



Finding a Balance

U.S. Security Interests and the Arab Awakening

Matthew Levitt, Editor

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Volume 5



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Front cover: Relatives and supporters of Egyptian cleric Sheikh Omar Abdel-Rahman shout slogans and call for his release in front of the U.S. embassy in Cairo. (Reuters/Amr Dalsh)

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Contributors

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Richard LeBaron has served as coordinator of the State Department's Center for Strategic Counterterrorism Communications since September 2010. A career diplomat with more than thirty years' experience, he has served as deputy

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Matthew Levitt is director of The Washington Institute's Stein Program on Counterterrorism and Intelligence and former deputy assistant secretary for intelligence and analysis at the Treasury Department. An adjunct professor of strategic studies at Johns Hopkins School of Advanced International Studies, he publishes and lectures widely on issues related to counterterrorism, intelligence, sanctions, and countering violent extremism. He has also served as a State Department counterterrorism advisor to Gen. James L. Jones, the special envoy for Middle East regional security (SEMERS), and as an FBI counterterrorism intelligence analyst. He is the author of several books, most recently *Hezbollah: The Global Footprint of Lebanon's Party of God* (forthcoming, Georgetown University Press).

David Shedd is deputy director of the Defense Intelligence Agency, a position he has held since August 2010. In that capacity, he assists the director in leading all Defense Intelligence Enterprise–Defense Intelligence Community organizations within the Pentagon. Previously, he served as deputy for policy, plans, and requirements, acting director of the intelligence staff, and chief of staff under the director of national intelligence. In addition to leading the review of Executive Order 123333, the foundational U.S. intelligence policy, he developed and implemented the August 2009 National Intelligence Strategy, a document aimed at guiding all planning efforts to determine future U.S. intelligence priorities. He has also been directly involved in the implementation of intelligence reform stemming from the 9-11 Commission Report and the Intelligence Reform and Terrorism Prevention Act.

Ali Soufan, chief executive officer of the Soufan Group LLC, is a former FBI counterterrorism agent with extensive experience interrogating al-Qaeda operatives. He also serves as executive director of the Qatar International Academy for Security Studies. His publications include the 2011 book *The Black Banners: The Inside Story of 9/11 and the War against al-Qaeda*.

Mark Williams is a member of the British Home Office's Strategic Coordination Team. At the time of his lecture, he served as the Home Office's representative for security and counterterrorism at the British embassy in Washington. There, he worked with his American counterparts on a range of counterterrorism issues, particularly counterradicalization strategy. Prior to that posting, he focused on international relations, counterterrorism, and organized crime as private secretary to the British home secretary.

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In addition, the Institute’s administrative, communications, and research staff have all worked hard to make this volume and the lecture series possible. Special thanks go to the Institute’s executive editor, Mary Kalbach Horan, senior editor George Lopez, and the Stein Program’s interns and research assistants, current and former: Divah Alshawa, Sam Cutler, Ben Freedman, Julia Miller, Michael Mitchel, Nicholas Shaker, and Kelli Vanderlee.

As always, I extend sincere thanks and appreciation to the many generous donors to The Washington Institute in general and the Stein Program in particular.

Finally, this volume is dedicated to the memory of Michael Resnick, who—in addition to serving America selflessly in an effort to protect it from acts of terrorism and preserve the civil liberties that make it the country it is—was a loving husband, a doting father, and a true friend.

Matthew Levitt
May 2012

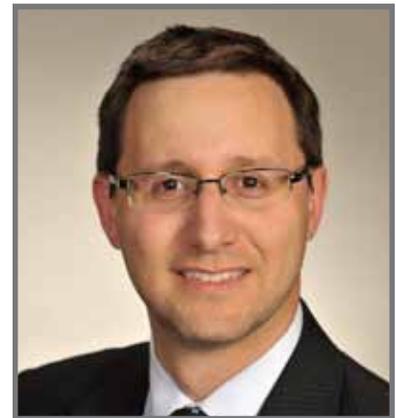
Introduction

Matthew Levitt

THE PRESENTATIONS compiled in this fifth volume of The Washington Institute's counterterrorism lecture series—which includes remarks by Mark Giuliano, Daniel Glaser, Steven Gomez, Seamus Hughes, Richard LeBaron, David Shedd, Ali Soufan, and Mark Williams—were delivered against the backdrop of the revolutions that have rumbled across the Middle East since December 2010, when a Tunisian fruit seller set himself aflame to protest economic conditions in his country. This volume follows the development of the Obama administration's counterterrorism and intelligence efforts during a period of dramatic change in the region. The Arab uprisings—in which local youths accomplished through weeks of nonviolent action what al-Qaeda had failed to do through years of terrorism and bloodshed—have created significant opportunities to counter radical Islamist propaganda and leverage financial tools against violently repressive regimes. Yet they have also strained the intelligence community's resources, forcing agencies to shift personnel and reprioritize their collection and analysis efforts.

Indeed, the implications of this ongoing phenomenon for counterterrorism and intelligence efforts are extensive and fundamental. The toppling of longstanding regimes will affect whether the United States can continue partnering effectively with key governments to combat terrorism and counter violent extremism. In fact, the regional shifts have already had an impact on how U.S. authorities go about collecting and analyzing intelligence. As the Treasury Department's approach demonstrates, each Arab Spring country's experience is unique—events in Tunisia present more differences than commonalities when compared to events in Egypt, Libya, Syria, and Bahrain, raising country-specific challenges and opportunities for Washington and its allies.

Meanwhile, the May 2011 death of Usama bin Laden at the hands of U.S. Navy SEALs marked a watershed moment in America's struggle against al-Qaeda and violent extremism. His passing, and the seizure of a massive intelligence haul from his safe house in Abbottabad, Pakistan, put tremendous pressure on the organization and its supporters. As several speakers noted before and after the raid, however, the Arab uprisings had begun to make al-Qaeda's ideology increasingly irrelevant even prior to bin Laden's death. And



■ *Matthew Levitt, director, Stein Program on Counterterrorism and Intelligence, The Washington Institute*

yet, as assistant FBI counterterrorism director Mark Giuliano stressed, the terrorist threat has become “more fluid, more dynamic, [and] more complex.” In short, bin Laden is gone, but the threat persists.

Washington’s Response

Initially slow to react to the dramatic changes in the region, the Obama administration initiated policy and analytical reassessments by late winter 2011 aimed at determining the appropriate response to various contingencies arising from the region’s new political realities. In early March of that year, the *Washington Post* quoted an anonymous “senior administration official” explaining internal policy deliberations surrounding the upheaval. “If our policy can’t distinguish between al-Qaeda and the Muslim Brotherhood,” the official stated, “we won’t be able to adapt to this change.”¹ Yet if Western governments want to be on the right side of history, they must establish benchmarks for partnering with emerging regional Islamist governments. Merely being less extreme than al-Qaeda should not suffice—practicing tolerance, respecting women’s rights, establishing a strong civil society that promotes liberal values, and honoring international agreements and borders are more likely to produce the kind of truly free and democratic societies that promote long-term stability.

As Washington considered the differences between global jihadist terrorists and politically inclined Islamists, British prime minister David Cameron addressed the issue himself at the February 2011 Munich Security Conference. Although Islam is not the problem, he cautioned, Islamist extremist ideology is. One encounters both violent and nonviolent extremists along the spectrum of Islamist ideology; in Cameron’s view, both types are cause for concern. “As evidence emerges about the backgrounds of those convicted of terrorist offences,” he explained, “it is clear that many of them were initially influenced by what some have called ‘nonviolent extremists’ and then took those radical beliefs to the next level by embracing violence.”²

However Washington decides to assess the newly emerging regimes in Egypt, Libya, and elsewhere, it is clear that the youths who drove the protests across the region were motivated by ideologies other than al-Qaeda’s. As Richard LeBaron noted in his November 2011 lecture, “Al-Qaeda is glaringly absent from these breathtaking developments” and “No one is more aware of this than al-Qaeda itself.” This omission from the Arab Spring has been a major blow to the group and a direct challenge to its ideology, but it is only one of many setbacks al-Qaeda has endured over the past couple years.

Evolving Threat

Taken together, the Arab uprisings, leadership losses, targeted sanctions, and sustained international pressure have significantly undermined al-Qaeda’s

Western governments must establish benchmarks for partnering with emerging regional Islamist governments.

1. Scott Wilson, “Obama Administration Prepares for Possibility of New Post-Revolt Islamist Regimes,” *Washington Post*, March 3, 2011, http://www.washingtonpost.com/world/national-security/obama-administration-prepares-for-possibility-of-new-post-revolt-islamist-regimes/2011/03/02/AB9qyfN_story.html.
2. Office of the British Prime Minister, “PM’s Speech at Munich Security Conference,” February 5, 2011, <http://www.number10.gov.uk/news/pms-speech-at-munich-security-conference>.

already shaky position. Speaking at The Washington Institute's May 2011 Soref Symposium, U.S. national security advisor Thomas Donilon revealed that the Abbottabad raid had yielded "the single largest trove of intelligence ever collected from a senior terrorist leader. The intelligence community says it is equivalent to a small college library worth of material. It is remarkable: based on what we know now, we have tens of thousands of video and photo files, and millions of pages of text."³ And while bin Laden was the most significant al-Qaeda leader killed that year, he was by no means the only one. In June 2011, White House counterterrorism advisor John Brennan noted, "Over the past two and a half years, virtually every major al-Qa'ida affiliate has lost its key leader or operational commander, and more than half of al-Qa'ida's top leadership has been eliminated."⁴ In 2011 alone, eight of the group's top twenty leaders were killed.

Despite al-Qaeda's losses, counterterrorism remains a top priority for U.S. officials, who tend to see an evolved rather than a diminished threat. Speaking a month before Abbottabad, Mark Giuliano described the threat environment facing the United States in stark terms: "We are seeing an increase in the sources of terrorism, a wider array of terrorism targets, a greater cooperation among terrorist groups, and an evolution in terrorist tactics and communications technology." While many threats exist, he focused on al-Qaeda and its affiliates, homegrown violent extremists, domestic terrorism, and the challenges posed by the "changing world climate," as he put it, which have a direct impact on "our approach to combating terrorism with our overseas partners."

This "changing climate" has also affected allocation of the U.S. intelligence community's ever-limited resources. For example, David Shedd noted that around March–April 2011, the Defense Intelligence Agency moved 10–15 percent of its analysts off their current assignments and tasked them with covering North Africa and the Middle East instead. For the DIA and other agencies, the stress on intelligence resources has increased the urgency of developing relationships with key foreign partners in order to, as Shedd put it, "open the aperture to burden-sharing." Two months after the Abbottabad raid, Steven Gomez, the senior counterterrorism official at the FBI's Los Angeles field office, emphasized that the bureau must collaborate domestically with federal, state, municipal, and community partners in order to successfully execute its counterterrorism mission. The growth of the LA office's counterterrorism squads—which are responsible for the safety of 19 million people over a territory covering more than a quarter of California—is indicative of how seriously the bureau takes the terrorist threat. With ten different squads focused on specific terrorist groups as well as specialized squads focused on threat reports, infrastructure protection, terrorism financing, extraterritorial investigations, and community

The FBI must collaborate domestically with federal, state, municipal, and community partners in order to successfully execute its counterterrorism mission.

3. The text and video coverage of Donilon's presentation are available at <http://www.washingtoninstitute.org/policy-analysis/view/michael-stein-address-on-u.s.-middle-east-policy1>.

4. "Remarks of John O. Brennan, Assistant to the President for Homeland Security and Counterterrorism, on Ensuring al-Qa'ida's Demise—As Prepared for Delivery at the Paul H. Nitze School of Advanced International Studies, Washington, D.C.," Office of the Press Secretary, The White House, June 29, 2011, <http://www.whitehouse.gov/the-press-office/2011/06/29/remarks-john-o-brennan-assistant-president-homeland-security-and-counter>.

Islamist ideology poses a unique threat.

outreach, the LA office has structured itself in a way that maximizes both internal teamwork and outside collaboration.

Despite the success of disruption efforts targeting al-Qaeda, the group remains intent on and capable of carrying out an attack on the U.S. homeland. Like many other senior U.S. officials, Giuliano pointed to al-Qaeda in the Arabian Peninsula (AQAP) as the affiliate posing “the most serious threat to the homeland today.” At an event marking the tenth anniversary of the September 11 attacks, Ali Soufan noted that the rise of such affiliates calls for a greater focus on regional counterterrorism strategies to address the economic, social, political, tribal, and other incubators that create terrorism. In light of the Arab uprisings, he said, one could argue that the global jihad has begun to lose a lot of its appeal.

