FINDING VIRTUE IN STRATEGIC DENIAL AND DECEPTION

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STRATEGIC DENIAL AND DECEPTION

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ABSTRACT

Strategic denial and deception (D&D) is an advanced tool of statecraft that not only aims to influence the minds of key decision-makers in target countries, but more importantly, results in *actions* by the deceived that favor the deceiver. As history has shown, when strategic D&D is executed successfully, it can go a long way in conserving a nation’s strength and human treasure. This study examines the core components of a strategic D&D campaign, regardless of the part of the world where it is practiced, what ideological construct is applied or what kind of organizational label is attached to the operation. Case studies on China, Russia and Great Britain challenge a commonly held view that deception is solely a tool of authoritarian, Eastern regimes that embrace secrecy as opposed to democratic, Western-minded regimes that embrace transparency. The case studies further illustrate at what stage in their historical and geopolitical development do states generally harness this tool of statecraft. The study then turns its attention to the United States, exploring the bureaucratic, cultural and geopolitical reasons underlying arguments made by a number of U.S. intelligence and national security experts who either celebrate or lament the United States’ alleged neglect of strategic D&D. Lastly, the study takes a broader look at the trajectory of U.S. global power and the need for a more sophisticated foreign policy that relies on the art of balance and power of politics and selective duplicity in managing its global affairs. In an illustration of a potential use of strategic D&D by the United States, the
study examines one of the most intractable national security dilemmas facing the United States today: the containment of Iran and restoration of a balance of power in the Persian Gulf region. Strategic D&D is a tool simple in objective, complex in its use and powerful in its results. A deeper understanding of the virtues of strategic D&D by U.S. policymakers may be the necessary path toward preservation of U.S. global power.
The research and writing of this thesis is dedicated to my mentor, Dr. George Friedman, who, along with the likes of Rousseau, Plato and Malraux, help me make sense of the world.

Many thanks,
Reva Bhalla
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INTRODUCTION

When nations seek to gain competitive advantage over one another, they are ultimately looking for ways to influence the behavior of their adversaries and allies in accordance with their own worldview, or Weltanschauung. The more powerful the nation, the more potent are the tools at its disposal. For example, the United States currently produces a quarter of the world’s wealth and has the only navy in the world that can dominate the high seas, thereby guaranteeing U.S. economic access to the world while retaining the option to deny others the same. As a result, military aid and force, diplomatic liaison and demarches and economic incentives and sanctions are all options that are more or less readily available to the United States when conducting policy around the globe.

Curiously, there is one tool that appears to be largely missing from U.S. statecraft: strategic denial and deception (D&D.) This tool often touches on the military, economic and diplomatic spheres of a nation’s might when employed on a strategic level. Strategic D&D may be viewed as an art form, one that requires finesse, secrecy, empathy and agility in its use. A strategic D&D campaign not only aims to influence the minds of key decision-makers in target countries, but more importantly, results in actions by the deceived that favor the deceiver. As history has shown, when strategic D&D is executed successfully, it go can go a long way in saving conserving a nation’s strength and human treasure.

Scholars on strategic D&D typically examine this poorly understood concept in prisms of lesser v. greater powers, authoritarian v. democratic regime, wartime v. peacetime, tactical v. operational v. strategic and (more commonly in the United States,) counterintelligence v. covert action. Such distinctions are important to bear in mind, but a deeper understanding of the virtues
of strategic D&D and how it applies to the United States can be achieved by setting aside the very classifications that blur this concept in the first place.

Part I of this paper thus examines in more detail the various prisms through which strategic D&D is viewed and parses out the key elements of a successful strategic D&D campaign, regardless of the part of the world where it is practiced, what ideological construct is applied or what kind of organizational label is attached to it. This section examines the notion of perception management as a form of deception and the reinforcement of truth (as opposed to the commonly held perception that deception is all about lies and deceit) to achieve foreign policy aims.

All great powers undergo various stages of development that will each impact a nation’s foreign policy options and decisions. Part II of the study examines three well-known, modern-day practitioners of strategic D&D -- Russia, China and Great Britain -- and examines at what stage in their historical development did they harness this tool of statecraft. This particular selection of case studies will challenge a commonly held view that deception is solely a tool of authoritarian, Eastern regimes that embrace secrecy as opposed to democratic, Western-minded regimes that embrace transparency. The case studies will also illustrate the necessary state components for employing strategic D&D for comparison in Part III on the United States.

The study further examines a popular view amongst Washington intelligence bureaucrats that the United States is both a weak practitioner of and defender against strategic denial and deception (D&D) campaigns. The apparent U.S. reticence toward this tool appears to be especially strong during peacetime, when strategic D&D can play an instrumental role in avoiding costly wars. Given that most information on recent deception operations is confined to
the classified world, this is not a subject matter that lends itself to detailed investigation through recent, documented case studies. It is therefore not possible to explain how strategic D&D is practiced in the United States in a thorough and comprehensive manner, nor will the author make such an attempt. Part III relies instead on the published works of former and current U.S. intelligence practitioners who describe strategic D&D as a foreign policy tool that has largely remained in neglect in the United States. The study examines the possible cultural and bureaucratic reasons behind these claims and also explores a hypothesis that the timing and conditions under which a particular nation state embraces strategic D&D is a function of the state’s geopolitical growth and development.

In reviewing the factors that led Russia, China and Great Britain to embrace strategic D&D as a key foreign policy tool, the study will examine whether such factors apply to the United States in its current phase as a still young, yet highly stressed global empire. Does the bureaucratization inherent to Washington fundamentally impair the United States in this capability, or does it simply mean that strategic D&D is better executed outside the usual bureaucratic channels? In other words, perhaps a leadership with strategic vision, a capable national security council and a number of trusted corporate and non-governmental relationships around the world are the most effective means for the United States to carry out a diffuse, yet potent, deception campaign.

Going beyond the question of capability, the study then examines the will of the United States to more seriously consider the pursuit of strategic D&D campaigns. Some foreign policy scholars will argue, for example, that in the “Wikileaks era” of information sharing, elaborate deception campaigns are nearly impossible for the United States to operationalize in secrecy.
Others more inclined toward taking the diplomatic route in conducting foreign policy would argue that a heavy use of deception would greatly hamper the U.S. ability to engage in constructive dialogue with its adversaries since it runs the risk of injecting a dangerous level of distrust into U.S. foreign relations. Like any foreign policy tool, the pitfalls of strategic deception are just as important to bear in mind as are the strategic benefits of gaining competitive advantage over an adversary with low-cost, albeit duplicitous, methods.

In an illustration of a potential use of strategic D&D by the United States, the paper will examine one of the most intractable national security dilemmas facing the United States today: the containment of Iran and restoration of a balance of power in the Persian Gulf region. Iran, well-versed in the art of deception, is in the midst of conducting a strategic D&D campaign against the United States to achieve its aims in Iraq and the wider region. Upon examining some of the more obvious and recent illustrations of the Iranian strategic D&D campaign, the study will illustrate how a high-level, empathetic geopolitical analysis helps to anticipate and identify adversarial deception campaigns. The tables are then turned, as the study demonstrates how, for lack of better options, a strategic D&D campaign employed by the United States against Iran could have a higher chance of achieving results compared to the other options that have been tried, failed and continue to be deliberated in Washington.

In misunderstanding the virtues of strategic D&D, is the United States depriving itself of a subtle, yet critical, foreign policy tool to deal with its adversaries, many of which are already strong D&D practitioners? The study concludes with a broader look at the United States and its struggle as a young and sheltered global empire. The fundamentals of U.S. power remain strong, but just as the Romans and the British learned, all empires must embrace the art of balance-of-
power politics, the act of pitting powers against each other, forming client state relationships and
reserving one’s main force for when it really matters. Such a Machiavellian foreign policy, of
which strategic D&D forms a critical component, will take time to develop, but could go a long
way in extending U.S. hegemony.

PART I. EXPLAINING STRATEGIC DENIAL AND DECEPTION

Strategic D&D is arguably the silver bullet to any foreign policy arsenal. The better
understood half of the concept, denial, refers to the activities and programs designed to
eliminate, impair, degrade or neutralize intelligence collection by adversaries; in short, the
actions a nation takes to prevent others from learning its secrets.

Deception, by contrast, refers to a nation’s efforts to mislead its adversaries through the
creation of alternative realities. More specifically, deception is the manipulation of intelligence
collection, analysis or public opinion by introducing false, misleading and even true information
into intelligence channels with the intent of shaping the actions of the decision makers on the
other end.¹

When denial is married with deception to serve a high-level national security purpose, a
basic counterespionage tool can be transformed into a strategic game-changer on the
international stage. When nations employ more traditional tools of statecraft, ranging from
diplomatic censures to sanctions to military action, they are usually attempting to attack another

¹James B. Bruce and Michael Bennett, “Foreign Denial and Deception: Analytical Imperatives.” Analyzing
nation’s *capabilities*, and usually after a crisis has already developed. Strategic D&D, on the other, is a foreign policy tool that can preemptively attack an adversary’s *strategy* head-on.

