in World War II. R&A had originally been organized like a college faculty, with separate offices for the various academic disciplines. In 1943, however, this structure was swept away and replaced with one designed to mirror the regional theaters of OSS global operations.¹³

The Document Selection Process

The body of DI documents on the Soviet Union published during the Cold War years, but not yet declassified, is far too large to have been reviewed for declassification and released for this conference. Therefore, the goal of the Agency was to assemble a collection of documents large enough and sufficiently diverse to ensure that (1) most, if not all, of the major developments and analytic issues that occurred during the period were represented, and (2) the tenor and substance of the DI's analysis was adequately captured.¹⁴

A threefold approach was taken in the document selection:

- First, reports reflecting in-depth or long-term research that generally contain analytic judgments, estimates, and forecasts were selected for review and release. A few memoranda or other special products, but virtually no current intelligence, were included.
- Second, using a listing of subject titles for reports published by the DI, the documents were selected for their substantive content. This selection was undertaken without regard to the quality of the analysis the documents provided. In no instance was any document excluded from the collection, nor was any information redacted to conceal analytic judgments that were subsequently proven wrong. No documents were withheld or redacted in a fashion to conceal differences between CIA's analysis and that of another US

¹³It was a traumatic experience for the economists in particular (who declared they would not serve with political scientists or historians), and a historian of the period stated that R&A chief William Langer (of Harvard University) "ought to have been decorated for his courage in assaulting the disciplinary fortifications..." Barry M. Katz, *Foreign Intelligence: Research and Analysis in the Office of Strategic Services, 1942-1945*, (Cambridge, MA: Harvard University Press, 1989), p.102. In 1981, there was less trauma, although the new office was promptly moved out of the CIA Headquarters compound for three years.

¹⁴The documents, as released, have been sent to the National Archives and Records Administration (NARA).

Government agency or any other organization, or because release might somehow embarrass the Agency.

- Third, the conference authors reviewed the documents chosen in the second step above to determine whether there were any substantive historical gaps in the collection. In some instances, National Intelligence Estimates were used to fill these gaps.

Concerted efforts were made to release as many documents as possible and to declassify as much information as possible in the documents that were included in the collection.

A number of complicating factors came into play in reviewing the documents. Some of the records could not be released in full without compromising still-sensitive intelligence sources and methods or harming current government-to-government relations. In these instances, we tried wherever possible to release the Summary, Conclusions, or Key Judgments of the paper, but the detailed supporting analysis was withheld. Some documents could not be released at all because they would have had to be so heavily redacted as to be meaningless or seriously distorted.

A Closer Look at the Newly Released Materials

About 860 DI finished intelligence documents, encompassing some 19,000 pages (see table), are being released for the first time in conjunction with this conference. About 50 percent of these documents analyze economic topics; more than 20 percent assess political issues; about 20 percent deal with military matters; and less than 10 percent are assessments of scientific and technical subjects.

The large proportion of economic documents, especially from the earlier period, is partially accounted for by the fact that the DI devoted the lion's share of its analytic resources to economic assessments during the 1950s. Moreover, much of CIA's military and technical analysis on the USSR ultimately appeared in print in the form of contributions to National Intelligence Estimates rather than as separate publications. In addition, scientific intelligence items are limited because many of the reports cite still-sensitive intelligence collection methods and specialized analytical techniques which, if divulged, could damage current security interests. Therefore, a significant amount of the work of the Office of Scientific Intelligence, the Office of Weapons Intelligence, and the Office of Scientific & Weapons Research was eliminated from review. As in the case of

military analysis, moreover, CIA's scientific and technical analysis often found expression in National Intelligence Estimates.

The newly released documents are fairly evenly distributed over the time period. There are, however, a few more documents from the early years because the analysis produced in recent periods contains more still-sensitive information that cannot yet be declassified and released. The new release also includes 12 recently declassified NIEs on the Soviet Union to fill gaps in coverage when it was not possible to include DI finished intelligence reports that could be declassified.

A Large and Comprehensive Collection

Complementing the newly declassified DI documents released for the conference are several collections of DI intelligence documents previously released to the public:

- 1) In 1996, the Agency began to declassify DI analyses on the former Soviet Union. Since then, more than 1,600 reports containing approximately 51,350 pages of analysis on the former USSR produced by the Office of Research and Reports and successor entities between 1953 and 1991 have been released to the National Archives and Records Administration (NARA). This initiative was undertaken as part of the Agency's voluntary Historical Review Program as well as under the 25-year mandatory program.¹⁵
- 2) Approximately 475 DI documents on the former Soviet Union have been reviewed and released by the Agency under the Freedom of Information Act (FOIA) or as part of the mandatory review program under Executive Order 12958.
- 3) Finally, 40 documents, about 1,500 pages, originally distributed by the Agency as unclassified publications were made available to the conference as a convenience because most are now out-of-print.

Many National Intelligence Estimates on the former Soviet Union, the DCI's most authoritative written judgments, also have been previously declassified and released to NARA. The NIEs were produced by the National Intelligence Council (and its predecessor organizations) and reflect the views of the entire intelligence community. Their text generally reflects the Agency's

¹⁵A description of the CIA's voluntary historical review program and a listing of the documents released to NARA can be found on CIA's Electronic Document Release Center (also known as the FOIA) Web site at <http://www.foia.ucia.gov>.

analytic position on the issues, and, when it does not, the Agency's position is stated in a dissent. Since 1992, nearly 550 NIEs (of approximately 800) and other interagency intelligence issuances on the USSR, comprising over 13,000 pages, have been released to NARA.

In all, over 3,500 DI finished intelligence documents, National Intelligence Estimates, and miscellaneous DI documents on the USSR are now available for the conference, and for future scholarship. We believe this collection provides a representative and unbiased sample of the DI's economic, political, military, and scientific and technical analysis over the period in question. Many DI analytical products still remain classified, however, and thus there is much more still to be learned about the Agency's analysis of the former Soviet Union during the Cold War.

The Selection of Sample Documents for the Volume

The documents included in this volume were selected by five authors who wrote papers for the conference. Each author was given a list of the documents assembled for the conference. From that list, they selected the reports they wanted as research materials for their review and assessment of the DI's analytic record between 1947 and 1991.

In reviewing the documents to prepare their conference papers, the authors were asked to identify particularly noteworthy reports or key documents for publication in this volume. In most cases, only the redacted versions of the Summaries or Key Judgments are included because of space constraints. As noted earlier, however, the declassified documents in their entirety, as well as the documents declassified for the conference, will be available at NARA and on the CIA Electronic Document Release Center (or FOIA Web site) at <http://www.foia.ucia.gov>. In addition, compact discs containing the documents will be provided to conference participants.

Each section in the volume contains a brief explanation of the authors' reasons for including the summaries or key judgments of particular documents in the volume. The documents follow.

Gerald K. Haines, CIA Chief Historian
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Declassified and Released DI and Intelligence Community Documents on the Soviet Union		
	Number of Documents	Number of Pages
Documents Produced by CIA's Directorate of Intelligence		
Newly Reviewed for the Princeton Conference	859	19,160
Previously released to NARA by CIA's Historical Review Program	1,152	36,720
Released to NARA by CIA's 25-Year Program*	481	14,629
FOIA and Mandatory Releases	473	9,300
Released Previously by CIA in Unclassified Form	40	1,505
TOTAL	3,005	81,315
National Intelligence Estimates		
Newly Reviewed for the Princeton Conference	12	285
Previously Released to NARA by CIA's Historical Review Program	546	13,710
TOTAL	558	13,710
GRAND TOTAL	3,563	95,025

* As mandated by E.O. 12958