Meanwhile, homegrown violent extremism, which Giuliano described as “one of the serious threats we face inside the homeland,” is a rapidly evolving problem. According to Seamus Hughes—who helped investigate the November 2009 Fort Hood attack and produce the subsequent congressional report—greater intelligence sharing and, more important, recognition that Islamist ideology poses a unique threat are needed to better contend with potential homegrown terrorism.⁵ In an August 2011 interview with CNN, President Obama laid out the paradox of U.S. successes that have left al-Qaeda “a much weaker organization with much less capability than they had just two or three years ago.” Although spectacular attacks are less likely as a result, he argued, small-scale attacks may become more frequent: “The most likely scenario that we have to guard against right now ends up being more of a lone wolf operation than a large, well-coordinated terrorist attack.”⁶

Indeed, the threat has changed significantly—as Giuliano described it, “thousands of extremist websites promote violence to a worldwide audience predisposed to the extremist message, and more of these websites and U.S. citizens are involved in internet radicalization.” The environment in which people are exposed to extremist ideology today is geographically and demographically diverse. “We have seen internet radicalization in individuals as young as fourteen years old,” Giuliano noted. Clearly, much work remains to be done to curb this trend.

Countering Violent Extremism

Radicalization lies at the intersection of grievance and ideology. Grievances are ever-present, yet very few individuals choose to act on them. Ideology, however, offers a blueprint for action that mobilizes potential terrorists. Speaking shortly before his government released its updated “Prevent” counterradicalization strategy, and shortly after Prime Minister Cameron’s comments at the Munich Security Conference, British official Mark Williams focused on the need for each society to create “a shared national identity for all its citizens, based on liberal, democratic values.” Toward that end, he said, Britain would promote integration into a “Big Society.” Yet even while making clear that Islam was not the

5. The February 2011 report, *A Ticking Time Bomb: Counterterrorism Lessons from the U.S. Government’s Failure to Prevent the Fort Hood Attack*, is available at <http://www.hsgac.senate.gov/download/fort-hood-report>.
6. “Obama: Biggest Terror Fear Is the Lone Wolf,” CNN, August 16, 2011, <http://security.blogs.cnn.com/2011/08/16/obama-biggest-terror-fear-is-the-lone-wolf>.

problem, the British government would articulate, as Cameron did in Munich, “that the current terrorist threat is driven by Islamist extremism, an ideology antithetical to Western values.” Like Seamus Hughes, Williams emphasized the unique threat posed by both violent and nonviolent Islamist ideologues and their potential to fuel radicalization at home and abroad.

In the United States, the creation of the Center for Strategic Counterterrorism Communications represents a novel approach to the U.S government’s long-stated goal of identifying, confronting, and undermining propaganda by al-Qaeda and its affiliates. As part of its mission, the center is tasked with “using communications tools to reduce radicalization by terrorists” as well as “extremist violence and terrorism that threaten the interests and national security of the United States.”⁷ Coming at the point where public diplomacy and counterradicalization efforts intersect, the center’s work is unique in that it focuses on the narrow, overseas audience of people who may be amenable to al-Qaeda ideology but have not yet fully turned the corner. If and when these individuals make that turn and mobilize to action, they become targets for law enforcement and intelligence services, but until then, the center offers an effective means of engaging those vulnerable to al-Qaeda propaganda and presenting them with alternative viewpoints.

Radicalization lies at the intersection of grievance and ideology.

Combating Illicit Finance

Another creative tool leveraged during the Arab Spring has been the Treasury Department’s ability to apply financial pressure tailored to the particular circumstances of each country. In Tunisia and Egypt, the department engaged with other U.S. agencies, the private sector, and the international community to, as Assistant Secretary for Terrorist Financing Daniel Glaser put it, “ensure that the outgoing regime elites did not undermine the political transition by looting their nations’ treasuries.” In Libya, the challenge was starkly different. Instead of preventing a deposed regime from stealing assets, the goal was “to deprive a sitting regime of the resources it needed to sustain a campaign of violent repression.” In a nutshell, Glaser explained, “Our aim was to increase the financial pressure on the Qadhafi regime and hasten its downfall.” The result was the implementation of one of the most successful sanctions regimes ever created. Only seventy-two hours after the signing of the relevant executive order, Treasury had used its new authority to freeze more than \$30 billion in Libyan government assets under U.S. jurisdiction. And over the next few months, the department would freeze \$7 billion more.

Syria poses more complicated challenges. Washington’s stated goals there are largely the same as they were for Libya—that is, depriving the regime of the funds it needs to repress its own people and hastening its fall. Unlike in Libya, however, Washington has had to make do without a UN Security Council resolution on Syria. Still, as strapped for cash as Damascus is, a coordinated sanctions campaign by a coalition of the willing combined with outreach to the

7. See “Executive Order 13584—Developing an Integrated Strategic Counterterrorism Communications Initiative,” Office of the Press Secretary, The White House, September 9, 2011, <http://www.whitehouse.gov/the-press-office/2011/09/09/executive-order-13584-developing-integrated-strategic-counterterrorism-c>.

Timely and effective information sharing across local, state, and federal agencies is imperative.

private sector has already had some impact on the regime. With continued vigilance, these measures could prove to have a greater impact.

About This Volume

Since December 2007, thirty-four senior U.S. officials have participated in The Washington Institute's Stein counterterrorism lecture series. Four previous volumes presented and analyzed the first of these lectures: *Terrorist Threat and U.S. Response: A Changing Landscape* (September 2008), *Countering Transnational Threats: Terrorism, Narco-Trafficking, and WMD Proliferation* (February 2009), *Continuity and Change: Reshaping the Fight against Terrorism* (April 2010), and *Obama's National Security Vision: Confronting Transnational Threats with Global Cooperation* (October 2010).

The lectures compiled in this volume kicked off with a February 2011 event featuring Seamus Hughes, a professional staff member on the Senate Homeland Security and Governmental Affairs Committee, and Mark Williams, the first secretary for justice and home affairs at the British embassy in Washington. As described previously, Mr. Hughes and his colleagues had just completed a report on the Fort Hood shootings, while the British Home Office was about to release its updated counterradicalization strategy.

Two months after this discussion of transatlantic approaches to countering violent extremism, the Institute hosted Mark Giuliano, the FBI's assistant director for counterterrorism. This special event was held in memory of Supervisory Special Agent Michael Resnick, who had succumbed to a lengthy battle with cancer on February 2, 2011. Mike held many positions within the bureau, including running the Joint Terrorism Task Force and SWAT team in Charlotte, North Carolina, and serving as a counterterrorism supervisor at FBI headquarters. Later, he was detailed to the Terrorist Threat Integration Center (the forerunner of the National Counterterrorism Center) and then to the National Security Council, where he served as senior director for information sharing and technology. Shortly after taking office, President Obama released a new National Security Strategy that, as the last volume in this series discussed, became the cornerstone of his administration's interagency national security agenda. Among the issues it highlighted was the need for timely and effective information sharing across local, state, and federal agencies. Mike Resnick worked long and hard to promote and facilitate that vision, especially after the failure to connect the dots of information stove-piped across different agencies prior to the Christmas 2009 "underwear bombing" plot.

Indeed, Mike personified the FBI's core values of courage, honesty, and integrity in a remarkable career that paralleled the evolution of the bureau's mission and the changing face of terrorism. His importance in the fight was recognized by all those who worked with him. Following his death, his family had the opportunity to meet with President Obama, who signed a picture of himself with Mike's daughter, Jordan, as follows: "I want you to know that your Dad is one of America's heroes. His hard work here helped keep all of us safe. You and your mom should be very proud of him, as am I." On a more personal note, Mike was a dear friend with whom I had the honor of working at the FBI. He is sorely missed, and this volume is dedicated to his memory.

The speaker series continued with presentations by Steven Gomez, the special agent in charge of counterterrorism at the FBI's Los Angeles field office, who spoke on collaboration among federal and local law enforcement agencies; former FBI special agent Ali Soufan, who spoke about the ten-year anniversary of 9/11 and his book *The Black Banners: The Inside Story of 9/11 and the War against al-Qaeda*; deputy DIA director David Shedd, who discussed intelligence reform since 9/11 and the Arab Spring's impact on intelligence collection; Ambassador Richard LeBaron, coordinator of the State Department's new Center for Strategic Counterterrorism Communications (CSCC), who discussed that body's mission and methodology; and Assistant Treasury Secretary for Terrorist Financing Daniel Glaser, who discussed the department's response to the Arab Spring.

Together, these lectures provide a window into both the struggle against extremism and the challenges and opportunities presented by the Arab Spring during the Obama administration's third and fourth years in office. From finding new counterterrorism partners to keeping al-Qaeda and other illiberal forces at bay as new regimes take root, Washington and its allies must continue showing the flexibility and creativity that produced the State Department's CSCC and facilitated the Treasury Department's spectacular success at using financial tools to support democratic transition in the Middle East. After all, events in the region are still unfolding, and the outcome remains to be seen. Even as Washington and its allies contend with an evolving but still potent terrorist threat—including the rise of homegrown violent extremism—they have much more work to do in aiding the forces of democracy and liberalism in the Middle East. Although al-Qaeda and its affiliates have been remarkably absent from the Arab Spring to date, violent or nonviolent Islamist extremists could still hijack the revolutions orchestrated by liberal Arab youths and turn them to their own purpose. Preventing this will require timely analysis and creative thinking of the kind presented in this volume.

Washington and its allies must continue showing flexibility and creativity.

Treasury's Response to the Arab Spring: The Role of Financial Tools in International Security Policy

Daniel L. Glaser

DECEMBER 2, 2011
PREPARED REMARKS



■ Daniel L. Glaser is assistant secretary for terrorist financing in the Treasury Department's Office of Terrorism and Financial Intelligence.

GOOD AFTERNOON. I'd like to thank the Washington Institute for Near East Policy for inviting me here today to speak about the Treasury Department's response to the historic events this year in the Arab world. I would especially like to thank Matt Levitt for giving me this opportunity. Matt played an integral role in the development of Treasury's Office of Terrorism and Financial Intelligence, and he is deservedly recognized as one of the foremost experts in understanding the power that Treasury can bring to bear in responding to national security threats.

From Tunisia to Syria, the people of Arab nations are demanding political change, better economic opportunity, and a greater say in determining their future. As repressive regimes crumble under popular pressure or respond with violence against their own people, the international community has responded nimbly, seeking to address each distinct situation with a distinct, tailored approach that best supports the transition to responsible, representative democracy.

In previous decades, it would have been unheard of for a Treasury Department official to be asked to speak before The Washington Institute to discuss the U.S. Government's and the international community's response to such events. Yet throughout the Arab Spring, the Treasury Department has been at the forefront of the international community's response to these challenges on two fronts.

Treasury has, of course, been at the center of U.S. efforts to marshal international assistance and support for the transitions underway in Egypt, Tunisia, and Libya, and to aid in fostering inclusive economic growth in the region.¹ But today, I'd like to focus my remarks on Treasury's Office of Terrorism and Financial Intelligence, which has crafted strategies for applying sanctions and other financial measures tailored to the unique circumstances of each situation

1. These efforts, led by the Treasury Department's Office of International Affairs, are centered on the Deauville Partnership among the G-8, international financial institutions like the IMF and World Bank, the Gulf Cooperation Council, and those Arab countries undergoing transition or seeking to implement reform. Regional countries play a central role in defining the strategic approach to supporting economic development. International partners, including the United States, contribute their technical expertise and financial support. Over the long term, the effort to support inclusive economic growth and opportunity in Arab nations is critically important to safeguarding the principles that guided Arab Spring developments.

we have faced. Along with the United States, the United Nations, the European Union, and our partners in Asia and the Middle East have all increasingly turned to targeted financial sanctions in response to repression and violence. And in a truly remarkable development, both the Arab League and Turkey have in recent days announced far-reaching measures of their own, making financial pressure the centerpiece of their respective efforts to end the bloodshed in Syria.

Before I turn directly to a discussion of the Arab Spring, I'd like to step back to offer some of the context in which we at Treasury's Office of Terrorism and Financial Intelligence view these events. We have witnessed a dramatic change, globally, in the way financial measures are integrated into the international security toolkit. And these developments—the international community's embrace of targeted financial measures, and the effectiveness of those measures—are to a large extent the result of the Treasury Department's efforts over the past decade to create an institutional framework and to develop a strategic model for using financial tools to advance national security objectives.

The Treasury Department's Strategic Approach

Within the Treasury Department, the mission of the Office of Terrorism and Financial Intelligence, known as TFI, is to marshal the Treasury Department's policy, enforcement, regulatory, and intelligence functions to sever the lines of financial support to international terrorists, WMD proliferators, narcotics traffickers, and other threats to our national security. We seek to meet this responsibility by striving to achieve two overarching goals:

First, to promote financial transparency by identifying and eliminating vulnerabilities that make the domestic and global financial system susceptible to abuse by illicit actors.

Second, to identify, disrupt, and dismantle the financial networks that support those who threaten U.S. and international security.

Promoting financial transparency is the key to creating a rules-based, global financial system that is hostile to illicit finance. Our efforts focus on both the formal and informal financial sectors, in both the U.S. and internationally. Indeed, a great deal of our work is aimed at strengthening global standards and facilitating implementation of anti-money-laundering/counterterrorist-financing regimes, also known as AML/CFT, in countries around the world through the Financial Action Task Force, or FATF, and other multilateral bodies.

In conjunction with our effort to promote financial transparency through a global AML/CFT architecture, we have also developed a strategic approach to target the financial networks of those who support terrorists, engage in WMD proliferation, and foment regional instability. This approach combines unilateral and multilateral measures—often but not always built upon UN Security Council resolutions—and consistent outreach to and dialogue with the private sector.

We first began to put this strategy to the test in 2005 and 2006 against North Korea and Iran, respectively. Beginning with unilateral targeted financial measures, we launched an unprecedented effort to engage the private sector and raise its awareness of the risk of doing business with these jurisdictions. And,

Promoting financial transparency is the key to creating a rules-based, global financial system that is hostile to illicit finance.

most important, we engaged with our international partners to build a multilateral coalition that supports our strategy of financial isolation.

Today, as a result of this multifront, multiyear campaign, Iran and North Korea have been almost entirely cut off from much of the world's largest financial sectors. Iranian banks have been deprived of much needed access to financial services in Europe, Asia, and the Middle East, and the Iranian government struggles to manage its economy in the face of ever-tightening financial sanctions.

These two case studies demonstrated that we could craft financial strategies tailored to the unique circumstances presented by particular international security challenges. The success of our targeted measures was linked in no small part to the less public but no less significant systemic work of promoting financial transparency and building AML/CFT regulatory regimes. And the work that we did in both areas—targeted and systemic—laid the groundwork for the international community's response to the Arab Spring.

Responding to the Arab Spring

Tunisia and Egypt. In the early days of the Arab Spring, we witnessed the rapid growth of popular movements calling for the ouster of undemocratic rulers in Tunisia and Egypt. These popular movements were able to achieve relatively quick leadership changes. In these scenarios, our goal was to ensure that the outgoing regime elites did not undermine the political transition by looting their nations' treasuries.

To achieve this, we engaged our interagency and international partners to apply a comprehensive anti-corruption strategy to identify illicit holdings, protect against illicit asset flows, and assist in repatriating assets stolen from the people of Tunisia and Egypt. The strategy relied on and benefitted from our prior experience in leading global efforts to trace and repatriate Iraqi assets stolen by the former Hussein regime, as well as longstanding efforts to create a global framework for combating kleptocratic asset flows. And, again, the strategy also relies upon our longstanding efforts to develop a global framework for the implementation of AML/CFT standards—which includes a focus on specific risks of foreign corruption, such as by highlighting the need for financial institutions to apply enhanced due diligence against foreign politically exposed persons and to recognize the potential for asset flight on behalf of deposed regimes.

Our strategy also includes supporting the efforts of the Justice Department to confiscate and repatriate stolen assets, including by working with the joint World Bank and United Nations Stolen Asset Recovery Initiative, which provides critical assistance to countries that require technical assistance in understanding how to engage the international financial system to recover assets stolen by corrupt elites. And it includes supporting the efforts of the State Department to strengthen the global commitment to developing and implementing a comprehensive anti-corruption regime through a variety of means, including the United Nations Convention Against Corruption (UNCAC), the OECD's Anti-Bribery Working Group, and the G-20 Kleptocracy Working Group.

In the cases of Tunisia and Egypt, Treasury alerted the international financial sector to the possibility of large scale embezzlement on the part of the ousted leaders and their close associates. In both cases, Treasury's Financial Crimes Enforcement Network—or FinCEN—issued advisories to warn U.S. financial institutions of the

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possibility of asset flight by senior Egyptian and Tunisian government officials. The advisories called for enhanced due diligence and scrutiny of transactions that could possibly represent misappropriated or stolen state assets. Treasury shared its advisories with counterparts in other financial centers, many of which took similar actions, globalizing the effort to identify, restrain, and repatriate proceeds of corruption.

Libya. In the case of Libya, we faced a fundamentally different challenge. Our primary goal was not to prevent an ousted regime from looting the nation's coffers, but rather to deprive a sitting regime of the resources it needed to sustain a campaign of violent repression. Our aim was to increase the financial pressure on the Qadhafi regime and hasten its downfall.

As we deployed our financial tools to isolate the Qadhafi regime, we were fortunate to be dealing with an unusually favorable set of circumstances. We had broad international support for sanctions, a strong mandate from the United Nations Security Council, and a NATO-backed military effort. Following closely on the heels of President Obama's issuance of Executive Order 13566, imposing broad financial and other sanctions, the U.S. and its partners secured the adoption of UN Security Council Resolution 1970, which required all UN member states to freeze without delay the assets of Qadhafi, his family, and key individuals and entities affiliated with the regime, and to prohibit transactions with them.

The effect of these measures was magnified by the fact that the Qadhafi regime was relatively well-integrated into the international financial system, with a large amount of wealth held in foreign holdings and investments susceptible to the application of sanctions under U.S. and European jurisdiction. Just three days after the President issued the Executive Order, more than \$30 billion of Government of Libya assets had been frozen under U.S. jurisdiction. Since March, this total has swelled to more than \$37 billion.

This combination of factors—speed, coordination, and comprehensiveness—led to the implementation of one of the most successful sanctions regimes ever put in place.

In reacting so quickly to the events unfolding in Libya, the international community safeguarded the wealth of the Libyan people from misappropriation by Qadhafi and prevented him from accessing a massive war chest to fund new violence. At the same time, the ban on transactions and business with the Qadhafi regime isolated it from the global financial system and key trading partners, restricting its ability to obtain desperately needed goods and services at crucial junctures in the conflict. These sanctions ultimately helped hasten the collapse of Qadhafi by preventing him from accessing the financial resources and channels of commerce necessary to purchase weapons, pay mercenaries, and fuel tanks and planes.

The implementation of financial sanctions against Libya was not, of course, without its challenges. The principal challenge we faced in this context was facilitating and coordinating the effective implementation of sanctions in a sophisticated global financial system, where the assets of concern were largely held in complex capital market arrangements across multiple financial centers. Treasury's expertise in implementing targeted financial sanctions and its

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Our challenge has been to develop and advance a strategy to apply financial pressure to the Assad regime in the absence of a UN Security Council resolution.

relationships with the private sector and with international counterparts were instrumental in ensuring effective global action.

And although the sanctions regime contributed to our initial policy goals, our work is far from finished. As articulated in Security Council Resolution 2009, we must now turn our attention to making blocked assets available transparently and responsibly, in a manner consistent with the wishes and needs of the Libyan people. Doing so will require significant coordination among nations holding frozen assets and the new Libyan government. We look forward to the day when we will responsibly turn over the Qadhafi regime's frozen assets to and for the benefit of the Libyan people.

Syria. Syria presents a more complicated set of challenges. In Syria, our policy goals are largely the same as in Libya—to deprive the Assad regime of access to resources that can be used to fund its violent oppression and ultimately to hasten Assad's downfall. However, in the case of Syria, our challenge has been to develop and advance a strategy to apply financial pressure to the Assad regime in the absence of a UN Security Council resolution. Such a strategy must combine effective unilateral action with strategic outreach to international counterparts and the private sector.

Since the start of the uprising, the U.S. has led through example in achieving a significant multilateral increase in pressure on the Syrian government to stop its campaign of violence against civilians. Though the U.S. has sought to use sanctions to shift the behavior of the Syrian regime and its insiders long before the beginning of the uprising in March 2011, we have imposed a series of new measures in recent months that are designed to ratchet up pressure on the Syrian government.

President Obama has signed three new Executive Orders since March, each serving as a response to Assad's escalation of violence. E.O. 13572 targets individuals and entities responsible for human rights abuses in Syria. E.O. 13573 expanded this further by targeting President Assad and other senior regime officials. In August, the Administration took the strongest step yet with E.O. 13582, which prohibits transactions between U.S. persons and the Government of Syria, bans the export of U.S. services to and new investment in Syria, and targets a crucial revenue stream for the Syrian government by banning all dealings by U.S. persons in Syrian-origin petroleum products. In addition to these new measures, we continue to hold Syria accountable for all of its illicit behavior and took the important step of designating the Commercial Bank of Syria as a supporter of WMD proliferation under Executive Order 13382.

These domestic measures have helped deny the Assad regime access to the resources it needs to continue financing its repression. But the defining element of our Syria strategy—and what has made our strategy effective—has been our close coordination with our partners in Europe and elsewhere and our aggressive outreach to expand the coalition of countries willing to take complementary action.

When President Obama announced the government blocking program under E.O. 13582 and called for Assad to step down on August 18, many of our international counterparts echoed his call. A number of these countries,

including Japan, Australia, Switzerland, and Canada, have issued sanctions of their own against Syria. Most notably, the EU implemented a ban on the importation of Syrian oil and gas and prohibited new investment in the Syrian energy sector. Furthermore, following the U.S. designation of the Commercial Bank of Syria for proliferation activity, the EU froze Commercial Bank of Syria assets in Europe. And this week, the EU announced the decision to implement new measures against Syria's energy, financial, and trade sectors, including listing additional individuals and entities that are involved in the violence or directly supporting the Assad regime.

Without question, U.S. and EU financial measures have successfully undermined the financial underpinnings of the Assad regime. Our actions against the Commercial Bank of Syria have helped to constrain the Assad regime's primary facilitator of foreign transactions. More importantly, since the EU previously accounted for more than 90 percent of Syria's crude exports, U.S., EU, and Canadian sanctions on the Syrian petroleum industry have effectively eliminated the Assad regime's revenue from the petroleum sector, which accounted for one third of its total revenue prior to the imposition of sanctions.

Additionally, it is difficult to overstate the importance of the Arab League's and the Turkish Government's unprecedented decisions earlier this week to implement wide-ranging sanctions against the Syrian Government. The Arab League's resolution includes a full slate of aggressive financial measures that include calling on member states to cease transactions with the Central Bank of Syria and the Commercial Bank of Syria. The Turkish Government also announced a similarly strong set of measures that includes the freezing of all Syrian Government assets and prohibits dealings with the Syrian Central Bank. Taken together, the Arab League's and Turkey's announcement of sanctions represent a significant step on the road toward ending the bloodshed in Syria.

We have arrived at this current state of affairs in no small part because of the U.S. Government's persistent engagement with its foreign partners. The Treasury Department has played a leading role in emphasizing the power of financial measures, in particular in the Syria context. In recent months, senior Treasury officials have traveled extensively to places like Turkey and the Gulf to deliver this same message.

We recognize that the Assad regime will seek to use the international financial system to evade sanctions whenever possible. Coordinated, multilateral action is therefore critically important to identifying and disrupting potential avenues for the Syrian government to evade sanctions. Equally important is our strategic dialogue with the private sector, particularly in regional financial centers that are potential destinations for Assad regime assets. In the past month, I've traveled to Lebanon and Jordan to engage with public sector officials and caution financial institutions to exercise vigilance against potential sanctions evasion.

We will continue to encourage all of our partners around the world to move without delay to increase the pressure on the Syrian government through targeted financial measures, in the hopes of bringing an end to the violence in Syria and pushing for Assad to step down to allow for a peaceful and democratic

We recognize that the Assad regime will seek to use the international financial system to evade sanctions whenever possible.

transition. Just yesterday we announced the designation of two Syrian individuals, and the identification of a public works company called the Military Housing Establishment, which provides funding to the regime, and Real Estate Bank—which is Syria’s second largest bank. And the Administration will continue its efforts to press for a resolution at the UN that will help to further isolate the current Syrian government.

Conclusion

As we continue to respond to developments across the Arab world, we stand ready to take action where needed, and will be ready to apply financial measures in support of our national interests.

We continue to witness the uncertainty of a tumultuous, historic time; however, one thing is certain: Financial tools will continue to play a central role in our nation’s and the international community’s response, and we will continue to work multilaterally where possible, and unilaterally when necessary, to achieve our policy aims in the context of the historic changes sweeping the Arab world today. Thank you.

The State Department's Role in Countering Violent Extremism

Richard LeBaron

NOVEMBER 18, 2011
PREPARED REMARKS

GOOD AFTERNOON. It is a great pleasure for me to speak to you today, as part of The Washington Institute's counterterrorism lecture series.

Over the years, I have followed the Institute's work on the Middle East, while serving both in Washington as well as in such places as Tunisia, Cairo, Tel Aviv, and Kuwait. But today, we're here to talk about a relatively new project—what the Center for Strategic Counterterrorism Communications is doing to identify, confront, and undermine the communications of al-Qa'ida and its affiliates.

I'm going to try to be brief because I want to include two of my colleagues in a more informal discussion after my remarks. They are Dan Sreebny, a distinguished veteran State Department Public Diplomacy officer who serves as Deputy Coordinator for Plans and Operations, and Daniel Kimmage, who serves CSCC as Group Director for Digital Presence and is one of the country's foremost authorities on al-Qa'ida communications.

Let me start with the basics of What, Why, and How. *What* is the mission of the Center for Strategic Counterterrorism Communications (or CSCC)? *Why* was it created? And *how* do we carry out our mission?

The Executive Order signed by President Obama in early September can be seen as a mission statement. It says:

The Center...shall coordinate, orient, and inform Government-wide public communications activities directed at audiences abroad and targeted against violent extremists and terrorist organizations, especially al-Qa'ida and its affiliates and adherents, with the goal of using communication tools to reduce radicalization by terrorists and extremist violence and terrorism that threaten the interests and national security of the United States.

Executive Order 13584 goes into some detail about the work of the Center, but I'll paraphrase key elements. CSCC is designed to:

- Draw from the Intelligence Community and other subject matter experts to identify current and emerging trends in al-Qa'ida and other extremist communications, and to request additional data collection and analysis to fill knowledge gaps;
- Develop U.S. strategic counterterrorism (CT) narratives and public communications strategies to confront and discredit the extremist messages;

■ *These remarks reflect only the portion of the forum that was on the record.*



■ *Richard LeBaron is coordinator of the Center for Strategic Counterterrorism Communications at the State Department.*

- Provide these CT narratives to U.S. Government communicators to rebut and preempt extremist messaging and narratives when communicating to audiences outside the United States;
- Facilitate the use of a wide range of communications technologies, including digital tools, by sharing expertise among agencies, seeking expertise from external sources, and extending best practices; and
- Identify shortfalls in U.S. capabilities in any areas relevant to the Center’s mission and recommend necessary enhancements or changes.

Why was CSCC created? The answer contains three basic premises:

1. As our National Strategy for Counterterrorism states, “The pre-eminent security threat to the United States continues to be from al-Qa’ida and its affiliates and adherents.”
2. The same strategy notes, “The 21st-century venue for sharing information and ideas is global, and al-Qa’ida, its affiliates and its adherents attempt to leverage the worldwide reach of media and communications systems to their advantage.”
3. And we were created because the President and other senior leaders recognized that there were gaps in the way we confront and counter al-Qa’ida and its affiliates and adherents in public communication spaces.

We can destroy terrorist leadership, disrupt terrorist networks, and eliminate terrorist safe havens, but unless we prevent al-Qa’ida (and here it’s important to emphasize AQ’s affiliates as well) from recruiting new members locally and expanding its reach globally, we will not be truly successful. The CSCC was created and is working hard to demonstrably reduce the effectiveness of terrorist propaganda, thus leading to fewer recruits.

Why did these gaps in our communications exist? Perhaps some believed the U.S. Government agencies could not be a credible voice in opposition to al-Qa’ida. Perhaps some felt our participation in the debate would simply enhance al-Qa’ida’s visibility and notoriety. Others thought responding would elevate AQ’s status. And there was a lack of focused, coordinated, and sustained effort across government. But whatever the reasons, al-Qa’ida was active in overt communications, and we were often absent. We too frequently ceded the communications space to them without a fight.

Senior officials in this Administration deemed that unacceptable. They recognized that a strategic approach to countering violent extremism (CVE) required a strong and fully integrated communications pillar. They decided a new unit was needed that could bring together our government’s capabilities to understand, identify, and act to weaken and pre-emptively undercut the public communications of al-Qa’ida, its affiliates, and its adherents. The result was CSCC.

The Center for Strategic Counterterrorism Communications started in late September 2010, when I somewhat reluctantly returned to Washington after twelve years posted abroad and was told, “This is your mission, here is some modest funding—now figure out how to do it.” So let me now talk about this—how we are carrying out this mission.

To start, we are an interagency operation. We are housed in the

A strategic approach to countering violent extremism requires a strong and fully integrated communications pillar.

Department of State, and I report to the Under Secretary of State for Public Diplomacy and Public Affairs, with a strong dotted-line connection to State's Coordinator for Counterterrorism. But we are a unit that reflects a whole-of-government approach to our challenges and our work. CSCC operates under the policy direction of the White House and interagency leadership. This approach is reflected in an interagency steering committee, but even more so in our staff, which brings together officers from the State Department, the Intelligence Community, and the Department of Defense and draws on their individual talents as well as the strengths of their home agencies. And while our target audiences are overseas, CSCC also liaises with agencies with domestic responsibilities to ensure coordination and consistency of message.

We also start with the concept that our communications operations will be most effective if they are based on the best, most current information and analysis. This is a commitment that is built into our basic structure. CSCC has two major organizational components: one for integrated analysis and a unit for plans and operations. Our integrated analysis shop, led by a senior intelligence officer, again reaches across our government, particularly throughout the Intelligence Community, as well as drawing from outside experts.

CSCC's work begins at the crossroads of American public diplomacy and American CVE endeavors. We use public diplomacy's communication tools, and our messages and videos are attributed to the Department of State. But we are reaching out to a specific, narrowly defined overseas audience: People who are sympathetic to the views of al-Qa'ida and could be vulnerable to its propaganda; people who could be persuaded or enticed into crossing the boundary between sympathy and action, until they pick up a gun or strap on a bomb or directly facilitate an attack. When they reach that point of mobilization, they are beyond CSCC's scope. They have made themselves targets for law enforcement and intelligence services.

So, our objectives are as narrowly focused as our audience. While I would like these individuals to also develop positive perceptions of the United States, to support our policies and appreciate our values, that is not the mission of our Center. Our job is to nudge people into a different path; help them question some of their assumptions; and contribute to an environment in which terrorist violence is not considered a viable, acceptable, or effective option.

If our efforts dissuade our audience from turning to violence or actively supporting those who do, then we have been successful in handling the task given to us. The concept is simple, but the associated tasks are not.

As for our operations, they fall along three main lines of activity:

1. **Direct digital engagement.** Our digital outreach challenges extremist messages online in Arabic, Urdu, and Somali through participation on forums, blogs, media, and social-networking sites. It also produces and disseminates targeted, attributed videos to undermine al-Qa'ida's propaganda and narrative. (Daniel Kimmage will expand on these efforts.)
2. **Providing tools to U.S. government communicators** working with foreign audiences: These include CVE communications templates and toolkits, with guidance on al-Qa'ida-related activities and issues, that are accessible to all U.S. government officials; development of a CVE online

Communications operations will be most effective if they are based on the best, most current information and analysis.

community to draw together CVE-related content; research and analysis to codify al-Qa'ida master narratives; creation of a Resilient Communities grants initiative to commemorate the strength and resilience of communities around the world in response to terrorist attacks; and sponsoring seminars in which academic and other experts share relevant knowledge with government practitioners.

3. **Working with specific U.S. missions abroad** to strengthen their CVE communications strategies, capabilities, and activities. In our first year of operation, we focused on working with two missions. We recently launched an initiative to work with more posts in key countries.

Our work is also coordinated with work by the Office of the Coordinator for Counterterrorism and other agencies to develop programs that address the upstream factors of radicalization in communities particularly susceptible to terrorist recruitment overseas.

What have we learned in our first year? We know a lot about the communications strategy and practices of “AQ central,” but we need to develop equally deep knowledge of the affiliates and we need to continue to innovate and experiment on approaches that work best for our objectives. But we have also learned that the U.S. Government *can* make a difference through such efforts; that we *can* be a voice that is heard and noticed; and that CSCC *can* play an integral role in the United States’ counterterrorism strategy.

We are operating in a vastly changed environment today, one that makes it much more difficult for al-Qa'ida to peddle its propaganda. The events frequently referred to as the Arab Spring have offered new and much better alternatives to citizens of these nations—alternatives rooted in their own desires and aspirations.

Al-Qa'ida is glaringly absent from these breathtaking developments. It has not been a significant player in the transformations we witnessed during the past year. No one is more aware of this than al-Qa'ida itself. Even as it has tried to get on the side of the protestors, by endorsing their struggles and offering its rhetorical support, the group has met with rejection. Not only has al-Qa'ida been physically absent and played no role in mobilizing the protests, it has also been absent from much of the discourse in the Arab world on what these protests mean and the way forward. Al-Qa'ida is increasingly marginalized in the Middle East, an organization that is rarely on people’s minds and even less present in the general political consciousness.

That’s not to say that al-Qa'ida and its affiliates in Iraq, Yemen, or Somalia are no longer a threat or that they no longer want to inflict damage. Nor can we rule out the very real possibility that some al-Qa'ida affiliates will sharpen their focus on attacking the United States. We expect al-Qa'ida and its supporters to continue to seek every opportunity and advantage to get back into the discussion, seize on chaos or discontent, and reach out anew to potential recruits and supporters.

But when they try to do this in the communications arena, CSCC will be there to meet them, using the tools of engagement to confront, discredit, and marginalize their appeals. That is the mission that has been entrusted to us, and it is one we will continue to carry out with determination and sustained commitment.

We are operating in a vastly changed environment today, one that makes it much more difficult for al-Qa'ida to peddle its propaganda.

Intelligence Reform and Integration since 9/11

David Shedd

NOVEMBER 7, 2011
PREPARED REMARKS

I THOUGHT I'd have a conversation with you today on what I view as the history over the last 10 years on intelligence reform—where we are and where I believe we still need to go.

When I think of a nearly 30-year career in the arena of intelligence, I can tell you I am struck by the difference in content and tone in what I was hearing in the early to mid-1990s.

There was something called the “peace dividend,” if you will recall that. I see smiles on some faces out there because you do recall it. That was one of the big lies of that decade. It led to a decrement of capabilities, personnel resource-wise as well as in technical capabilities and so forth—all in the area of intelligence.

What I find dramatically different over the course of the last 10 years—four and a half years spent at the National Security Council staff, from 2001 till May 2005, when John Negroponte asked me to go as his chief of staff for the newly created Director of National Intelligence Office—that virtually all the policy-related deliberations began with “what’s the intelligence brief on subject fill-in-the-blank.” And since we’re in the midst of an institute dedicated to looking at the Middle East, fill in your country on the Middle East, the Arab Spring, or wherever you want to go in terms of that part of the world. But it’s true of countries south of our border, certainly Asia and so forth.

And then it ends with a policy deliberation—an hour, hour and a half with more tasks for the intelligence community—what a surprise. And it’s because it’s a testament, it’s a message that very clearly signals that the world that we live in is a world of greater unknowns than previously fully considered in terms of the number of issues that have an intelligence nexus to them in terms of understanding where that issue, that country, that geographic regional location is. These are big issues of concern to the policymakers, and where they are going.

I like to think of the world of the past decade that someday could carry this one back even further to the bipolar world of the Soviet Union, where ultimately we’re trying to give decision-makers a decision advantage. That’s the essence of what intelligence is trying to do—that is through a warning process of analysis, give that decision-maker an advantage over whomever that adversary is or over whatever the set of issues that he or she is trying to make a decision about.



■ *David Shedd is deputy director of the Defense Intelligence Agency.*

What has changed quite dramatically over the past ten, eleven years is the role of the combatant commanders and their demand on intelligence.

Think of how dramatically the world has changed in the last decade for those customers or consumers of intelligence. The very traditional user base determined through the National Security Act of 1947 and subsequently amended and so forth is the one that certainly I grew up with during the first 20 years, thinking constantly about how do you support the president, the National Security Council, speaking of the statutory—not the staffers like myself, at the NSC—but the statutory National Security Council.

All fairly clear—different styles of national security advisers as to how that was done and ultimately different styles based on the president—but nonetheless, quite clear. What has changed quite dramatically over the past 10, 11 years is the role of the combatant commanders and their demand on intelligence. This is the second category of customers. And what's interesting to me, and what I've observed, is the demand for that intelligence ranges from the strategic all the way down to the very tactical.

Think of the warfighter himself or herself trying to disrupt that IED network—trying to disrupt that single IED—the IED, in terms of the vehicle—network—or person. So it's intelligence that's highly tactical, but largely informed as well by national capabilities. And that tactical turns around and informs the national side, in terms of the picture in Iraq, in Anbar Province, for example. That's changed really quite dramatically over the last 10 years.

The third customer set that I would submit to you as quite dramatically different is this nexus between intelligence and law enforcement. There's an expectation within the Department of Homeland Security—when mention is made of one of the dramatic changes of new departments and new organizations within the U.S. government, which certainly counts as one of the biggest changes—dramatic changes. But then those fusion centers throughout the country at the state and local, tribal level—as a customer for national intelligence, adapted, adjusted accordingly to what is usable to them.

So those are your three big customer sets in my view, two of which existed to some degree in the '80s and '90s—speaking of a period of my career—but dramatically different, certainly in the last category, the law enforcement. And that law enforcement community, when I think of my colleagues at the Federal Bureau of Investigation, who now are also intelligence producers.

So when you see that piece on Sean Joyce, the deputy director of the FBI, this morning in the *Washington Post*, and you see him—starts out, I believe, with him kicking down a door in Pakistan—allegedly doing so—you also see him now wearing that hat, as is Director Mueller, as an intelligence collector.

And so there's a symbiotic relationship created out of the changes of the 2000s, and then instantiated in what is generally referred to as the bible of the intelligence community, or IC—Executive Order 12333, which President Bush modified in July of 2008. Those modifications instantiated that role of the law enforcement community as an intelligence element for the IC. So you see that two-way relationship. When you have those three customer sets, you think of intelligence then in a very different way, because we are, as an intelligence community, a service community. We provide a service. And we believe that we do that by creating decision advantage. And now, bringing the yin to the yang, that decision advantage has to be married up with decision confidence.

That is an absolute critical issue. If you think of the intelligence failures of 2003 on Iraq WMD, it's because we did not get our decision confidence right, to the decision advantage we sought to provide the president and the National Security Council and so forth, in the decisions in the lead-up to March 2003. Where did that break down? Well, Judge Silberman and Senator Robb articulated that in the 72 recommendations of the WMD commission report in the spring of 2005.

But one of the greatest lessons learned there was that your collectors and your analytic community were disjointed. You had analysts believing there were multiple sources when in fact there was only one, in the desire to protect sources, [to protect] the source behind that very sensitive information, but the—what I would call the source description of access and reliability was modified several times over in order to protect the source, yet at the same time created the appearance of multiple sources reporting, when in fact there was only one.

So the decision confidence broke down. It abysmally broke down. It was abysmal because what we were giving a decision-maker was a confidence level that was different than otherwise should have been the case.

And then there's myriad other examples within the WMD commission report that would go to this decision confidence alongside the decision advantage that you're trying to create.

And you see that in those three customers, that's—all of them want that, to one degree or another. Their needs may be different in what they're looking for, in the law enforcement community versus the president. But at the very core, they're all looking for that every bit as much as you might be doing the same thing in your business enterprise or in your academic study where you're doing research and so forth; it's balancing those two—the level of confidence you have to the level of advantage that you're trying to create.

So how else have the last 10, 11 years changed the way we do business? I've already made it very clear that the peace dividend doesn't exist for us. In fact, the demand for intelligence is at its greatest in my nearly 30-year career. So the question that I have is, how do we go about looking at a world that demands more at a time when resources are becoming more restricted—or tightening up? How do we look at the world in a different way?

And I would submit to you that it is worth considering. And if you think of an intelligence community that I think largely graduated even in the 1990s—maybe even in the 1980s—on coordination—not perfect, but it coordinates 16 elements of the intelligence community, 17 with the Office of the Director of National Intelligence. Your next phase is collaboration.

Collaboration is, I turn to you and I say, this is what I'm doing, this is what you're doing, or you're telling me what you're doing. And I turn to you and say, let's collaborate on a single objective. So you're there with your authorities, you're there with your funding, you're there with your personnel and your knowledge base. I'm bringing the same to that and we collaborate.

Let me submit that there is still yet another level, and that's integration. And integration is where I bring everything that I would at the collaborative stage, but it's so integrated that it's seamless in terms of the outcome. I've often been asked, having the advantage of course of some information on the inside in

How do we look at the world in a different way?

Bureaucracies will choose failure over change.

terms of classification, who was behind the takedown of Zarqawi in Iraq? And the answer is simply, I don't know and I don't care.

That sounds flippant; I don't mean to be flippant at all about it. Actually, it's a very good news story. The fact that it was the fusion of information and intelligence—and I draw a distinction between the two—that was collaborative on the ground and then fully integrated in a manner that resulted in the demise of Zarqawi. I care an awful lot about that part. What I don't care about is that there's a certain insignia or emblem behind me as an agency that says, I got that done because I'm an agency officer from fill-in-the-blank. I'm from the Department of —.

Now, the flipside of that is, what I have seen dramatically improve over the last decade is that those agencies that have tradecraft associated with what they do, thinking on the collections side—geospatial, signals, human intelligence—has improved. It's dramatically improved. So don't trade off integration and fusion for the tradecraft associated with what each of those individuals bring.

So in the likes of General McChrystal, who was a thought leader in Iraq in the effort to bring that information and intelligence together and fuse it, the emphasis was on better tradecraft by the practitioners, but then fused it together.

I've never laid claim to being an effective geospatial analyst. Not to insult my NGA colleagues, I have no interest in going to do that. But I sure hope there's someone who's doing that very, very well, because those pictures can be awfully fuzzy. And they figure it all out. They contribute that to the overall picture.

And I believe that's where we're essentially going. So that the first—or the strong message that I would leave with you is that we are changing, have been changing and are dramatically postured differently than we were at the start of the previous decade in 2000.

Second point I would make to you is that budgets matter. Now, that seems like a nonsensical thing to say—of course they do. But in government, where the profit motive doesn't drive you to make decisions, you make decisions based upon other factors. And because government is largely driven by the size of your—in terms of people—the size of your office, your directorate, your agency, your department, and the size of your budget, when the budget contracts, you have opportunities to make decisions that you otherwise would have greater difficulty, and in some instances near impossibility, to make.

It is the budget that drives you to make decisions because in our quest to succeed to support those three customer sets, we will be driven to be more effective and more efficient. Now, is that a recipe for a message to the Hill—just cut us more and I will be better infinitely in that direction? Obviously not. But when the budget drives the decisions, as it always has, but increasingly in a fiscally austere environment, you will make—by definition—choices that are different than when the budget's growing.

And it will drive you on that spectrum from coordination to collaboration to greater integration, further toward the integration. The complexities of the world will not allow you, because of that quest to succeed, to make choices that would be an irrational choice: I'll just take my ball as an agency and go home and not play. That will be the recipe for failure because bureaucracies will choose

failure over change. Bureaucracies will choose failure over change. I'm absolutely convinced of it. And therefore, you have to drive them to make choices they otherwise would not make, and the budget is my best friend for doing that. So that's the second aspect.

Now, let's get a little closer to the core issues of this institute in terms of where the agencies are. Let me talk about the Arab Spring for a few minutes. In the category of an ever-changing world, more dependent on intelligence, and informed by not only what the policymaker wants, but looking at a world where intelligence attempts to get ahead of—in the context of warning, get ahead of the problems, the Arab Spring is highly illustrative.

We, of course, have known that the hot spots of the world are many, but the Middle East is at least first among equals. And what we have witnessed in the dramatic changes since last December, nearly a year ago in Tunisia, and then over into Egypt and so forth through North Africa and the Middle East, is a great testament of that. What you have is, in the intelligence community, a clear understanding that as these challenges appear on the horizon and then unfold, that resources need to be lifted and placed on the situation that you see on the ground and see in the forecast in ways that you take—you manage risk in a very different way when resources are either flat or declining. So what do I mean by that?

Somewhere in the March–April time frame of this year, we had already taken about 10 or 15 percent of DIA's analysts and moved them over to North Africa and Middle East. One could argue still not deep enough in expertise necessarily from the other regions of the world that you were taking them off from, but you were placing them with the knowledge and ability to practice their tradecraft of good analysis, lessons learned from the WMD commission and so forth, and building on that.

So here's the collaboration-to-integration spectrum that drives you toward real change. At some point, you have to get into balancing off the tension between competitive analysis and burden-sharing, and I don't think it's a zero-sum game. Why? Because many of those analysts now placed on the Middle East-North Africa who were part of that additional buildup are probably not going back to the accounts they covered previously. Yet I'm also not hiring. So I have got to find a way—and this goes beyond just the relationship inside the IC, but with our closest international partners—working on a model that starts to open the aperture to burden-sharing.

I would say we're at the very early stages of those discussions. It's one that is fraught with details that need to be worked out, but I do believe that in the heart of hearts, that's where we're headed. Because the world as we know it is so uncertain and so provocative on any given time, on any given subject or any given geographic area, that you find yourself saying, what will I do with this partner country which has a comparative advantage by being beyond that southern tip of Asia than we do in terms of our presence there, in terms of the region? And yeah, it has its limitations of where you go to the president with the report and say, this is a 100 percent partner-produced report; make your decisions off of that. That's probably a bridge too far. But certainly largely informed by it? Potentially.

At some point, you have to get into balancing off the tension between competitive analysis and burden-sharing, and it isn't a zero-sum game

People are still
our ultimate, most
precious resource.

And so I think we have to get out of our comfort zone of saying, not invented here, thinking somewhat dramatically differently about a world in a resource-constrained environment, which, parenthetically, I will tell you has always been resource-constrained—the intelligence community never has enough; Defense never has enough. So you have to, in a more complex world, with an equal or greater demand for intelligence, have to reconfigure the way you think about how you're going to do business. That's my point.

I often say as deputy of DIA, I'd love to go to my bottom drawer of my desk, open it up, and there's my guidebook that tells me how to do all this. And I open it up, and I go to tab C, and there it's nicely written out: When your budget is cut 3 percent, this is where you go; when it's 5 percent—sorry, no one wrote the book for me.

But guided by principles of management and guided by the fact of you know full well that a more restrained environment is coming, I cannot help but think that my responsibility, as a taxpayer myself, that I owe the American people a responsible response to the challenges that we face in the here and now, but, as importantly, into the future.

Last comment I'll make, and then I'll be happy to take some questions as well.

People are still our ultimate, most precious resource. That has been put more technically, "It's the people, stupid." Sure, it's the people. I am heartened by the level of quality of the applicants into the intelligence community, marveled at it: multilingual, multicultural. We are getting applicants who have served abroad already by, you know, the age of 25, two or three places, really dramatic. And in the midst of the challenges that we face in terms of the budget, it would be a terrible, terrible mistake to create the bathtub effect that resulted in the 1990s wherein your hiring, whether it was a freeze or whether it was a drawdown to the point that you did not bring in the kind of talent, led to disastrous effects by the end of that decade. And so my goal, whether it's in the technical fields, whether it's in the analytic arena or whether it's on the collection side that I have a passion for, we will continue to bring in the good people.

And if I have one message for our overseers, whom I hold in high regard, in terms of the House Permanent Select Committee on Intelligence and its counterpart, the Senate Select Committee on Intelligence, it is that as the budgets are modified to reflect the realities of where our country is, that on intelligence, the whole issue of hiring and hiring the talent of the future—you see, the investment that you make in an analyst or a collector is probably a good three to five, maybe even ten, years out, once they come in the door. And as Matt noted, yeah, we have an intelligence community that's relatively young, and I believe, in the heart of hearts, that if we're going to have the kind of depth and coverage of places like the Middle East, we desperately need to bring in that talent and then grow that talent and watch that talent mature and over time gain the real world experience that goes with it.

Very, very talented young people; they just have a missing ingredient like our 26- and 25-year-old sons, that little thing called "experience," life experience. And you need, as you move them toward a journeyman level, you need to gain that and get them to have that experience.

One other thing I feel very passionate about: Every agency, department,

workforce of any size has arguably no fewer than three generations in it, maybe even four, you know, from us old-timers—I'm an old-timer—all the way down to the Gen X and so forth. Communications is a challenge with each one of those types of generations and how you do it; getting our sons to write back an email that says: what email? Just Twitter me. I said, I don't Twitter. I don't do a whole lot of this; just read my email, please. We have settled for SMS texts and that's basically how we communicate—and the phone and some visits at home.

But, beyond that, it's very different in those generations. Alongside of that, I believe that many of them will not provide 30 years of continuous service in any one department or agency.

So how do I create entry and exit ramps for them over euphemistically their whole career, their lifespan of professional service. In those 30 years, coming and going and bringing back with them into an intelligence community the experience that they get at an institute like this in academia, the private sector, in business, so that when they come back, they have an enriching experience over there that contributes to a stronger and better intelligence community? I think that's at the core of what reform's all about. It's thinking about your workforce issues in a dramatically different way and, yes, even maintaining that security clearance through the longevity of the time that they're out.

To that end, I've started working on a pilot program for DIA in this regard. There are—like everything else that's at all difficult, there are issues, as the lawyers say, and there are challenges that the personnel system will tell you about. Such as maintaining a security clearance while they're not serving; I understand; I want them back, though. So this is paying it forward. So I want to see how do you get them back in and bring that expertise after they've studied for—done further study in the Middle East or been in an institute and had that opportunity to look at a problem set from a different perspective.

Because I truly believe the transformational changes within the DOD structure were Goldwater-Nichols in terms of joint duties, and I want that civilianized to the point that that is what dramatically changes the way we do the business of the intelligence community from a standpoint of growing the people of the future, who not only are we looking at for today, but for 2015 and 2020 and '25 and long after.

So with that, I will stop my formal remarks, which had been just really sharing with you kind of what my passion is over the last decade, and I'm happy to take questions.

I truly believe the transformational changes within the DOD structure were Goldwater-Nichols in terms of joint duties.

Ten Years after 9/11: Where We Were Then, Where We Are Now

Ali Soufan

SEPTEMBER 20, 2011
BOOK EXCERPT

*On September 20, 2011, Ali Soufan addressed a Washington Institute Policy Forum in New York as part of the ongoing lecture series sponsored by the Stein Program on Counterterrorism and Intelligence. Mr. Soufan's comments drew from his just-released book *The Black Banners: The Inside Story of 9/11 and the War Against al-Qaeda*. The following pages are excerpted from a redacted chapter of his book.*



- *Ali Soufan is CEO of the Soufan Group LLC and a former FBI counterterrorism agent.*

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“What Dots?”

September 11, 2001. “Hi, Heather, how are you?” I was speaking on the phone from an office in the U.S. Embassy in Sanaa; Heather was in New York. We had finally been allowed to return to Yemen a week earlier, and I was busy with my colleagues reestablishing our operation against al-Qaeda members responsible for the USS *Cole* bombing.

As I asked that question, Joe Ennis —Alabama Joe—rushed into the room. “Ali, a plane hit the World Trade Center,” he said breathlessly. “We’re watching the news in the ambassador’s office. Come quickly!”

“You mean a helicopter?” I asked Joe.

“No, they said a plane,” he replied.

“Ali,” Heather said into my other ear, “the TV is showing smoke coming out of the World Trade Center.” I repeated that to Joe and he let out an expletive.

“Switch on the TV,” she replied. “One of the buildings is on fire.”

My gut told me that it was something bigger, but I didn’t want to alarm Heather. “I have to go and see what’s going on, and I’ll call you back. I love you.”

“I love you.”

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I dialed John O’Neill’s number in New York. He had just started his new job in the World Trade Center. His phone rang and rang and then went to voicemail. Joe Ennis rushed into the office again, screaming: “Another plane just hit the World Trade Center!”

“What?”

“It’s a passenger plane. Oh my God, a big plane.”

I tried calling John again. Once again the call went to voicemail, and again I hung up without leaving a message. I tried yet again and got his voicemail, but this time I left a message: “John, it’s Ali, I just heard what happened. I’m in Yemen, give me a call.”

I ran into the ambassador’s office. Ambassador Bodine had left the country, and the new ambassador, Edmund Hull, had not yet arrived, so the office was empty, but the television was on, and all the agents, the entire team from the New York field office, had gathered to watch the breaking news from New York. For about a minute we stood silently, in shock, unable to look away from the screen, as images of what had just happened were shown again and again: The first plane flying in . . . the burst of flames . . . and then the second plane.

Forcing myself to look away from the screen, I picked up the phone on the ambassador’s desk and tried calling the FBI’s New York office. The call wouldn’t go through. “Are you speaking to New York?” a colleague asked me, seeing the receiver in my hand.

“I’m trying,” I said. “Lines are tied up.” Being unable to reach headquarters only increased the tension and fear people felt. I kept trying to get through, but again and again I heard a busy signal. On the tenth attempt, my call went through to one of my colleagues in New York.

“We’ve just seen the images here,” I said. “Do you know what’s going on?”

“We’re trying to find out. At the moment, we’ve got about thirty agents who were in the vicinity missing. We’re treating this as a terrorist attack.”

After checking the embassy’s security and loading our own personal weapons, we all gathered in a secure conference room and waited

for news from New York. More bad news reached us by television: bomb threats in DC, more planes allegedly hijacked, and finally the tragic news of United Airlines Flight 63 crashing over Shanksville, Pennsylvania.

Tom Donlon waited on the phone for fifteen minutes and at last was patched through to headquarters. The call lasted only a couple of minutes, and Tom didn't say much other than "yes, I understand."

"Okay," he said, putting the phone down, "the instructions are for everyone to evacuate Yemen immediately and get on the first plane back to New York. Yemen is deemed unsafe. We don't yet know who was behind the attacks in New York and Washington, or if more attacks are coming. But given the problems we've had in Yemen in the past, we're to get out. Pack up and be prepared to leave in a few hours."

For once none of us disagreed with an order to return home. As important as our mission in Yemen was, it could wait. Thousands of Americans were reported killed, and our colleagues were missing. We wanted to get home to help. We packed our bags, shredded documents that we weren't taking with us, and, the next day, September 12, we headed to the airport.

"Ali!" The CIA ██████████ in Sanaa came up to me as I waited in the airport with the rest of the team to board the plane.

"What's up?" I asked.

"FBI headquarters is trying to reach you. You need to speak to them."

"Who at headquarters? What do they want?"

"I don't know, but they've sent a number." I asked Tom Donlon if he knew why I was wanted, but he was unaware that headquarters was trying to reach me.

Tom and I went to a quiet corner outside the airport terminal, where our team's communication technician mounted a portable dish and established a secure satellite line. The number belonged to Dina Corsi, the FBI analyst in headquarters who had clashed with Steve Bongardt during the June 11, 2001, meeting in New York. "Ali, there has been

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a change of plans,” she said. “You and Bob McFadden need to stay in Yemen.”

“What do you mean?” I asked. “We have been attacked back home; we need to figure out who did this. Whatever is going on here can wait.”

“We do need to figure out what just happened, which is why we need you to stay in Yemen. It’s about what happened here. Quso is our best lead at the moment.”

“Quso? What does he have to do with this?”

“The [REDACTED] has some intelligence for you to look over.”

“Okay, I’ll talk to Bob. We’ll stay.”

“One final thing, your instructions from the top are to identify those behind the attacks, and I quote, ‘by any means necessary.’”

“We’ll find them,” I replied.

“One more thing, Ali,” Dina said.

“Yes?”

“Be safe.”

I ran to Bob, who was waiting for me to board the plane, and repeated the instructions I had just received. “By any means necessary,” I said, giving him the exact command I had been told. He nodded gravely. We assembled our FBI and NCIS colleagues who were also waiting to board and told them about our change of plan. Tom Donlon and Steve Corbett, the NCIS supervisor on the ground, decided to stay as well to help with the investigation, and two New York SWAT team agents also volunteered to stay and provide protection. Everyone else got on the plane, and we returned to the embassy.

“Let’s go to my office,” the [REDACTED] said. He and I were alone, and he closed the door. He took out a file and silently handed it me.

Inside were three pictures of al-Qaeda operatives taken in Kuala Lumpur, [REDACTED] and photos were all dated January 2000 and had been provided to the CIA by the Malaysian [REDACTED] agency.

For about a minute I stared at the pictures and the report, not quite

believing what I had in my hands. We had asked the CIA repeatedly during the USS *Cole* investigation if they knew anything about why Khallad had been in Malaysia and if they recognized the number of the pay phone in Kuala Lumpur that we suspected he had used. Each time we had asked—in November 2000, April 2001, and July 2001—they had said that they knew nothing.

But here in the file was a very different answer: they had in fact known since January 2000 that Khallad had met with other al-Qaeda operatives in Malaysia. They had pictures of them meeting and a detailed report of their comings and goings from Malaysian ██████████.

As for the phone number, ██████████ listed it as being assigned to a pay phone that the al-Qaeda operatives were using to communicate with colleagues everywhere. The phone booth was across from a condominium owned by an al-Qaeda sympathizer in Malaysia, which was where all the al-Qaeda members had stayed. Our deduction that Khallad had been using it was right.

The ██████████ Khallad's travels: ██████████ he had attempted to fly to Singapore but had been rejected because he hadn't had a visa. He had returned to the Kuala Lumpur condominium and then had traveled to Bangkok. The ██████████ that Khallad had been using a fraudulent Yemeni passport, under the name Sa'eed bin Saleh.

██████████ given to the CIA by the Malaysians in January 2000. None of it had been passed to us, despite our specifically having asked about Khallad and the phone number and its relevance to the *Cole* investigation and to national security. I later found out that the three photos ██████████ that the ██████████ gave me were the three photos shown, with no explanation, to Steve and my *Cole* colleagues at the June 11, 2001, meeting in New York. The *Cole* team had asked about the photos—who the people were, why they were taken, and so on—but ██████████, the CIA official present, said nothing.

Also in the file ██████████ that Khallad had flown first class to Bangkok with Khalid al-Mihdhar and Nawaf al-Hazmi. We soon would learn that they were listed as passengers on American Airlines Flight 77, which had hit the Pentagon. Based upon the chronology in the report, it

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was clear that the day after Quso and Nibras had met Khallad and given him the \$36,000, Mihdhar and Hazmi had bought first-class tickets to the United States. Was that \$36,000 used to buy their tickets? And had the rest of the money been intended for their use in the United States? My gut told me yes.

My hands started shaking. I didn’t know what to think. “They just sent these reports,” the ■■■ said, seeing my reaction. I walked out of the room, sprinted down the corridor to the bathroom, and fell to the floor next to a stall. There I threw up.

I sat on the floor for a few minutes, although it felt like hours. What I had just seen went through my mind again and again. The same thought kept looping back: “If they had all this information since January 2000, why the hell didn’t they pass it on?” My whole body was shaking.

I heard one of the SWAT agents asking, “Ali, are you okay?” He had seen me run to the bathroom and had followed me in.

“I am fine.”

I got myself to the sink, washed out my mouth, and splashed some water on my face. I covered my face with a paper towel for a few moments. I was still trying to process the fact that the information I had requested about major al-Qaeda operatives, information the CIA had claimed they knew nothing about, had been in the agency’s hands since January 2000.

The SWAT agent asked, “What’s wrong, bud? What the hell did he tell you?”

“They knew, they knew.”

Another agent came in to check what was happening, and I told him what had just happened and why we had been ordered to stay in Yemen. We hugged and walked out.

I went back down the corridor to the ■■■■■ office to get the file. “Ali?” he asked as I walked in. I looked him squarely in the face and saw that he was blushing and looked flustered. He clearly understood the significance of what the agency had not passed on.

I didn’t have time to play the blame game. New York and Wash-

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ington were still burning, colleagues of ours were missing, and we all had to focus on catching those responsible. “Is there anything else you haven’t passed along?” I asked.

He didn’t say anything, and I walked out, file in hand.

I went to the room where Tom Donlon, Bob McFadden, and Steve Corbett were working and dropped the file on the table. “The [REDACTED] just gave this to me,” I said.

Bob looked up and saw the anger on my face. He didn’t say anything, just took the file. Bob knew me well enough to know that something was very wrong. He looked through the contents and then turned to me in outrage. “I can’t believe this.” Those were his only words.

Tom and Steve’s faces also dropped once they looked through the file; it was too much for any of us to take. “Now they want us to question Quso,” Bob said, his voice rising in anger. “They should have given this to us eight months ago.”

FBI special agent Andre Khoury had been stationed elsewhere in the Middle East when the planes hit the twin towers. He was reassigned to join us in Yemen, and after he arrived and saw the file, he wanted to confront the [REDACTED]. I held Andre back.

“They knew! Why didn’t they tell us?!” Andre said.

“You’re right,” I said, “and I’m just as angry. Believe me. But now is not the time to ask these questions. One day someone will ask the questions and find out, but right now we have to focus on the task at hand.”

Counterterrorism Operations in FBI Los Angeles: Collaboration and Teamwork

Steven L. Gomez

JUNE 30, 2011

PREPARED REMARKS



■ *Steven L. Gomez is the special agent in charge of counterterrorism in the FBI's Los Angeles field office.*

PROTECTING THE UNITED STATES against a terrorist attack is the FBI's number one priority. The Counterterrorism Division of the Los Angeles Field Office (LAFO) in particular is responsible for protecting more than 19 million people by preventing all acts of terrorism within its area of responsibility—seven counties that comprise 26 percent of California's total area, including the most populated county in the country (Los Angeles) and the largest county in the country (San Bernardino). Teamwork and collaboration among federal, state, local, and community partners play a critical role in LAFO's ability to successfully carry out its counterterrorism mission.

LAFO's Joint Terrorism Task Force (LA JTTF) is the primary vehicle for addressing all threats of terrorism, conducting counterterrorism operations, and building diversified relationships to accomplish the mission. The JTTF relies on the concept of merging personnel and expertise from diverse law enforcement, public safety, and intelligence agencies into one agile investigative and operational team. This means FBI Special Agents and Task Force Officers (TFOs) from participating agencies are collocated to facilitate teamwork and collaboration and to perform their mission while protecting the civil liberties of the citizens they protect.

Considering the breadth of LAFO's territory, the LA JTTF's greatest challenge is to detect, deter, and prevent any act of terrorism connected to individuals or entities in the 44,000 square miles we cover. To meet this challenge, the LA JTTF is structured in a manner that enables a quick and effective response to any threat of terrorism or suspicious activity anywhere in LAFO's territory due to their location and specialized focus. Investigative teams are located throughout the seven counties and each focuses on addressing a particular terrorism group or issue. Specifically, more than ten squads focus on terrorism groups (e.g., al-Qa'ida, Hizballah, left-wing domestic extremists, and right-wing domestic extremists) and a few focus on specific terrorism issues (e.g., threats, critical infrastructure, terrorism financing, and extraterritorial matters).

LAFO's Threat Squad is the first responder in the FBI's effort to address the hundreds of terrorism tips and leads we receive each month. The squad is responsible for investigating all call-in complaints, tips from local police

departments, and leads from citizens related to potential terrorism or terrorism-related suspicious activity. Key partners on this squad include investigators from the Los Angeles Police Department (LAPD), Los Angeles Sheriff's Department (LASD), and Orange County Sheriff's Department. The Threat Squad typically operates by responding to tips where very little information is available. Under these circumstances, the Threat Squad uses the full scope of the FBI's investigative and intelligence gathering apparatus to determine if a tip or lead is worth pursuing. If so, the appropriate resources are applied to determine if a tip is unfounded, has merit and requires an investigative response, or does not involve an imminent threat but requires further investigation. In the last instance, the lead is passed to the appropriate JTTF investigative team to open a case and conduct all logical investigative steps. This system allows the LA JTTF to mobilize a certain set of resources to operate in a reactive manner and prevents the bulk of the JTTF squads from having to drop everything each time a threat lead is received.

The Infrastructure Squad focuses on private industries in the Los Angeles area that are of most concern from a critical infrastructure/key resource perspective. Partners on this squad include investigators from the Coast Guard, Long Beach Police Department, Los Angeles Port Police Department, Los Angeles Airport Police Department, LAPD, and U.S. Secret Service. Due to the overall terrorism threat and prior plots involving these industries both nationally and worldwide, it is imperative to have an investigative team that knows everything about each industry's procedures, the threat and vulnerabilities associated with that industry, and the security measures in place to guard that industry from a terrorist attack. Of high importance to this squad is developing and maintaining strong liaison relationships with the law enforcement and private sector partners in the aviation, seaport, and rail industries, not only to ensure effective security measures are in place, but also in the event an incident does occur.

The Terrorism Financing Operations Squad (TFOS) plays a critical role in LAFO's terrorism investigations and includes agents from the Internal Revenue Service and Drug Enforcement Administration. Squad members are experts in white collar crime matters and are proficient at investigating criminal activity within the United States and internationally. These skills are necessary to successfully accomplish TFOS's two-part mission. First, squad personnel serve as consultants to all of the JTTF squads with respect to money movement and financing issues encountered during routine terrorism cases. Second, the TFOS squad conducts independent investigations on individuals who are engaged in fundraising and materially supporting individuals involved in terrorism activity.

The Extraterritorial Squad is responsible for investigating terrorism threats and crimes against U.S. persons and interests in South East Asia. Key partners include personnel from the LAPD, LASD, and Department of Defense—Pacific Command. All of this squad's cases involve conducting investigations in other parts of the world, which requires working in collaboration with foreign counterparts, the appropriate U.S. Ambassador, and country team agencies present wherever investigative efforts are required.

LAFO's Joint Terrorism Task Force is the primary vehicle for addressing all threats of terrorism, conducting counterterrorism operations, and building diversified relationships to accomplish the mission.

Coming together
is a beginning,
keeping together
is progress, and
working together
is success.

Personnel from this squad and executive management from the LA JTTF spend a significant amount of time meeting with foreign counterparts to develop effective working relationships that support international investigative efforts. In some cases, training is provided to foreign partners in their respective country; other times, training is hosted for foreign delegations in the Los Angeles area. The international investigations conducted and the relationships developed and maintained are critical to the FBI's mission to prevent and respond to acts of terrorism not only in the U.S. but worldwide.

The teamwork and collaboration accomplished within and by individual JTTF squads is supplemented by the relationship the LA JTTF as a whole has established with the Joint Regional Intelligence Center (JRIC)—a multi-agency regional intelligence fusion center based in Norwalk, California. The JRIC shares relevant terrorism-related intelligence and requests for information with private sector entities as well as law enforcement and public safety agencies that are not members of the JTTF. This information sharing environment, led by the JRIC, enables the LA JTTF to reach every law enforcement and public safety agency, in addition to key private sector partners, with information on what terrorism-related suspicious activity to look for and how to report the information for action by the JTTF.

To enhance the JRIC's private and public sector outreach efforts, the FBI's Intelligence Division has Special Agents and Intelligence Analysts assigned to the JRIC. The Intelligence Division's personnel, in collaboration with the JRIC, also manage and support the Terrorism Liaison Officer (TLO) and Infrastructure Liaison Officer (ILO) programs. In both programs, personnel interested in serving as liaison officers receive baseline training on two key elements: what constitutes terrorism-related suspicious activity and where to report such activity when they discover it. The TLO program is for personnel from law enforcement, fire, and health departments. The ILO program is for individuals from private industry. The TLO and ILO programs have been highly successful in providing the LA JTTF with an educated set of eyes and ears throughout the community, leveraging LAFO's ability to address criminal activity and suspicious behavior that may indicate terrorism activity. The JRIC receives and processes information provided by TLOs and ILOs, then provides it to the JTTF's Threat Squad for review. This process ensures information from TLOs and ILOs makes it to the LA JTTF for review and action. We're asking our public safety and private industry partners for input, and we're listening to what they tell us.

In addition to the LA JTTF's broad presence in LAFO territory, specialized squads, and partnership with the JRIC, we engage in community outreach to further enhance the counterterrorism mission. This outreach includes interaction with business groups, non-profit enterprises, religious institutions, educational organizations, and other non-government entities. Such outreach has been very successful in building relationships based on trust and respect, educating outreach partners on how the FBI conducts business, and involving the community in the development of strategies to accomplish the counterterrorism mission.

To paraphrase Henry Ford, coming together is a beginning, keeping

together is progress, and working together is success. This sentiment is exemplified by the extent to which private sector, local, state, and federal partners have come together, progressed collaboratively toward a common goal, and continue to work as a unified team with diverse perspectives to successfully protect our community from a terrorist attack.

The Post-9/11 FBI: The Bureau's Response to Evolving Threats

Mark F. Giuliano

APRIL 14, 2011
PREPARED REMARKS

GOOD AFTERNOON ladies and gentlemen. I am honored and privileged to be here today to talk about the evolving terrorism threat and how the FBI is addressing this threat. I have seen the list of previous speakers and am humbled to be among them. Before getting started, I want to take a couple of minutes to talk about one of the FBI family who recently passed away...Mike Resnick.

Michael Resnick

Mike passed away on February 2 after a bout with cancer and left behind a great legacy. He was a devoted family man who loved his wife, Sarah, and their young daughter, Jordan. He was also a dedicated FBI Special Agent who embodied the FBI core values of courage, honesty, and integrity.

He never backed down from a challenge or sidestepped the tough issues. He took them head-on. Mike held many positions within the FBI to include his time running the Charlotte JTTF and the Charlotte SWAT Team, but his last position as the Senior Director for Information Sharing and Technology for the National Security Council is where he made the greatest impact. He worked tirelessly to overcome myriad issues on information sharing that not only affected the FBI but also the Intelligence Community and our federal, state, and local law enforcement partners.

Mike's legacy is best exemplified by a quote from John Brennan, the President's Advisor on Homeland Security and Terrorism: "(Mike) wanted to make sure everything was in order for those who will carry on his work." Mike was a true leader and innovator who will be greatly missed by all of us. The FBI appreciates the opportunity to remember Mike in this forum.

Current CT Threat

I'd like to take a few minutes to talk about the current state of the terrorism threat, the FBI's responsibility in neutralizing this threat, and the critical efforts we are undertaking with the Intelligence Community and law enforcement partners. I hope this will leave you with a better understanding of the FBI's role in countering terrorism, its commitment to disrupting individual and group plots, and its efforts to better collect and analyze intelligence to help us better understand and mitigate the terrorism threat.



■ Mark F. Giuliano is assistant director of the FBI's Counter-terrorism Division.

First, let me characterize the current threat environment as we see it and the challenges we face in understanding and getting in front of the threat. I do not think this nation has ever faced a more fluid, more dynamic, or more complex terrorism threat. We are seeing an increase in the sources of terrorism, a wider array of terrorism targets, a greater cooperation among terrorist groups, and an evolution in terrorist tactics and communication methodology. The long-term planning undertaken by senior core al-Qa'ida leaders which led to the 9/11 attacks is much more difficult for them to attain in today's environment. It is replaced with somewhat less sophisticated, quick-hitting strikes that can be just as lethal but which take less funding, fewer operatives, less training, and less timing to execute.

I would like to discuss four dynamic terrorism threats. These by no means are the only threats we face, but these are the threats I will be focusing on today. First, al-Qa'ida and its various affiliates; second, homegrown violent extremists; third, domestic terrorism; and finally I will touch briefly on the changing world climate.

Al-Qa'ida

Core al-Qa'ida continues to present a high threat to our national security as they have both the intent and capability to attack the homeland. They remain committed to attacking the United States in high-profile attacks, but the disruption efforts of the U.S. government, in particular the work done by our DOD and CIA personnel, have taken their toll. This has created an environment which makes training, moving funds, and communicating very difficult. While experiencing challenges in its ability to directly conduct terrorist attacks, core AQ is sharing financial resources, training, tactics, operational expertise, recruits, and operatives with other like-minded groups.

While core AQ remains a serious threat, I believe the most serious threat to the homeland today emanates from members of AQAP. AQAP leaders such as Anwar Aulaqi and Samir Khan have published articles on the internet detailing their intent to strike the United States. Several key AQAP figures were born or educated in the United States and understand our culture, our limitations, our security protocols, and our vulnerabilities. They use this understanding to develop and refine new tactics and techniques to defeat our security measures and attack us. AQAP also understands and expertly exploits social media to share their knowledge with others of similar mindsets. They realize the importance and value of reaching English-speaking audiences and are using the group's marketing skills to inspire individuals to attack within the homeland. In many cases they are attempting to provide them with the knowledge to do so, without having to travel or train abroad.

The two most recent AQAP attacks demonstrate the complexity and diversity of the threat. AQAP claimed credit for both the December 2009 attempted bombing of Northwest Flight 253 and the October 2010 attempted bombings of air cargo flights bound for the United States from Yemen. In each instance, AQAP was able to recruit a small group of individuals committed to attacking the United States and whose backgrounds were less likely to trigger security scrutiny. Additionally, AQAP claimed a significant victory

I do not think this nation has ever faced a more fluid, more dynamic, or more complex terrorism threat.

for each attack due to both the fear they created and the economic impact expended by the United States and others to screen passengers and packages compared to the small expenditure on their part.

Homegrown Violent Extremism

The homegrown violent extremist threat is one of the serious terrorism threats we face inside the homeland outside of al-Qa'ida and its affiliates. Homegrown violent extremism is very difficult to define. It is a rapidly evolving threat with characteristics that are constantly changing due to external experiences and motivational factors. We have seen the HVE threat manifest itself in several forms.

First, we have seen individuals inside the United States become radicalized and motivated to conduct attacks against the homeland. These individuals can be as diverse as U.S.-born citizens, naturalized U.S. citizens, foreign students, green card holders, or illegal immigrants, but the commonality is their desire to strike inside the United States. Let me give you a few examples.

- In September 2009, a 20-year-old Jordanian student named Hosam Maher Smadi was arrested and charged with attempting to place a vehicle bomb outside of a 60-story building in downtown Dallas.
- In November 2009, U.S. Army Major and U.S. citizen Nidal Hasan walked into the Deployment Center at Fort Hood, Texas, where he shot and killed 13 DOD employees and wounded 32 others.
- In October 2010, a Pakistani American named Farooque Ahmed was arrested by the FBI for allegedly plotting to bomb a subway station in the Washington, D.C., Metro system. This week, Ahmed pled guilty to material support to terrorism charges and was sentenced to 23 years imprisonment.
- In November 2010, a 19-year-old Somali student named Mohamed Osman Mohamud was arrested for allegedly attempting to detonate what he believed was a car bomb during a Christmas tree-lighting ceremony in Portland, Oregon.
- In December 2010, a 21-year-old American of Nicaraguan descent named Antonio Martinez was arrested for allegedly plotting to bomb a military recruiting center in Catonsville, Maryland.
- In February 2011, a 20-year-old Saudi student named Khalid Aldawsari was arrested for allegedly building a bomb to be used in terrorist attacks against several targets, including the Texas home of former President George W. Bush.

Second, we have seen U.S. citizens become radicalized in the United States and travel or attempt to travel overseas to obtain training and return to the United States or to join and fight with groups overseas.

- In 2009, Najibullah Zazi and associates traveled to Pakistan and received training from AQ before returning to the United States and plotting to use a weapon of mass destruction in a plot to blow up commuter trains.

HVE is a rapidly evolving threat with characteristics that are constantly changing due to external experiences and motivational factors.

- In late 2009, a group of five young American men originally from Northern Virginia traveled to Pakistan, where they were detained and sentenced to 10 years in prison in Pakistan on terrorism-related charges.
- In May 2010, Faizal Shahzad attempted to bomb Times Square in New York City. Shahzad traveled to Pakistan and received training from Tehrik-e-Taliban in Pakistan (TTP) before returning to the U.S. to conduct a terrorist attack.
- In July 2010, Virginia native Zachary Chesser was arrested by the FBI while attempting to travel to Somalia, where he intended to join the terrorist organization al-Shabaab as a foreign fighter.
- Since 2006, more than 12 U.S. citizens have been killed in Somalia while fighting with al-Shabaab.

Lastly, we have seen U.S. citizens become radicalized and use the internet to further their radicalization, contribute to the radicalization of others, or provide services to facilitate internet radicalization. Whereas the internet was previously used to spread propaganda, it is now used in recruiting, radicalizing, training, and inciting terrorism. Thousands of extremist websites promote violence to a worldwide audience predisposed to the extremist message, and more of these websites and U.S. citizens are involved in internet radicalization.

- Key AQAP figures and U.S. citizens Anwar Aulaqi and Samir Khan have an unlimited reach to those around the world and help oversee AQAP's production of *Inspire* magazine.
- Pennsylvania-based Emerson Begholly was a self-radicalized internet extremist who provided translation services for extremist web forums.
- We have seen internet radicalization in individuals as young as 14 years old.

What makes these HVE subjects most dangerous is they demonstrated the willingness to take overt, operational steps as well as the ability to procure the materials necessary to carry out their terrorist actions. Finally, and most importantly, they demonstrated the resolve to act.

Domestic Terrorism

While much of the media attention is focused on international terrorism, the FBI continues to maintain a robust effort against domestic terrorism.

The domestic terrorism movement continues to remain active, and several recent domestic terrorism incidents demonstrate the scope of the threat.

- In March 2010, nine members of the Michigan-based Hutaree Militia were indicted for their alleged involvement in a plot to kill law enforcement officers.
- In January 2011, a pipe bomb was discovered at a Martin Luther King Day parade in Spokane, Washington, and a subject has been arrested by the FBI's JTTF.

Whereas the internet was previously used to spread propaganda, it is now used in recruiting, radicalizing, training, and inciting terrorism.

- In February 2011, three subjects were arrested on weapons and firearms charges in relation to alleged domestic terrorist activity in Fairbanks, Alaska.

We have all seen the devastation wrought by individuals intent on attacking their own communities for political ends. It has been nearly 16 years since the Oklahoma City bombing—in fact, next Tuesday marks the anniversary of that attack—but there are many of us in this room who remember the details of that horrific day, and its lasting impact.

Changing World Climate

The fast-changing worldwide political climate also presents a new and challenging CT threat. As events unfold around the world, we must determine if these events translate into a potential threat to the homeland and, if so, how this threat will manifest itself.

The governments of Tunisia, Egypt, Libya, and Yemen have drastically changed in the last six months, and these changes have impacted our approach to combating terrorism with our overseas partners.

Many of these governments were long-term dictatorial regimes with established counterterrorism track records. They are now led by transitional or interim governments, military regimes, or democratic alliances with no established record on counterterrorism efforts. Al-Qa'ida thrives in such conditions and countries of weak governance and political instability—countries in which governments may be sympathetic to their campaign of violence.

FBI Response to the Threat

Now that I've laid out the current terrorism threat environment, let me take a few minutes to talk about how the FBI is responding to this broad and diverse terrorism threat. We are taking an evolutionary approach in three key areas: improved intelligence strategy, interagency partnerships and information sharing, and better use of limited resources.

We have undergone a fundamental change to our business model and are currently undergoing a paradigm shift in the way we collect and use intelligence.

We have transformed and continue to transform from a reactive “investigative led” model to a proactive “intelligence led” one where intelligence drives our investigative strategies, enhances our understanding of terrorism threats, and increases our ability to address and mitigate these threats. Within the Counterterrorism Division, we have implemented a “Fusion Cell” concept wherein we take a target-centric approach to the threat by combining FBI and Intelligence Community tactical analysis, strategic analysis, and operational capabilities to identify and mitigate the priority threats. We use the intelligence generated from these Fusion Cells to strategically select targets posing the greatest threat.

Through these Fusion Cells, we have increased our ability to develop a holistic understanding of the threat from all angles by increasing human source development and penetration, enhancing our awareness of the domain in which these terrorists operate, and better positioning ourselves to know and understand the gaps in our knowledge of the CT threat.

We are strategically allocating our limited resources to target the greatest

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threat with a high impact approach. By doing so, we are balancing the fine line between disrupting a single subject and continuing to collect against the subject to gain a greater understanding of the threat and potential network.

In addition to changing our fundamental business approach, we are enhancing our interagency, public/private industry, and law enforcement partnerships.

Through our Joint Terrorism Task Force partnerships, we are able to exponentially multiply the resources combating the global CT threat. There are more than 100 JTTFs across the country. Each one enhances interagency cooperation, coordination, and communication while expanding our intelligence base. We are providing personnel, equipment, and training to state and local fusion centers who serve as a focal point for federal, state, and local information sharing. We have developed a cadre of skilled analysts, who now make up Field Intelligence Groups housed in all 56 FBI Field Offices.

More than 60 Legal Attache offices around the world have helped the FBI strengthen relationships with our international partners while expanding our global outreach in combating the terrorism threat. In the ever-changing global environment I spoke of earlier, these relationships built by our Legal Attache offices have been instrumental in our CT efforts abroad.

We collaborate and share subject matter and analytic expertise with foreign partners to identify global extremist networks. Upon request, we provide technical and forensic expertise to foreign governments to aid in their crime scene investigations.

The partnerships we have developed with business, private industry, and the general public have paid great dividends for us. We spend a great deal of time and effort to educate these partners on the indicators of terrorist activity, and the tips generated from these partners have already paid huge dividends, as was seen in the Texas case of Aldawsari, where a tip from a chemical company helped accelerate the disruption.

We have developed the eGuardian system to better communicate with state and local law enforcement. This system is a two-way system on reporting and sharing threat information. eGuardian makes the FBI's terrorist threat and suspicious activity reporting readily available to state, local, and tribal partners while pushing out threat reporting added by local law enforcement partners to a nationwide audience.

We have increased our collaboration with NCTC, CIA, NSA, and DHS to better share intelligence and related information. In addition, we have worked with DHS to shorten the time period for approval and dissemination of Joint Intelligence Bulletins and are working on ways to make them more useful to our state and local law enforcement partners.

Another key element in our effort to combat the terrorism threat is the better use of resources. Since 9/11, the FBI has significantly increased the resources targeting the terrorism threat.

We have doubled the number of agents and tripled the number of intelligence analysts working on the counterterrorism threat.

We have tripled the number of JTTFs nationwide and experienced a 500 percent increase in the number of FBI, federal, state, and local resources assigned to JTTFs.

The partnerships we have developed with business, private industry, and the general public have paid great dividends.

We leverage the resources and abilities of our state and local partners.

Despite the exponential increase in these resources in the decade since 9/11, we still must make the best use of limited resources. Our strategic targeting approach enables us to use our limited resources against the greatest CT threat.

We leverage the resources and abilities of our state and local partners. In every disruption I noted earlier, it was the combination of local, state, and federal officers/agents and resources that make up the JTTFs that led to the disruptions and arrests. I cannot stress enough the benefit of this daily collaboration around the country. If we can neutralize a domestic CT threat by applying state or local criminal charges, we do it. We utilize unique skill sets and language abilities possessed by our JTTF Task Force Officers to combat the greater CT threat.

We also leverage the resources of our Intelligence Community partners. We share our intelligence with our Department of Defense partners to help neutralize overseas threats and similarly use our Intelligence Community partners to increase the collection and exploitation against overseas CT threats.

Conclusion

As you can see, the CT threat is a complex and evolving threat, so we must be equally flexible in our approach if we are to be successful in countering it.

Thank you for taking time out of your busy day to come down here today. It's been my honor and privilege to speak to you today. I'll be glad to take any questions you have.

Asserting Liberal Values: The Future of British and U.S. Counterradicalization Strategies

Matthew Levitt, Mark Williams, and Seamus Hughes

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RAPPORTEUR'S SUMMARY

Matthew Levitt

Radicalization lies at the intersection of grievance and ideology. However, grievances are ever-present and very few individuals choose to act upon them. Ideology, on the other hand, offers a blueprint for action that mobilizes potential terrorists.

A key criticism of the British Prevent strategy has focused on its failure to recognize the importance of ideology in the radicalization process, as evidenced by partnerships with nonviolent Islamist organizations. Though many of these groups reject violence against the UK itself, they are either silent about or even supportive of attacks against Israel or coalition troops in Iraq. Counterradicalization efforts cannot be effective when partnerships are made with those who explicitly reject liberal values. And we must not forget that extremist ideology calling for violence in the name of Islam presents the most pressing terrorist threat to the West. Whether advocated by violent or nonviolent extremists, such radical ideology promotes a worldview at odds with the fundamental principles of Western society and must be contested.

American society has a fundamental discomfort with the government dictating acceptable versus unacceptable ideas. Freedom of speech and religion are arguably the most cherished values in the United States. This position stands in stark contrast with legal and societal norms in the UK or the Netherlands, where distribution of terrorist literature can be investigated and the drafters jailed for creating a threat to national social cohesion. Therefore, in keeping with American values, the United States must develop a strategy that confronts the ideology head-on. While the state cannot act as thought police, it can offer and amplify an abundance of voices, thereby dispelling the notion that Islamist ideology offers the only solution to one's problems and, in effect, limiting its appeal. Without banning extremist (but protected) speech, the government can and must take action to contest extremist ideas and undercut their attraction.

Lacking a version of Britain's Communities and Local Government Department, the United States must immediately develop a roadmap delineating the responsibilities of agencies and departments—federal, state, and local—in addressing local grievances, engaging immigrant communities, and contesting extremist ideologies. The last of these items remains the missing link in an



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otherwise robust effort by the United States to foster social cohesion and counter violent extremism.

Mark Williams

During his recent speech in Munich, British prime minister David Cameron made the case for fundamentally altering the method by which the United Kingdom counters the threat of radicalization at home. In particular, he declared the failure of British state multiculturalism, recognizing that the UK had not succeeded at articulating a shared national identity for all its citizens, based on liberal, democratic values. The state, he said, had encouraged different cultures, especially Muslim immigrant groups, to separate themselves from the rest of society, creating a situation in which young men could identify neither with the cultural mores of their parents nor with the values of modern British society. In just such a crisis of identity, radical ideologies of all stripes thrive.

The British government, as a result, must now take steps to change the relationship between the government and immigrant communities. Every effort should be made to implement policies that promote integration, or the so-called Big Society. The creation of a National Citizen Service, aimed at crafting a shared British identity among young adults, is just one example of such efforts.

In his speech, the prime minister also made clear that the current terrorist threat is driven by Islamist extremism, an ideology antithetical to Western values. While grievances both local and global contribute to terrorism, they are not the root causes, and acts of political violence would occur even if real or perceived grievances were resolved. Rather, radical Islamist ideology, propagated by both violent and nonviolent ideologues, has fueled radicalization in the UK and abroad.

The UK's "Prevent" counterradicalization strategy has been evaluated continually with the intention of promoting a more active, "muscular liberalism." Under Prevent, groups supporting Islamist ideology, but rejecting violence, were sometimes considered effective partners for countering violent extremism. While these groups may indeed have heightened access to vulnerable individuals, they adhere to an ideology that has allowed radicalism to flourish. Indeed, the biographies of convicted terrorists make clear that many were influenced by nonviolent extremists. Correspondingly, a key shortcoming of Prevent involved the failure to amplify voices that could provide an effective counternarrative to that of the Islamists. Future partners in the counterradicalization effort must therefore adhere to the values upon which British society is built.

In the past, the main responsibility for counterradicalization efforts as well as community relations fell to law enforcement agencies, prompting the charge that the British government's interest in its Muslim population stemmed mainly from concerns about terrorism. In the future, cohesion and integration efforts will be conducted by the Department of Communities and Local Government, while the Home Office will focus solely on counterterrorism and counterradicalization operations.



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Seamus Hughes

A thorough investigation by the Senate Homeland Security and Governmental Affairs Committee shows clearly that the November 2009 shootings at Fort Hood resulted directly from systemic failures within the FBI and Department of Defense. As news of the shootings circulated, an FBI agent detailed to a Joint Terrorism Task Force in San Diego remarked to a Defense Department colleague: “You know who this is? That’s our boy.” The statement is just one of many pieces of evidence indicating that, prior to the attack, both the FBI and Defense Department held evidence of Maj. Nidal Malik Hasan’s growing radicalization yet both agencies failed to understand its ramifications or take appropriate action.

In light of these failures, the Homeland Security and Governmental Affairs Committee report concluded that significant changes are necessary to adequately confront the threat posed by Islamist extremism. To begin with, the FBI must improve its analytic capabilities and coordination between local offices. Better intelligence sharing would have allowed the FBI to construct a far clearer picture of the extent of Major Hasan’s descent into radicalism. More important still, the report contended that Islamist ideology must be recognized explicitly as a unique threat facing both the military and the general public. Had Hasan’s colleagues and supervisors been trained to understand the nature of the radicalization process and the extremist ideology fueling it, a tragedy might have been averted. As such, a comprehensive national counterradicalization strategy must be developed to confront this threat.

This national strategy should bring together the U.S. government, