



# Predicting the Unpredictable: Anticipating Disruptive Terrorist “Innovation”

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**EXECUTIVE SUMMARY:** What core intelligence challenges did Israel fail to meet in the lead-up to October 7? Israeli intelligence, in concert with policymakers, missed the disruptive terrorist “innovation” in Hamas’s strategy toward Israel. This error was facilitated by a related failure to implement existing intelligence across organizational levels. The calamitous intelligence failure that culminated in the events of October 7 illustrates Yakov Ben-Haim’s info-gap theory, which states that commitment to a policy paradoxically increases when the level of what needs to be known is lowered. This allows for the growth of a dangerous tolerance for gaps in information. In Israel’s case, this tolerance blinded the intelligence services and policymakers to disruptive changes in Hamas’s intentions, capabilities and application of resources.

Israel possesses one of the world’s most sophisticated intelligence capabilities with which to obtain and provide information on its adversaries’ capabilities, intentions and actions. That intelligence serves to guide Israel’s policymakers in deciding on courses of action. Yet on October 7, Hamas was able to carry out an unprecedented attack on Israeli soil with devastating consequences. What core intelligence challenges did Israel fail to meet in the run-up to this event?

Critically, Israeli intelligence failed to grasp the *disruptive changes* in Hamas’s approach to Israel – a failure that was facilitated by a related failure of organizational *implementation*. Explicit advance knowledge of a Hamas attack at

the unit level of the intelligence apparatus was not considered valuable, so it was not translated into a competitive advantage. Drawing on public information distilled through Yakov Ben-Haim's info-gap theory, this article analyzes these two intelligence challenges related to the October 7 attack. It also discusses a means of managing uncertainty that seeks to reduce the impact of surprises on policy outcomes.

Some elements of human affairs are fundamentally unknowable because of the vast uncertainty inherent in human behavior. Scholars of economics apply the concept of Knightian uncertainty, which addresses the difficulty of forecasting in view of the unknowability of all possible events and market innovations. But when it comes to intelligence, predictive errors can also arise from deception and denial.

If a change in the adversary's camp is truly innovative, there is no prior experience from which probabilities can be deduced. Shackle-Popper indeterminism (SPI) is a concept in which human behavior depends on what we know. When we do not have a prior incident from which to learn and draw conclusions, undetermined elements interfere with our attempts to predict future human behavior. As policymakers must make critical decisions in contexts that are both uncertain and limited in resources and time, intelligence is needed to reduce the uncertainty as much as possible. The question thus arises: Did Israeli intelligence fail in its core task to reduce uncertainty to the greatest extent possible in the run-up to October 7, or did we witness a disruptive terrorist "innovation" by Hamas that was almost impossible to predict?

This analysis draws on info-gap theory, which originally comes from engineering design and safety analysis. An info-gap is not simply a gap in one's knowledge or information. It is "a gap with significant *consequences for the outcome of a decision.*"<sup>1</sup> It describes "the disparity between *what is known* and *what needs to be known* in order to reliably and responsibly make a decision."<sup>2</sup>

Accordingly, the intelligence services' task of reducing uncertainty has two meanings. The first is to *reduce uncertainty* (ignorance, ambiguity, and the potential for surprise) by increasing knowledge and understanding of situations or actors. This is the traditional understanding of intelligence. The second is to *reduce*

*vulnerability to uncertainty* by managing the negative consequences of ignorance, ambiguity or surprise on the outcome of a policy or decision.

Info-gap theory argues that uncertainty is not negative *per se* as long as the adverse consequences of a defined policy can be reduced. It proposes the concept of *robust satisficing* – a term that combines the words “satisfy” and “suffice” – which aims to enhance the robustness of policies against info-gaps with significant consequences. In such a scenario, policymakers define the *minimum requirements* necessary to achieve a defined goal while intelligence is tasked with constantly evaluating this policy “in terms of how large an info-gap it can tolerate and still achieve the policymaker's stated goals.”<sup>3</sup> Ideally, intelligence regularly assesses the degree to which current data, knowledge, and understanding can err or change such that a policy will continue to meet the policymaker's defined outcome requirements. A policy is considered robust when only large surprises would have negative consequences. It has low robustness when even minor surprises affect the outcome negatively.

Concerning Hamas, Israeli policymakers' *minimum outcome requirement* would have been to contain the terrorist organization in Gaza and avoid direct combat friction to the greatest extent possible to protect Israel from harm. To achieve this, Israel pursued a policy of maintaining technological and military superiority vis-à-vis Gaza concurrently with bribing Hamas to keep it “weakened and deterred.” According to the principle of robust satisficing, intelligence should have evaluated these policies against info-gaps. How much could Israel err in its understanding of Hamas's behavior, capabilities and intentions? To what extent would Israel's policy of technological and military superiority paired with bribing Hamas still ensure the minimum outcome requirement of containing Hamas in Gaza?