An effective strategic D&D campaign has the power to directly manipulate the adversary’s perception of reality in order to gain competitive advantage. There are many different elements of a strategic D&D campaign, including both operational (misdirecting the enemy in battle) and tactical (physically concealing weapons development plans) elements. For D&D to be considered truly strategic, however, it must be coordinated at the highest levels of authority and must aim at influencing the decisions of senior policymaker on the other side. For strategic D&D to be considered successful, the campaign must result in those senior policymakers actually carrying out actions that serve the national interest of the deceiver.

Though the vast majority of case studies on the uses of deception by nation-states remain burrowed in the classified world, U.S. defense scholars Barton Whaley and Ronald G. Sherwin assembled a database of 93 cases of deception between 1914 and 1973.\(^2\) Using that database, CIA veteran Richards J. Heuer Jr calculated that the success rate of deception in these strategic encounters yielded an extraordinarily positive correlation of more than 90 percent.\(^3\) Not surprisingly, the study concluded by asserting, “ignoring the potential usefulness of deception would be imprudent in a strategic encounter.” It should be noted that most of the available case studies on D&D focus on operational and tactical uses of the strategy during wartime. Deception during wartime – as opposed to peacetime - is also a more generally accepted practice by Western countries. However, the use of strategic D&D can serve as an extremely potent tool in


\(^3\) Richards J. Heuer Jr., “Cognitive Factors in Deception and Counterdeception,” ibid.
peacetime, designed to save a country from resorting to costly wars in the first place. This is a concept that appears to be poorly understood in the United States, but taken for granted in many parts of the world that view stratagem more comprehensively as a tool to be used pervasively in times of war and peace to frame the adversary’s perception of their capabilities.

In the United States, the word, “deception,” has a particularly negative ring to it. Broadly, deception is viewed as lies, deceit and trickery - all pejorative terms that seemingly clash with the American ideals of transparency, openness and freedom of choice. This may be a misunderstanding of the concept overall, however. Strategic D&D is not simply about “lying” to deceive an adversary. In fact, deception can be most effective when it engages in truth projection, exploiting an adversary’s own preconceptions and using those fatal flaws to compel the target into making errors in judgment and action. As Heuer explains in a cognitive study on deception, “the human capacity to rationalize contradictory evidence is easily sufficient to outweigh the pernicious effects of security leaks and uncontrolled channels of information that planners of deception might otherwise fear would compromise their efforts.” In other words, no level of classification can guard against a fatal flaw in human nature to believe what one wants to believe, hear and see. This weakness, when exploited properly, puts the deceiver in a powerful, offensive position while keeping the adversary groping in the fog. In this sense, deception can be viewed more accurately as artifice, or the manipulation of truth in context. Every deception campaign must entail the establishment of bona fides in order to gain credibility since flat-out lying simply makes the operation vulnerable to detection. The closer the deception hones to the truth, the more credible it will appear to the target as it seeks to verify through channels not
necessarily under the control of the deceiver. As Winston Churchill described, “in wartime, truth is so precious that she should always be attended by a bodyguard of lies.”

Strategic D&D can encompass a wide variety of activities, including management of perceptions through overt and covert propaganda, exploitation of agents of influence, disinformation through double agents, camouflage and concealment, display of dummies and decoys, and manipulation of data made available to an adversary’s technical sensor. Together these components must work toward a common national security objective. The umbrella term of strategic D&D includes the critical concept of “perception management,” a more benign term than deception that is consequently used more frequently in the United States to describe activities that can project truth, misdirect and selectively convey information with the aim of shaping an adversary’s actions.

**STRATEGIC D&D REQUIREMENTS**

British historian M.R.D. Foot aptly highlights the key to success in deception ventures: “coherence and cohesion in design and execution; unity of purpose; freedom of action; single-minded dedication to a common goal; strategic agility and adaptability, matched at the operational level by centralized planning and decentralized execution, with plenty of room for initiative by junior commanders, a culture of ingenuity, improvisation and calculated risk-taking; unlimited access to top leaders and virtually unlimited claim on resources; and, perhaps most

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importantly, the overarching conviction that failure is not an option, because national survival stake.”

Elaborating on Foot’s synthesis of the issue, the following is a summary of elements that make for a strong, strategic D&D capability, regardless of the geographic disposition or national proclivities of the deceiver in question. The following requirements are not exhaustive, but cover the common elements observed in states with proven capabilities in deception strategy and operations.

1. Strategic Vision

The first (and perhaps most obvious) requirement is a strategic vision on vital issues impacting national security. In wartime, when a nation is pressed for resources and time, a strategy is typically easier to formulate and discern (though many will argue that the United States is severely lacking a strategic vision in its wars in Afghanistan and Iraq, as well as its latest military intervention in Libya.) A nation’s leadership must have the ability to discipline itself in keeping the broader, long-term interests of the nation in mind while avoiding becoming deeply embroiled in conflicts that detract from the country’s national interest. With the ability to look forward, a nation can best examine the various tools of statecraft, strategic D&D included, to determine the most cost-efficient approach toward resolving its national security dilemmas.

2. Centralized planning and organizational coherence
With unity of effort comes unity of command. A nation must have an executive body capable of formulating policy on high-level strategic issues with adequate secrecy. For D&D to claim true strategic cohesion, the executive should share a strong relationship with the head of both its military and intelligence apparatus for centralized planning. The intelligence chief, in turn, should have real operational and budgetary authority to apply a nation’s intelligence resources toward a strategic D&D campaign. Large intelligence bureaucracies are not required for mounting strategic D&D campaigns; in fact, overly bureaucratizing this concept could undermine its effectiveness and increase the risk of leaks.

3. Understanding of the adversary

   The deceiver in a strategic D&D campaign must have a deep understanding of its target. This includes intimate knowledge of the target’s strategic imperatives, history, culture, national proclivities, biases and paranoia. In order to successfully reach the mind of the target, the deceiver must have a clear picture of the leadership structure of the adversary, a target set of decision-makers and the channels through which those decision-makers receive their intelligence.

   Understanding the adversary will allow the deceiver to anticipate the target’s reactions to various stages of the deception campaign, thus allowing the deceiver to better exploit opportunities, develop contingency planning and ultimately keep the target at an optimal level of vulnerability. Just as important as knowing one’s adversary is knowing oneself. If the denier/deceiver understands well its own culture, biases, vulnerabilities and intelligence channels, the better able it can engage in counter-deception. As Israel’s swift success in the 1967
Six-Day war and then complacency in the lead-up to the 1973 Yom Kippur war illustrated, even good practitioners of deception are not necessarily good defenders against this potent strategy.  

4. Effective channels

Once the target of a strategic D&D campaign is determined, the denier/deceiver must be able to identify the most effective channels to a target. The question must be asked, who does the target trust, and who, in turn, do those confidantes trust? Deception channels can vary from an advisor to a stream of satellite communications intercepts to a human asset, so long as the message being implanted in the adversary’s mind appears so credible to the target that it cannot be ignored, and must be acted upon.

The state need not necessarily be the source of all channels. The most effective deception is one that operates in extreme subtlety through unsuspecting and diffused channels. To this end, businesses, nongovernmental organizations and agents of influence (regardless of whether they are witting participants of the deception plan) can be effective pathways to the adversary’s mind.

Critically, the deceiver must understand the proclivities of a target decision-maker to various intelligence channels. For example, a target leader in question may have extremely little trust in his/her intelligence apparatus, and instead rely on a small coterie of deemed loyalists or his/her spouse for direction.

At first glance, it may appear that fewer channels (for example, in a closed authoritarian state) would make strategic D&D considerably more difficult. Reaching the target may require

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more effort, but the limited set of channels and a more focused target set, particularly for a
country whose leadership exhibits high level of paranoia and has a distrusting relationship with
its intelligence service, may actually work in the deceiver’s favor. By contrast, targeting more
diffuse and open societies requires a much more elaborate effort on part of the deceiver to ensure
the right message is conveyed and acted upon by the adversary in line with the deceiver’s
interests. In either closed or open societies, the closer the ties between an intelligence service and
the country’s policy-making apparatus, the more opportunity that intelligence service will have
to influence and gain trust, thus providing more opportunities for deception operations that target
specific intelligence channels.\(^7\) If an intelligence apparatus is not closely linked to the policy-
maker, then the deceiver is more likely to use agents of influence to penetrate the mind of the
decision-maker.\(^8\)

4. Agile and capable intelligence service

A strategic D&D campaign cannot survive unless it can rely on the steady and timely
flow of current and reliable intelligence on the adversary’s actions, intentions and reactions.\(^9\)
This requires an agile, well-structured intelligence service that understands the importance of
selective compartmentalization, strategic vision and flexibility. The service must be led by an
intelligence executive with real budgetary and operational authority, who shares a strong
relationship with the executive and can keep the big picture of the deception plan in mind at all

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\(^8\) Ibid, p. 35.

times. The intelligence service executing the operation must be culturally oriented toward both the offensive and defensive elements of a strategic D&D campaign.\textsuperscript{10}

A capable intelligence service is essential for having the \textit{feedback mechanisms} in place to understand how a target is reacting to the elements of the D&D campaign or whether they are reacting at all. Without keeping close track of the target’s reaction, the executor of the deception operation runs the risk of making false assumptions about the target’s next moves, which could then undermines the deceiver’s competitive advantage. Close monitoring of the target through SIGINT, HUMINT or other channels can also bring provide opportunities for the initiator to strengthen the deception. For example, a tapped conversation involving the target of a deception campaign could reveal that a third party country is requesting a meeting. The initiator could then deploy assets to plant information designed to influence the third party member with the understanding that the information is likely to be passed along to the target leader in the upcoming meeting. As a result, the initiator multiplies the channels through which the target is being deceived and enhances the credibility of the deception overall.

\textit{5. Highly skilled cadre of deception strategists}

Given the level of secrecy and skill required to pull off a strategic D&D campaign, a small and specialized deception unit that operates in close coordination with the executive authority of the state is typically a must. This unit must be allowed the institutional flexibility by the country’s intelligence service to break away from the frenzy of current intelligence

\textsuperscript{10}In the United States, for example, the defensive nature of the FBI and its authority over counterintelligence missions and the more offensive nature of the CIA and its authority over covert action – combined with the historic rivalry between these agencies – can hinder the planning and execution of a strategic D&D campaign.
requirements and be given the freedom of mind to develop and execute strategic D&D operations. Various roles within such a deception unit would include an executive authority, tradecraft advisors and intelligence analysts and operatives.\textsuperscript{11}

The quality of mind of denial/deceiver is not to be understated. The role requires experience in the field; an appreciation for and understanding of a target country’s art, history and literature; a real sense of the street to understand the importance of speed and gut in reactions; an analytical mind and intellectual curiosity to understand the geopolitical drivers that shape a nation’s behavior; a strong imagination and love for narration; and the ability to master empathy and emotional detachment simultaneously.

\textit{6. Strong counterintelligence function}

As implied in the name, strategic denial and deception involves both defensive and offensive components. Those executing each side of the deception campaign must be able to work closely together and understand the value of both defensive and offensive operations. Without a strong defense and appreciation for stealth, an intelligence service cannot expect to successfully deploy double agents or stage feints without incurring a major risk of blowback.

Strategic D&D campaigns are high-risk (albeit lower cost) endeavors and therefore require strong defense. If the deception is blown, deployed operatives and intelligence channels can be compromised, putting lives at risk, creating a sinkhole for funding and threatening the national security strategy overall. The resulting distrust between not only the deceiver and target, but also among those involved in the operation, could paralyze a nation’s intelligence service,

\textsuperscript{11} Ibid, p. 140.
thereby providing the adversary with an opportunity to change the terms of a negotiation in progress or take more aggressive action. An astute target could even turn the tables, and allow the deceiver to think it is succeeding in leading the target down one path, only to launch a surprise at the end and retake the offensive. There is little use in attempting a strategic D&D campaign unless a state is equipped with a strong counterintelligence function to guard the operation.

7. Robust liaison services (proceed with caution)

Some of the most successful strategic D&D operations to date have been allied efforts against a common enemy, Operation Fortitude\(^\text{12}\) being the most vivid illustration. The use of multiple intelligence services can multiply the target’s difficulty in trying to detect deception operations by producing too many dots to connect, increasing the redundancy of the operation along with the probability of anomalies being explained away by the target country. Working with other intelligence services, particularly those that are deeply familiar with the notion of strategic deception, can also help improve one’s own deception skills.

Bringing a liaison into a strategic D&D plan also carries significant risk, however. As mentioned earlier, a high level of secrecy is required for a successful strategic D&D campaign, and the chance of something leaking, particularly in today’s information world, increases with the number of players brought in. To run a joint deception, two allies must have unity in mind.

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\(^{12}\) Operation Fortitude was arguably the most successful and most critical deception operation launched by Allied forces during World War II. The achieved aim of the operation was to convince the Germans that the main invasion of France would occur in the Pas de Calais rather than Normandy.
and mission on the core objectives of the operation. This level of trust, understanding and coordination is rare, but can yield high results when executed properly. An effective strategic deception operation could exploit the channels of a liaison without the liaison being fully cognizant of the deception strategy. This may increase the success of the operation, but could risk damaging relations if the deception is revealed and the liaison ends up feeling used and abused.

**PART II. CASE STUDIES ON STRATEGIC D&D DEVELOPMENT**

What exactly compels a state to harness and embrace strategic D&D as a tool of state policy? Most scholars on the subject tend to explain a state’s proclivity toward deception in terms of cultural sensitivities, i.e., a western, democratic state that embraces transparency will generally shy away from deceitful tactics (especially during peacetime,) while eastern, authoritarian states will generally view deception as an acceptable and necessary survival tactic for their regimes. Citizens and leaders of western, developed democracies in many ways expect the state’s checks and balances – in the form of laws, oversight committees and popular conviction that propaganda against domestic audiences is intolerable - to prevent government overreach in covert action. On the other hand, eastern cultures often view interpersonal deception as a means of “protecting face and deflecting threatening truths.”\(^{13}\) Considering that some of the best-known practitioners of deception include western-style regimes, such as Great Britain and Israel, the cultural explanation leaves much to be desired.

This study posits the question of whether the acceptance and use of strategic D&D has more to do with the geopolitical threat environment of a country and its development as a nation-state than east-west cultural proclivities. In the following section, China, Russia (the Soviet Union) and the United Kingdom are examined to discern when in these nations’ histories did they specialize in strategic D&D and what kinds of pressures in their surrounding environments made deception a particularly attractive tool at those times.

**China – A Historic Legacy in Deception**

China carries a historic tradition of strategic denial and deception dating back to the Imperial era, when the various states and city-states in the Middle Kingdom where battling each other during the Spring and Autumn Period (722-481 B.C.) and the Warring States Period (481-221 B.C.)¹⁴ This restive period of ancient Chinese history produced one of the greatest masters of deception and military strategists of all time, Sun Tzu (544 B.C. - 496 B.C.,) whose treatise, The Art of War, remains the most heavily cited piece of literature on military strategy in all corners of the globe. While a military general, Sun Tzu understood well that taking to the battlefield should be an option of last resort and that intellect, espionage and deception were the greatest weapons of all. As he put it, “to win a hundred victories in a hundred battles is not the highest excellence; the highest excellence is to subdue the enemy’s army without fighting at

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¹⁴ The section on China draws heavily from Dr. Eric C. Anderson and Jeffrey G. Engstrom, “China’s Use of Perception Management and Strategic Deception,” a reported prepared for the U.S. China Economic and Security Review Commission, Nov. 2009.
all.” Sun Tzu, who said, “all warfare is based on deception,” laid out the key elements of knowing thyself and thy enemy in executing a successful strategic D&D campaign:

He who knows the enemy and himself
Will never in a hundred battles be at risk;
He who does not know the enemy but knows himself
Will sometimes win sometimes lose;
He who knows neither the enemy nor himself
Will be at risk in every battle.16

Though Sun Tzu’s guidance is often viewed in context of military stratagem, the Chinese concept of deception (including the notion of perception management) is far more comprehensive in nature and applies to “all types of measures and activities” designed to induce the enemy into making “major errors in judgment and decision-making” in both wartime and peacetime.17 The strategy can employ diplomats, politicians, spies, journalists, soldiers, technologies or anything else that allows one to shape a particular reality for the adversary in order to gain competitive advantage. Deception falls under the Chinese umbrella term for stratagem, moulu, which can be understood as the general guiding principles used by Chinese strategists over the course of the past 4,000 years.18

During the dynastic battles of the Imperial era, deception was regularly employed by military generals, working in close contact with their rulers in their fight for territory and

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16 Ibid, 113.
18 Anderson and Engstrom, p. 8.
influence. This close relationship between a state’s leadership and the executioners of the deception plan played an important role in carrying out the strategic imperatives of various dynasties.\(^\text{19}\)

Strategic D&D is evidently deeply enmeshed in Chinese history, but it is worth examining more closely when modern China, under the rule of the United Front of the Communist Party (CCP) developed a strong knack for deception.

The need for deceptive practices arose during the CCP’s struggle for influence in the 1920s against the Nationalist Party (Kuomintang.) Under heavy Soviet guidance, the CCP was founded in 1921 and liaised closely with the Comintern, the Moscow-based international Communist movement that was pushing for communist control of the mainland. At the time, the CCP, representing most of Han China’s peasantry in the countryside was wholly subordinate to the Nationalist Party’s base of power in the wealthier coastal provinces – an urban-rural divide that has endured throughout Chinese history.\(^\text{20}\) Though the Chinese communists enjoyed significant popular support at the time, the nationalists kept a tight clamp on the CCP, first by only allowing the communists to join their party as independents (rather than as their own party,) and then violently purging the communists from the government in the spring of 1927.

After getting burned by the nationalists that spring, the communists savvied up, and under the leadership of Mao Zedong, gradually re-built their strength in the countryside, waiting for their moment to uproot the nationalists from power. The nationalists at the time were split

\(^{19}\) Anderson and Engstrom review four pieces of Chinese literature during this era that elaborate on the heavy use of deception and the close coordination between Chinese rulers and their advisors during the Tang, Qin, Han, Ming and Qing dynasties

between trying to battle the communists while trying to maintain allegiances in northern China, where a front was opening up against the Japanese. The ruling warlord of northern China at the time, Zhang Xueliang, had seen his father die at the hands of the Japanese and, while he had a working relationship with the nationalists, did not feel like he was getting the support he needed to fend against the greater Japanese threat. Seizing upon these vulnerabilities, the communists carried out an effective perception management campaign, in which they convinced the embittered Zhang that the communists’ main objective was to defeat the Japanese and that Zhang could do a better job of running the country than the nationalist leader, Chiang Kai Shek. The communists adroitly planted the idea in Zhang’s mind that the key to his success was to align with the communists, confront the nationalists and together defeat the Japanese. That thought translated into action when Zhang arrested Chiang and forced him into ceasing attacks on the communists and focusing the war effort on the Japanese. When Chiang was released, he subsequently arrested Zhang, throwing a wrench in the communists’ plans. Still, the distraction earned them time, and by the end of that episode, the nationalists had no choice but to put its fight with the Communists on hold in order to deal with Japanese threat.

While the Nationalists absorbed most of the casualties in WWII against the Japanese, the Communists conserved their strength and built up a base of operations in northern China. The Communists again launched an effective deception operation that spread the perception that the Communists were the valiant ones that led the Japanese, thereby swelling popular support in the countryside against the Nationalists, fighting allegations of widespread corruption and presiding over a demoralized army. By 1949, China was in the hands of the CCP.  

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21 Anderson and Engstrom, “Examples of Deception in Chinese History.”
The story of the rise of the CCP illustrates the enormous pressures a power experiences before discovering the virtues of deception. If the CCP had not been burned so badly by the Nationalists in its formative years, it is unlikely that it would have been so rapid in developing a strong capability in strategic deception. The Communists already had a rich history of deceptive practices to draw from, but it took an existential crisis to revive it.

Though information on more recent strategic D&D campaigns mounted by China is scarce, there is little doubt that Beijing continues to rely heavily on deception to achieve its strategic aims. Modern China is facing a number of immense geopolitical challenges as rural/interior-urban/coastal tensions endure under the weight of a massively imbalanced export-oriented economy. The core problem for China is this: no matter how much it stores in currency reserves or how cheap its labor is, the economic health of the country is grossly dependent on external demand, its ability to import energy to sustain its industry and its ability to physically ship goods to export markets. With some 900 million Chinese in the outward-oriented coastal region and roughly 400 million in the impoverished interior, this is an imbalance that weighs heavily on the minds of the CCP leadership. China’s increasingly confrontational stance with the U.S. Navy, the only power with the real capability to cut Chinese supply lines, and its fixation on maintaining an artificially devalued currency can be better understood in this light while providing clues as to where strategic deception is likely to be practiced.

Strong elements of a strategic D&D campaign can be seen in China’s push worldwide to spread a perception of China acting as a “responsible stakeholder” in world affairs, thereby diluting U.S. and Japanese-led efforts to cast China in a negative or imperial light as China works aggressively to build up political, economic and military linkages in resource-rich areas of
the world. The highly diffuse nature of China’s intelligence bureaucracy facilitates China’s efforts to target multiple nodes in shaping perceptions without making such efforts appear solely as state-directed. China’s 2007 anti-satellite weapons test, following a series of defense white papers emphasizing the “peaceful use of outer space,” is another likely case in point. The demonstration of that capability appears to have been a deliberately-timed reminder to the United States that its military dominance in space faces a challenge, one that can be potentially activated should China comes under enough stress from the United States.

Chinese deception is gaining attention within U.S. policy circles. Following the 2007 Chinese ASAT test, Deputy Undersecretary of Defense for Asia Richard P. Lawless testified to the U.S. House of Representatives Armed Services Committee that China is concealing its spending on weapons programs, including technology to disrupt U.S. space efforts through anti-satellite weapons, ground-based lasers and satellite communication jammers. In his words, "What we see is a deliberate effort on the part of China's leaders to mask the nature of Chinese military capabilities.” At the same time, Lawless admitted that the United States had “limited knowledge of the motivations, decision-making and key capabilities of China's military or the direction of its modernization.” While recognition and awareness of Chinese strategic D&D on specific issues is a step in the right direction, the United States faces a critical vulnerability in having to assess Chinese military capabilities through the fog of deception. Russia, another key challenger to the United States, poses a similar dilemma.

RUSSIA – A PERMANENT STRUGGLE MADE FOR DECEPTION

It should come as little surprise that Russia is recognized globally as a master of deceit. Imperial Russia is replete with examples of strategic deception coming into play as various princes and tsars struggled for power and influence. Deception in the Russian tradition is viewed not simply as a tactic, but as an art form that requires great skill and mastery. The weaving of deception in Russia’s social fabric has much to do with the country’s inherent indefensibility. The country’s barren landscape, lack of maritime transport options and vulnerability to invasions from both the Northern European Plain from the west and the flat, grassland steppes from the south and east make internal development and external defense a permanent struggle. As Catherine the Great famously said, “I have no way to defend my borders except to extend them.” When living under such extreme geopolitical conditions, strategic deception presents itself as an attractive tool in trying to hold the nation together, extend the nation’s buffers and fend against outside attacks.

While no stranger to deceptive practices, the Russians were also victimized by this strategic tool. In the battle of Austerlitz in 1805, Napoleon, a student of Sun Tzu’s teachings, employed strategic D&D on the battlefield in making the right flank of his army appear weak, only to lure the Allied forces (70 percent of which were Russian in this battle) into a deadly trap, resulting in an astounding defeat for the Russian Imperial Guard. The Russians were so shocked by their failure that when Tsar Alexander I admitted defeat to Napoleon he said, "we are babies in the hands of giants."23

When Russia grew into a giant in the early 20th Century, it was Felix Dzerzhinsky, the founder of the CHEKA (Soviet Russia’s secret police agency,) who brought strategic D&D to

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the forefront of Russian/Soviet strategic thinking (and who, along with many of his Bolshevik counterparts, was notably heavily influenced by Napoleon and other French military strategists.) Russia at the time found itself in an untenable situation with the signing of the Brest-Livotsk treaty of 1917 that stripped the Russian empire of roughly a quarter of its population, a quarter of its industry and nine-tenths of its coal mines.\textsuperscript{24} It is thus only appropriate that the greatest Soviet strategic D&D campaign of all-time was developed in this difficult period in an effort to regain the initiative in Eurasia.

Though some 40-50 strategic D&D campaigns were believed to have been executed by Russian state security during the inter-war period\textsuperscript{25}, the Trust legend, was by far the most notorious. In 1921, an opposition organization called the Moscow Municipal Credit Association was created to disseminate information, distribute funding and provide other types of support to anti-Communist underground movements in the USSR. In reality, the Trust was a CHEKA front organization and the brain-child of Dzerzhinsky. The Trust existed until 1927 and was highly effective in identifying, exposing and neutralizing émigré opposition leaders and their followers in the West by luring them back into the USSR and then eliminating them. A near- replica of the Trust operation, known as the WiN operation, was later orchestrated in 1947-52 against Polish anti-Communists, who ironically were the first to have detected the Trust deception. In the WiN case, the Soviets even went so far as to collect U.S. and British funds (thought to have been funneling funds toward a viable Polish underground group in need of Western support) through the WiN and used those funds to sustain the operation until Dec. 1952, when the Soviets and

\textsuperscript{24} William L. Shirer, \textit{The Rise and Fall of the Third Reich}. Simon and Schuster: 1960.
Polish communists deliberately leaked the story in a radio broadcast that left the Americans, British and Polish opposition stunned, paralyzed and scrambling to mitigate their losses.\(^{26}\)

The psychological state of difference between the initiator of the deception and the victim is worth noting here. A strategic D&D campaign does not always have to live in the shadows. In fact, the revelation of the campaign can provide a powerful advantage of the denier/deceiver. While the initiator can charge ahead in pursuing a particular strategic objective, the victim is experiencing surprise, embarrassment and skyrocketing paranoia. The victim can become paralyzed\(^{27}\) in spending a considerable amount of time re-vetting sources, rebuilding relationships of trust and re-gaining its focus before it can attempt to retake the initiative.

While the Dzerzhinsky era had a number of strategic D&D successes, it was not until the Krushchev period (roughly 1959) that the Soviets centralized strategic deception in a highly structured party-state-security bureaucracy. Under Krushchev’s guidance, Chief of the Central Committee’s Administrative Organs Department Alexander Shelepin’s direction and the guidance of Colonel Agayants, chief of Department D (later known as Service A) of the KGB’s First Chief Directorate, the Soviet Union revived the deception tradition of Dzerzhinsky and the CHEKA. Together with Krushchev, these security chiefs outlined the long-term, top-tier strategic objectives of the USSR, namely the destabilization and weakening of alliances among the United States, France, Britain, West Germany, Japan and other Western allies. According to a senior Czech defector from the USSR, the Soviets included directions for implementing

\(^{26}\) Ibid, p. 6-8
strategic deception in each of the Warsaw Pact countries in an early 1960’s Soviet Strategic Plan.\(^\text{28}\)

It would be a mistake to think Russia’s tradition of strategic D&D withered with the Cold War\(^\text{29}\). Indeed, Russia, under the (de-facto) rule of former KGB operative and current Prime Minister Vladimir Putin is in the midst of a major resurgence, looking to extend its buffers and consolidate its influence in the former Soviet sphere of Eastern Europe, the Baltics, the Caucasus and Central Asia. In taking advantage of the United States’ near-decade-long preoccupation with the Islamic world, one can reasonably assume that the Russian FSB and SVR are employing strategic D&D to meet their strategic objectives within this window of opportunity. Russia’s current strategic objectives are focused on regaining control over its former Soviet space (not necessarily territorial control, but primarily political, economic and military influence) and weakening and neutralizing NATO as a Western alliance. The country’s energy grip over Europe is a key asset toward this end, and examples of strategic D&D employed by the Russians in influencing its relationships with critical countries like Germany, Poland, Ukraine, energy-rich Azerbaijan and Iran (a useful bargaining chip with which to prod the United States) are all examples of areas where signs of strategic deception are likely to be uncovered.

Western intelligence analysts tend to view Russia’s inherent economic setbacks as reflective of Russia’s overall weakness as a nation-state. Such an analysis is flawed, however, when considering that Russia’s military might has always more than compensated for its

\(^{28}\) Dziak, p. 12-14.  
\(^{29}\) For a detailed account on Operation ANADYR, the Soviet Union’s elaborate strategic deception operation during the Cuban missile crisis, see Hansen, James H., *Soviet Deception and the Cuban Missile Crisis* at https://www.cia.gov/library/center-for-the-study-of-intelligence/csi-publications/csi-studies/studies/vol46no1/article06.html.
economic shortcomings when working to extend Russian buffers. Perpetuating a perception of Russian weakness to keep others’ guard down and/or guessing was a key facet of Soviet perception management operations during the Cold War and likely remains so today.

More recent illustrations of Russian deception appear centered on an objective to convince the United States, major European powers and states that fall in former Soviet territory that Russia remains a powerful force to be reckoned with in Eurasia while the United States is unable to deliver on its security guarantees to allies in Europe. The Aug. 2008 Russian invasion of Georgia involved an elaborate and aggressive Russian media campaign that carefully disseminated messages to foreign and domestic audiences emphasizing the Russian resurgence in its former Soviet periphery, the weaknesses and divisions within the Western military alliance, the emasculation and discrediting of Georgia’s leadership and the power and assertiveness of Russia’s leadership.\(^3\) The Russian government made it a point to imbed Western journalists with Russian forces invading Georgia, playing to the Kremlin’s agenda of being portrayed as a highly competent military force as opposed to the fractured and demoralized state of the 1990s.

The resumption of long-ranger strategic bomber flights that was ordered by Russian (then) President Vladimir Putin in 2007 may also qualify as an example of Russian maskirovka, or military deception. Though Russian military analysts have pointed out that the air-patrol flights and mid-air refueling of Russian Tu-95MS strategic bombers above neutral waters in the Arctic and Atlantic Oceans are obsolete and that the modernization of the Russian Air Force

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continues to lag, the flights served a symbolic purpose in highlighting Russia’s military presence while disguising the ongoing difficulties facing the Russian defense industry.\textsuperscript{31}

Regardless of where exactly this tool sits within the Russian bureaucracy at any given time, strategic D&D continues to play a critical role in Russian foreign policy as it has for centuries. Whether Russia wants to appear weak while building up its capabilities or strong once it feels confident in those capabilities, deception is likely utilized somewhere along the way. Strategic D&D is not limited to the eastern authoritarian examples of Russia and China, however. The United Kingdom offers an illustration of how a Western democracy can also discover the power of deceit in pursuing national security interests.

\textbf{GREAT BRITAIN – A DEMOCRACY’S EMBRACE OF STRATEGIC DECEPTION}

As one might expect, managing an empire from opposite ends of the world takes an extraordinary amount of skill and appreciation for balance-of-power politics. Strategic D&D has thus been no stranger to the British, particularly on the battlefield.

As the lessons of China and Russia have illustrated, it wasn’t until the British Empire was facing an existential crisis that strategic D&D became the one of the primary tools of choice in pursuing its foreign policy aims. During the early 20\textsuperscript{th} Century, the empire was clearly on the wane, severely overstretched in the Pacific and facing a growing German threat on the European Continent. In trying to rebalance itself in the inter-war period, the British looked across the

Atlantic toward an emerging United States as its solution to managing the growing burden on the European continent.

The United States was still getting its feet wet in great power politics and remained uncertain of its emerging role. From London’s perspective, the United States was a young nation with the inherent strength and unbridled naiveté that made it an ideal target for a strategic D&D campaign designed to coax the United States into WWI and WWII and thus meet Britain’s goal for self-preservation. The end result was the birth of the United States’ premier intelligence agency.

The British had extraordinary success in using agents-of-influence with the United States. A young and ambitious British chief of station in the United States, Sir William Wiseman, charmed his way into winning the confidence of then U.S. President Woodrow Wilson, earning himself a reputation as the most influential British representative in the United States. Wiseman worked fastidiously on various propaganda operations to undercut the non-interventionist American lobby. Through its control of the seas, Britain’s Room 40 – the secret section of British naval intelligence - had a major signals intelligence (SIGINT) advantage in tapping transatlantic cables while U.S. encryption capabilities at the time were laughable. When British intelligence in 1917 intercepted the Zimmerman telegram – a German offer of alliance with Mexico and assistance to Mexico City in re-conquering Texas, New Mexico and Arizona should war break out between the United States and Germany – the British had an intelligence coup on their hands to bring Washington into the war. The British sat on the telegram for more than a month, developing a deception to conceal from the United States that Room 40 was tapping the U.S. transatlantic cable to avoid exposing British SIGINT; convince Wilson’s administration that
the cable intercept came instead through the British diplomatic post in Mexico City; and finally, to have U.S. papers publish the telegram, crediting U.S. agents (as opposed to British code breakers) with the explosive discovery. In knowing every weakness of the United States and anticipating its reaction to not only the telegram, but the method of discovery of the telegram, the British achieved their strategic aim of bringing the United States into the war, all while hiding their hand and appearing highly trustworthy all along.32

The strategic D&D campaigns continued into the second World War, when William S. Stephenson, with a personal goal of outdoing Wiseman as the most influential British agent in the United States, operated as the head of British intelligence in the United States under the umbrella of British Security Coordination. In nurturing an elaborate human intelligence (HUMINT) relationship with a well-connected American named William Donovan, Stephenson tutored the Americans step-by-step in the need to organize a foreign intelligence organization, one that would operate in peacetime as well as wartime and act as a force-multiplier to the BSC. Stephenson’s heavy influence on Donovan and Donovan’s influence on Franklin D. Roosevelt is what led to the 1942 creation of the Office of Strategic Services (OSS)33, an organization headed by Donovan that later evolved into the Central Intelligence Agency in 1947 under the National Security Act.

The close relationship that the British cultivated with the Americans in the early 20th Century led to remarkable strategic D&D success on the battlefield in WWII. General (later Field Marshal Earl) A. P. Wavell earns a place in history as one of Britain’s foremost strategic


33 Ibid, 93-103.
thinker in deception. Wavell internalized the waves of threats lapping at the edges of the British empire, from Bolshevism to Fascism to Nazism. Wavell, along with his main sidekick and deception strategist Dudley Clarke, concluded that trickery would have to serve as “a substitute for strength until real strength could be built up again.”

A number of famous strategic D&D campaigns are linked to the Wavell-Clarke legacy, including:

**Operation Double Cross** - An MI5 ruse that captured and turned nearly all the agents the Germans had deployed to Great Britain.

**Operation Mincemeat, also known as “The Man Who Never Was”** – A British strategy to dupe the Germans into thinking that an expected Allied invasion of Sicily in 1943 would instead take place in Sardinia and southern Greece. False information about an operation in Sardinia and Greece was planted on a dead Royal Marine officer that strategically washed up on a Spanish shore. The Spanish, a trusted liaison channel for the Germans, relayed the information and Germany was left unprepared for the attack. The key to the strategy was establishing the bona fides of the operation by choice of location (Sardinia in close proximity to Sicily) and channeling the information through a trusted liaison to Germany (Spain) instead of directly to the Germans, as the latter channel would have raised more suspicion.

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Operation Fortitude (part of Operation Bodyguard) – A strategic deception claim to fame for U.S. and British forces, who tricked the Germans into thinking the main Allied invasion of Western Europe in 1944 would occur at Pas de Calais rather than Normandy. The operation involved double agents from the Double Cross operation to disseminate misleading information, controlled leaks and dummies to resemble artillery and tanks among other measures.35

British Prime Minister Winston Churchill understood well the threats facing his nation and what had to be done to confront them. Churchill directly presided over the London Controlling Section (LCS,) which was established in June 1942 within the Joint Planning Staff of the offices of the War Cabinet to devise strategic D&D plans36, reflecting the high level of centralized coordination needed for a strong D&D capability. Indeed, Churchill was a leader who embraced the virtues of strategic D&D and the importance of forward-looking, strategic thinking aimed at preserving one’s deep power.

Lessons Learned
The case studies of imperial and modern China, Russia and the United Kingdom illustrate a number of key points to bear in mind when considering what it takes for a nation to develop expertise in strategic D&D. All three countries were confronted with actual or near-existential crises when they turned to deception as one of their primary tools of choice. The geopolitical pressures on each and, in the case of Britain, the need to manage an increasingly unwieldy empire, made strategic D&D a particularly attractive option for them. Case studies for Turkey


The study of the United Kingdom demonstrates that Western democracies can, too, successfully engage in strategic D&D, although the British have emphasized the use of this tactic in wartime primarily and are also selective in their use of secrecy. In contrast, the Chinese and Russian traditions of deception are far more pervasive, providing these geopolitically-challenged powers with a rich history to draw from in modernizing their deceptive techniques.

In addition to its knack for selective secrecy, the British case demonstrated the rare, but impactful value-add to strategic deception when an operation is done in coordination with a trusted liaison, whether or not that liaison is witting to the deception. The Chinese case illustrated the virtue of diffusion in strategic D&D campaigns. By having such and wide and diffuse net of intelligence channels, many of which are not clearly linked back to the Chinese state, the Chinese government has a number of tentacles at its disposal in managing perceptions on Chinese capability and intent. The Russian case emphasizes the value in centralized planning and secrecy at the highest echelons of the regime to ensure the success of an operation. All three cases illustrate the importance of a strong counterintelligence function, the internalization of Sun Tzu’s guidance to know oneself and one’s adversary, as well as the need for a relationship between the top decision-maker and a trusted security team that can devise and execute D&D operations in secrecy.

**PART III. STRATEGIC D&D AND THE UNITED STATES**

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Many U.S. intelligence scholars will argue that the United States is lacking in a strategic D&D capability and more specifically, lacks the ability and mandate to practice systematic strategic deception in peacetime.\textsuperscript{37} The reasons behind apparent U.S. weakness in this practice may primarily have to do with cultural misunderstandings and misgivings toward deception and most importantly, the constraints embedded in the U.S. intelligence bureaucracy.

The cultural argument against strategic deception is a simple one: the United States is a nation that stands for transparency, the free flow of people and ideas and trust in a democratic system. Strategic deception for many U.S. policymakers is viewed as an unsavory tactic, one that entails pervasive secrecy, misleading the U.S. public, and deceiving U.S. allies, therefore cutting against the grain of U.S. ideals.

There are many misunderstandings embedded in such an argument. The target of a strategic D&D is not the U.S. public, but the decision-makers of a target country.\textsuperscript{38} Strategic D&D is not characterized solely by lies and deceit, either; it entails a strong element of truth projection in order to be successful. Finally, as the case study of Great Britain illustrated (as the experiences of France, Israel and other Western-style democracies would also likely demonstrate,) strategic D&D does not historically only belong to the toolkits of Eastern-style authoritarian regimes.

The United States appears to be generally more accepting of D&D as a wartime activity, one that should be reserved for operational and tactical use on the battlefield as opposed to

peacetime when tools of secrecy, propaganda and censorship when used on a grand scale are likely to be less tolerated by Congress and the broader U.S. public.

Deception is defined by the U.S. Joint Chief of Staff Publication 1-02 as “those measures designed to mislead the enemy by manipulation, distortion, or falsification of evidence to induce the enemy to react in a manner prejudicial to the enemy's interests.” 39 Due to the cultural misgivings toward deception, the more benign “perception management” is frequently used in the United States to describe deception activities. The arguably best definition found within a U.S. institution on strategic D&D is defined by the U.S. Department of Defense, though notably, the definition below refers to “perception management” (as opposed to “strategic deception:

Actions to convey and/or deny selected information and indicators to foreign audiences to influence their emotions, motives and objective reasoning as well as to intelligence systems and leaders at all levels to influence official estimates, ultimately resulting in foreign behaviors and official actions favorable to the originator’s objectives. In various ways, perception management combines truth projection, operations security, cover and deception and psychological operations. 40

As illustrated in the definition, strategic deception has a specific target – the policymaking elite and/or the intelligence channels used by that elite to result in actions favorable to the initiator. They do not aim to deceive the U.S. public, involve the important element of truth and have a strategic aim overall to compel the adversary into acting in ways that benefit the initiator As the case studies on China, Russia and Great Britain illustrated, well-known practitioners may distinguish between various forms of deception and develop

specializations in each, but they do not lose sight of the high-level benefits of strategic D&D and avoid muddling the concept with excessive categorization. Instead, strategic D&D appears to be viewed by many outside the United States as a comprehensive concept, simple in objective, complex in its use and powerful in its results.

The emphasis on defining and categorizing deception in the United States may be a key factor that hinders U.S. internalization of strategic D&D. For example, U.S. intelligence scholars on deception often argue that a distinction should be drawn between perception management and deception based on the target of the deception. According to this view, deception that targets policymakers, opinion-makers (including intelligence analysts) and the general public fall into the perception management category and includes the use of public and private statements, feeding information to media, forgeries and agents of influence. Deception, many in the United States will argue, is fundamentally different from perceptions management, as it employs the use of double agents, communications intercepts, imagery and other types of sensors intelligence to primarily mislead the adversary’s intelligence analysts.41

Such artificial constructs do not necessarily contribute to a better understanding of strategic D&D. The target of a strategic D&D campaign is ultimately the decision-maker(s) of the target country. There are multiple channels to reaching that decision-maker, including traditional intelligence channels and more creative forms of perception management. There are also various

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components of a strategic D&D campaign, including operational and tactical elements. It can be argued that all such components ultimately fall under the broader concept of strategic D&D.

At the risk of over-simplifying, the operationalization of strategic D&D can be boiled down to the following steps: Identify what the initiator wants its target to think, identify the target decision-makers, identify who has the trust of the decision-makers and somewhere along a string of channels to the target, insert pieces of information that appear so credible that they cannot be ignored, and must be acted upon. Since it is much harder to change a target’s preconceptions, the initiator of a deception plan is likely to be more successful if it is already aware of what the target expects its adversary to do. That way, the initiator can covertly make an unexpected move while using a deception operation that reinforces what the adversary already believes with the ultimate aim of leading the adversary down a stray path. In addition to needing the capable covert assets to carry out such a deception campaign, Strategic D&D requires a strong defense as well as a deep understanding of how the adversary views the world and collects its information. The close coordination between counterintelligence and covert action required in such strategic D&D campaigns poses an immense challenge for U.S. intelligence bureaucracy.

**U.S. BUREAUCRATIC CONSTRAINTS**

Strategic D&D carries with it two key components – denial and deception. These two components must live in harmony, operate in secrecy and once assigned to an operation, be handled by only a small number of individuals in the upper echelons of a government.
Since strategic D&D spans both defensive and offensive intelligence and security functions, the United States, institutionally, faces a difficult time in trying to find a home for this strategic tool. Strategic D&D, as an orphan in the U.S. intelligence community, is more likely to be diluted from the strategic down to the operational and tactical levels and then tri-sected among the FBI, CIA and DOD.

The institutional constraints on U.S. usage of strategic deception may be the result of decades of bureaucratic burgeoning in the intelligence community. There is no clear answer, for example, as to whether strategic D&D should fall under counterintelligence, covert action, neither or both. Given the manner in which the United States security and intelligence apparatus is organized, a tool like strategic D&D, that spans both the counterintelligence and covert action fields, will likely have difficulty functioning on an impactful and strategic level.

Counterintelligence, as understood in the traditional defensive sense, has existed largely within the FBI’s domain, with its powers of arrest, law enforcement mentality, and heightened sense of awareness with respect to civil liberties. Prominent U.S. security experts, including Robert Jervis and Jennifer Sims, claim that counterintelligence in the United States has been the “more neglected - and more misunderstood – step-child”\(^{42}\) in Western, particularly U.S., democracy. They argue that counterintelligence simply is not as appealing as covert action and is largely considered as dull, police work by many within the U.S. security apparatus. The Aldrich Ames and Robert Hansen cases during the James Angleton years at the CIA also created a legacy of distrust and paranoia within U.S. counterintelligence agencies that struggle in the so-called

“wilderness of mirrors” where intelligence analysts are trying to simultaneously detect foreign espionage while ensuring its own spies are protected and remain loyal.

Former National Counterintelligence Executive (NCIX) director Michelle Van Cleave exposed the neglect for the CI mission in the United States in her article entitled, “Strategic Counterintelligence: What Is It and What Should We Do About It?” According to Van Cleave, in the interest of retaining power over the CI mission, the FBI has worked assiduously to neutralize any attempt to conduct CI on a national level, first by refusing to participate in the community-wide, DCI-run Counterintelligence Center (CIC), then by taking control of and limiting the powers of the CIC’s successor, the National Counterintelligence Center (NACIC) and finally, by using its bureaucratic heft to ensure that the NCIX, the current authority over CI on a national level remains utterly powerless to effect change. Indeed, as Van Cleave laments, “we have neither the ability to perform the mission of strategic counterintelligence nor a common understanding of what it means, much less an appreciation of its value to national security. The distancing of counterintelligence from foreign and defense policymaking and the apparent U.S. weaknesses in counterintelligence overall can augment the risk already inherent in deception operations.

The more offensive nature of strategic deception, including the use of double agents, feints and systematic leaks, falls into the CIA’s domain, and is more likely to be categorized as covert action. Tensions will frequently run high between more action-minded covert operators used to working in the field and more security-minded counterintelligence officers working from

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their desks. The distrust and competition fueled by the bureaucratic and cultural divide between these defensive and offensive domains can inhibit the United States from mounting deception campaigns at a high level where the cooperation of multiple security agencies is often necessary.44

Deception in the United States mostly lives in the military domain and are known there as MILDEC operations. A number of successful U.S. MILDEC operations have been carried out in recent history, including Operation Desert Storm, when U.S. forces used feints and demonstrations to reinforce the Iraqi leadership’s belief of the main axis of the coalition attack and thus kept Iraqi forces locked down in the south, as well as in Operation Iraqi Freedom where U.S. forces faked a coalition main attack coming from Jordan.45

Even within the military, some will lament that deception is not used enough on the operational or strategic level and that it suffers from being subsumed under Information Operations (IO) instead of having a deserved place as a joint function in U.S. military doctrine.46 Deception campaigns within the military are typically devised at the combatant command level, are mostly tactical in nature, and rarely rise to the higher, strategic level of planning by the Secretary of Defense, the Joint Chiefs of Staff or above. While this is an important dilemma to consider within the defense domain, the subject of MILDEC is not the primary focus of the paper. Strategic D&D is as much a tool for civilians in peacetime as it is for warriors in battle. In

44 The National Commission on Terrorist Attacks Upon the United States, also known as the “9/11 Commission,” came to the conclusion that the 9/11 attacks were in large part a result of the severe lack of cooperation and collaboration between the 16 U.S. intelligence agencies and the inability of the Director of Central Intelligence to perform this coordinating function. The office of the Director of National Intelligence was thus born in the 2004 Intelligence Reform and Terrorism Prevention Act (IRTPA) to provide national intelligence to the principals and to manage the budget, tasking, collection, analysis and operations of the IC on a nation-wide level.
fact, the intent behind employing strategic D&D in peacetime is to save a country from having to
go to war in the first place so that it can more often rely on outwitting, rather than outgunning, its
enemy.

THE DANGERS OF DECEPTION

The apparent squeamishness in the United States toward the use of deception in
peacetime may stem in large part from deep American suspicion and fear of governmental
overreach, particularly in the arena of covert action. The Iran-Contra operation of the 1980s, in
which the United States used Israel as a conduit to sell arms to Iran with an aim of releasing
hostages, and then used the funds from the arms sales to support Nicaraguan Contras, had a
searing impact on the American psyche. Americans generally do not expect to be misled by their
political leadership and thus largely support laws congressional oversight committees and laws
that circumscribe certain covert activities.

Congressional oversight of covert action appears to be on the rise with the 2010 passing
of the first intelligence authorization bill in six years. According to the Washington Post, the bill
allows for the entire membership of the House Permanent Select Committee on Intelligence
(HPSCI) and the Senate Select Committee on Intelligence (SSCI) to attend briefings detailing the
CIA’s covert action programs. This is in marked contrast to the so-called congressional “Gang of
Eight” that is usually privy to sensitive operations. The increased oversight may be interpreted as
a reaction to arguably extraordinary measures undertaken by the former administration of U.S.
President George W. Bush and Vice President Dick Cheney in executing the Global War on
Terror launched in 2001 following the 9/11 attacks.
An example of intelligence overreach during the Bush-Cheney administration was seen in the Pentagon’s short-lived Office of Special Plans. The OSP was used to disseminate allegedly skewed and un-vetted intelligence to the White House that in turn was used to justify the 2003 U.S. invasion of Iraq. Once congressional authorities caught wind of this entity, the OSP was shut down in Sept. 2003, less than a year after it had quietly came into existence. While many will agree that the OSP represented an abuse of the country’s intelligence capabilities, it should be noted that the creation of the OSP does not necessarily qualify as strategic deception. Whereas a strategic deception campaign, according to the definition outlined in this study, aims to influence the decision-makers in target countries, it can be argued that the OSP was an engine designed to mislead the U.S. public on the war on Iraq.

The increased use of double agents in strategic deception can also be considered too costly for U.S. intelligence agencies to attempt. A double agent can be a powerful force in a deception campaign by directly feeding information to an adversary at precise moments. Developing double agents is a very laborious affair, however. It takes a great deal of time to build double agents’ credibility, a controversial process that usually involves feeding good intelligence to the enemy to establish the agent’s bona fides. Throughout the operation, the initiator of the deception must constantly worry about the double agent being exposed and the entire operation being blown. Without a strong counterintelligence capability, one may argue that a heavier reliance on deception planning simply isn’t well suited for the United States.

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Strategic deception is also unlikely to elicit much enthusiasm from the U.S. diplomatic community, which fears that duplicity in foreign policy will undermine the ability of diplomats to constructively engage in the countries in which they are posted. Security experts Richard N. Haass and Meghan L. O’Sullivan, would argue that the strategy of engagement, or the use of incentives alongside other foreign policy tools to persuade governments to change one or more aspects of their behavior, is a foreign policy approach that deserves more attention and that would likely be undermined by deceptive practices that would cause foreign adversaries and allies to lose trust in what the United States says or does. For example, will an adversary negotiating with the United States honor agreed-upon commitments if it has reason to believe that the United States is likely betray the deal? Strategic deception may exacerbate this classic prisoner’s dilemma, in which two states will resist cooperation for fear of being cheated, even if it is in their broader strategic interest to cooperate. Moreover, as the 2010 Wikileaks have exposed, the secrecy that is so integral to the success of a deception operation cannot be assured in the developing information age.

AN ALTERNATIVE U.S. PERSPECTIVE ON STRATEGIC D&D

The pessimism conveyed in the previous section on the constraints on strategic deception planning may lead one to believe that strategic D&D is simply a lost cause for the United States. Why, after all, should a country flanked by two, vast ocean buffers and friendly neighbors to the north and south worry itself with developing a seemingly insidious foreign policy tool and sink

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to the level of its adversaries? Why not reserve deception for the battlefield, where it can be executed by military commanders in a controlled setting than having to weave through the maze of U.S. intelligence bureaucracy and risk Wikileaks-size breaches in security when translating plans into action?

The assumption imbedded in such an argument is that the state alone is the most effective and efficient means of operationalizing a strategic D&D campaign. While centralized decision-making is a requirement for this practice, there are many non-state tools that can be utilized, and are potentially more effective, in executing a strategic vision involving deception. The heart of a strategic D&D campaign lies in the weeks, months and years spent developing relationships of trust with individuals and organizations, both witting and unwitting, who, at the right time, can plant a crucial piece of information in the mind of the adversary. This entails a significant human element, involving not simply the use of intelligence agents, but also unsuspecting corporate executives who typically have more access to prominent leaders of adversarial countries than anyone operating in a state capacity would. The “gentle breeze” approach of deception would entail the delicate use of trusted human subjects to leave critical pieces of information in their path, ensuring that information is transmitted to the adversary, all while appearing as an accident.

The United States deservedly takes pride in the fact that it is a country that stands for the democratic ideals of transparency and freedom of information and choice. Deception is not part of the American social fabric, and the country’s intelligence bureaucracy does not allow for the successful coordination and execution of these kinds of operations. But rather than deprive the United States of this tool, these two very factors could actually work to the U.S. advantage in employing strategic D&D.
Closed, authoritarian-like regimes like Russia and China have the structure and assets in place to pull off elaborate deception campaigns, but they also suffer from a major flaw. When strategic D&D is institutionalized deeply within the state, the state’s targets theoretically have an easier time trailing the source of the deception. A report on China’s progress in space warfare technology in Chinese state-run Xinhua news agency, for example, should immediately alert intelligence analysts to ask themselves, “what strategic advantage does the Chinese government get from disseminating this message at this time?” By contrast, a German businessman casually passing on rumors of skyrocketing insurance premiums on oil shipments through the Strait of Hormuz could takes months or years to source back. In that time, the deception operation would have ideally been completed.

In other words, the United States may not necessarily need elaborate deception plans to achieve its strategic aims. The United States can take comfort in its own geopolitical comfort that it has the inherent power to make countries blink with the movement of a naval carrier.

**The Iranian Case**

Consider the biggest foreign policy conundrum currently facing the United States: Iran. The United States is withdrawing its forces from Iraq by the end of 2011 and leaving a critical Sunni-Shia balance of power in flux in the Persian Gulf region. Iran, having seized a golden opportunity to facilitate the ouster of Saddam Hussein and give rise to a Shiite-dominated government in the heart of the Arab world, is an ascendant power with a revisionist agenda to bring the region under Shiite domination (or as close as Tehran can get to that point.) Meanwhile, a recent wave of protests hitting Bahrain, Oman, Saudi Arabia and potentially
Kuwait, is spreading fear among both Gulf Arab and U.S. policymakers alike that Iran has been using the unrest afflicting North Africa as a deceptive cover to destabilize its Arab neighbors in the Persian Gulf through its Shiite minority links.

Even if the United States left a small contingent of forces in Iraq beyond 2011, those forces are not configured to block conventional power projection by Iran and maintain a balance of power in the region. U.S. allies in the Persian Gulf region, already feeling a sense of abandonment by the United States and now dealing with crises within their own borders, are having to contemplate whether they will need to make the unsavory choice of reaching a rapprochement with Tehran that concedes significant influence to the Shia. It is suffice to say that Washington has a major problem on its hands in the Persian Gulf.

What the United States should be well aware of by now is what appears to have been an elaborate strategic D&D operation mounted by the Iranians to get to the position that they are in today. An examination of Iranian geopolitical imperatives would have shed light on this deception campaign early on. The country’s interior is extremely mountainous, making internal development highly difficult. Complicating matters is the fact that only around half of the Iranian population is ethnically Persian, with the rest of the country comprised of a variety of minorities that have historically been exploited by outside forces seeking to destabilize Iran. The challenging internal dynamics of the country help explain why Iran does not fall easily to democratic forces, and is instead more prone to being rule through an iron fist. Beyond Iran’s borders, the primary foreign threat stems from Mesopotamia to the West, traditionally held by a Sunni power and/or a foreign occupying power with the intent of projecting influence eastward. Iran will never forget the horror of the 1980-1988 Iran-Iraq war, in which both sides suffered
millions of casualties. Like the Chinese and the Russian cases illustrated, the wake of that searing moment in history, even when deception is a natural fiber in that that country’s social fabric, is when a state is most likely turn to deception as one of its primary tools of statecraft.

The 9/11 attacks afforded Iran a historic opportunity to put its strategic D&D skills to use. If Iran’s biggest foreign threat lies in Mesopotamia, the nation’s efforts would naturally be devoted toward removing a hostile Sunni threat and bringing the country’s majority Shiite population to power. The target of the deception was the United States, and the action that Iran wanted to induce was the U.S. toppling of Saddam Hussein through military force.

Though well-documented examples of recent Iranian strategic D&D outside the classified realm are hard to come by, some fairly obvious illustrations of Iranian deception have been exposed over the course of the war in Iraq. Iran, which must import roughly 40 percent of its gasoline supply due to its dilapidated refining capacity, faces a pressing need to circumvent sanctions. The Islamic Republic of Iran Shipping Lines (Irisl), which has close links with the country’s Revolutionary Guards and has been blacklisted by the U.S. Treasury, has reportedly evaded sanctions by renaming at least 80 ships out of a known fleet of 123 and by setting up shell companies in locations from Malta to Germany that claim to be independent shippers.50

As one would expect, the development of Iran’s nuclear program is also heavily reliant on deception. As long as Iran can blur Western intelligence on its nuclear program enough to make the cost of waging military strikes on its facilities intolerably high, it can build a reasonably strong deterrent against attack while buying time to advance toward a nuclear

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weapons capability. Given the militant assets Iran has in place in places like Iraq and Lebanon and the threat that its forces can pose to the energy-vital Strait of Hormuz, the United States is unlikely to attempt military strikes on Iranian nuclear facilities unless it has a reasonable chance of success in crippling the program. The Iranians have employed a variety of methods, including the concealing of nuclear facilities\(^\text{51}\), the use of double agents\(^\text{52}\) and a number of dizzying diplomatic maneuvers in the P5+1 nuclear negotiations to keep the United States and the Europeans divided and the intelligence on Iranian nuclear capabilities blurred. Iran will continue to rely heavily on strategic D&D to conceal the true nature of its nuclear program and advance its interests in Iraq at the expense of the United States and its Arab allies.

The United States has attempted a series of efforts in trying to contain Iran, none of which have proven particularly effective. Iran has seemingly run circles around U.S. and European diplomatic efforts to engage the regime through both backchannels and public forums, like the IAEA and P5+1 talks. Economic sanctions are a flawed tool, and while recent sanctions have made it more difficult for Iran to do day-to-day business, it has not prevented Iran from getting the supplies it needs from willing business partners looking to make profit off a heavily sanctioned country. Opposition forces in Iran, regardless of how much support they may or may not have received from outside forces, have failed to mobilize the masses and remain, for the most part, under the thumb of the regime. The Iranian regime has fissures, as do many


\(^{52}\) Though the claim has not been publicly confirmed, Iran claimed in July 2010 that the Iranian nuclear scientist Shahram Amiri, who U.S. officials have described as an Iranian defector that provided “significant” information to the CIA on Iran’s nuclear program before he left Iran in 2009, as a double-agent run by Iran’s intelligence service. William Yong and Robert F. Worth, “Iran now says nuclear scientist was double agent,” *The New York Times*, July 21, 2010.
governments, but none of those fissures have proven to be so wide that they appear to threaten the very existence of the clerical regime. A military intervention in Iran carries with it enormous costs: a land war in a country as mountainous as Iran is nearly impossible, and the United States does not currently have the forces to contribute to such an endeavor. An air campaign against Iranian military, infrastructural and nuclear targets is one that may be oft-discussed in the halls of the Pentagon as a contingency plan, but runs against the threat Iran could pose to the energy-critical Strait of Hormuz, to Iraq through its militant assets there and to other areas of the world through Hezbollah. The benefits of a U.S. military campaign in Iran have yet to outweigh the costs.

Presented with a menu of bad options, strategic D&D could provide an attractive alternative to the United States in dealing with the Iranian dilemma. The United States may eventually have little choice but to resort to seeking a rapprochement with the Iranians that would establish an understanding on the balance of power in the Persian Gulf (recall President Nixon’s 1972 visit to Maoist China.) Before the United States engages in what would be considered as an unsavory option for many Americans, it will likely need to engage in actions that make the atmosphere conducive to a negotiation that favors U.S. interests. This is difficult to fathom when the United States is withdrawing from Iraq while Iran lies in wait to fill a power vacuum in Iraq and the United States’ Sunni Arab rivals are feeling highly vulnerable, but the threat of a U.S. military attack on Iran is one that is presumably taken seriously by the Iranian leadership. One of the major benefits of U.S. military might is that it is viewed by many countries the world over as irrational in its military endeavors, with many still puzzled by U.S. interventions in places like Somalia, Haiti and now Libya. The unpredictability of U.S. force
projection could form a key component of a strategic D&D campaign aimed at Iran. The refueling and movement of carriers, a leaked document to the Washington Post on the Pentagon’s completion of testing of the Massive Ordinance Penetrator and a Texan oil baron in Dubai mentioning an upcoming investment opportunity for Exxon Mobil opening up in South Pars within the year are all possible components of a broader strategic deception plan. When the various pieces are orchestrated by a centralized power from the top and timed correctly, a well-planned bluff of U.S. military action against Iran could succeed in bringing the Iranians to the negotiating table at the United States’ time of choosing.

The example outlined above is by no means not an exhaustive read of the struggle Washington faces in its relationship with Iran, but it serves as an illustration and suggestion as to how a nation tuned to the virtues of strategic D&D can put this tool to use in both detecting adversarial deception and potentially resolving a major foreign policy dilemma.

PART IV. STRATEGIC D&D AND RECOMMENDATIONS FOR U.S. FOREIGN POLICY

The United States cannot deny its global prowess. The U.S. economy is more than three times the size of the next largest sovereign economy and is thus a constant force on the global economy. The U.S Navy’s control of the seas both guarantees U.S. economic access to the world and allows the United States to deny others the same privileges, should it choose to do so. Population distribution and the U.S. ability to integrate immigrants better than most provides the country with an internal labor market and stability, further buffered by it’s ocean borders to the east and west.

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Whether or not the United States wants this power, it has it. The question is how to put it to judicious use, taking care to heed the lessons of the ancient Roman, Napoleonic and British empires that constant warfare is the suction to imperial might. A case can thus be made that a more sophisticated foreign policy is in order, where current and future U.S. leaders carry with them strategic vision, a deep understanding of balance-of-power politics and a willingness to engage in duplicity when the need arises. The Chinese have Sun Tzu and the Russians have Dzerzhinsky as their guide for deception. The United States can look toward Machiavelli, who instructed leaders on the importance of understanding and sustaining power, and the use of deceit as a critical tool of statecraft. Strategic D&D will always be a powerful weapon in the armory of a weaker power, but what of an empire like the United States whose global power is currently unparalleled?

The problem the United States faces is that it remains an immature empire, still prone to overreaction and deep military entanglements that run the risk of eroding its reservoir of power. In trying to manage its global empire, the United States will struggle in trying to sustain resource-draining land wars in Asia that carry arguably little strategic interest. While it can compensate with technology for now, the United States will always be vastly outnumbered by the populations of the country where it is deployed and face a core disadvantage in tactical intelligence against an enemy fighting on its own terrain. The United States may be a long way from the type of searing, existential crises that have compelled countries like China, Russia and Iran to place a heavy reliance on deception as compensation for their weaknesses, but it must be conscious of the fact that the growth of U.S. power makes it a major target for deception. For the United States to guard effectively against this threat, it must first become savvy in the practice.
That begins with a Machiavellian leadership, able to see past the bureaucratic maze of the intelligence apparatus and discover the fine art of a strategic campaign done with subtlety and finesse. In the words of the Italian philosopher, “he who overcomes his enemies by stratagem is as much to be praised as he who overcomes them by force.”\textsuperscript{54} Another avid user of strategic deception, Winston Churchill, once said, “you can always count on Americans to the right thing – after they’ve tried everything else.” The legendary British leader may not have been referring to strategic deception in that particular case, but he and Machiavelli would likely agree that there is perhaps no better time than now for the United States find a place for strategic deception in its imperial arsenal.

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