Since leaving Gaza in 2005, Israel was largely successful in mitigating the negative impact of repeated rounds of violence and rocket attacks by using Iron Dome and conducting limited military operations. We also now know that Hamas actively deceived Israel by exhibiting restraint over the years as a pretense that it was satisfied with the status quo. Thus, based on prior experience and knowledge, the policy of technological and military superiority plus bribery was considered robust. This presumably led Israeli decisionmakers to tolerate info-gaps concerning unusual Hamas behavior.

Recurring conflict patterns and Hamas deception over the years reinforced a common and, in retrospect, wrong understanding by Israel's intelligence and policymaking echelons that the country's policies to control Gaza were sound. This ultimately made them blind to the *disruptive change* in Hamas's intentions and approach that a practice of robust satisficing might have helped to counteract. As a consequence, this blindness appears to have caused them to lower the level of *what needed to be known* to ensure the *minimum outcome requirement* of containing Hamas in Gaza.

Paradoxically, when you lower the level of what needs to be known, the commitment to a policy increases and the tolerance for info-gaps grows. In an illustration of this tendency, Israeli policymakers decided to shift resources away from the Hamas problem to other areas. This included, for example, reducing the military presence at the Gaza border and halting the practice of eavesdropping on hand-held radios of Hamas militants, which was considered a waste of time. Both decisions would prove to have devastating consequences on October 7.

Israel's "blinded" understanding of Hamas rendered new intelligence on unusual activities at the Gaza border more "tolerable," which in turn facilitated the second failure in the run-up to October 7. Israeli intelligence failed to *organizationally implement* new knowledge because that knowledge was not considered sufficiently valuable to be deemed worthy of translation into a competitive advantage. Reports show that at the unit level of the Southern Command of 8200, explicit information of a pending Hamas attack existed based on the previously obtained "Jericho Walls" operation plan and mounting evidence of unusual events in Gaza. However, not only was this information dismissed "top-down" by the responsible superiors, but the highly sophisticated technological tools of Israeli intelligence failed to identify the existing signs as strong.

To return to the two meanings of reducing uncertainty: The bottom-up elements of Israeli intelligence did indeed work to reduce uncertainty and ambiguity concerning a pending attack, as described by the term's first meaning. Tragically, they were not successful at implementing this information beyond their unit for further use. That is because Israeli intelligence failed to evaluate and reduce the negative consequences of a potential surprise on policy outcomes, which is the second meaning of reducing vulnerability to uncertainty.

Some form of organizational “top-down” barriers, facilitated by a “blinded” understanding of the situation, impeded a process of robustly satisficing the existing info-gap about unusual Hamas behavior. Again, the question is whether this organizational tolerance for non-implementation of new information for further use was facilitated because policymakers and top security officials lowered the requirements of *what needed to be known* to ensure the *minimum outcome requirement* concerning Hamas in the first place.

The Israeli security establishment and policymakers came to consider their policies of technological and military superiority vis-à-vis Gaza plus bribery of Hamas as very strong, based on prior experience and understanding. This led them to tolerate larger and larger info-gaps and eventually made them blind to the *disruptive change* in Hamas’s intentions and capabilities. October 7 thus arrived as a catastrophic surprise – a terrorist “innovation” that disrupted existing policies.

The top-down tolerance for info-gaps concerning Hamas seemed to contribute to the second intelligence failure of organizational *implementation*, by which explicit and mounting knowledge about a pending Hamas attack was not acted upon. As discussed, the practice of robustly satisficing info-gaps can help manage uncertainty and surprise, including deception by adversaries, to ensure minimum policy outcomes. A robustness question in the run-up to October 7 could have been, “How much could our knowledge and understanding about our technological superiority over Gaza and Hamas’s capabilities err without altering the final assessment of the unusually aggressive military activities at the Gaza border and, more strikingly, the obtained ‘Jericho Walls’ plan?” Had the relevant policymakers and intelligence echelons regularly challenged their understanding of existing policies, the evidence of unusual Hamas activities might have been interpreted quite differently. An attack could have been identified as not only possible but even plausible.

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<sup>1</sup> Ben-Haim, Yakov (2016), "Policy neutrality and uncertainty: an info-gap perspective," *Intelligence and National Security*, 31:7, p. 982

<sup>2</sup> Ibid., p. 983

<sup>3</sup> Ibid.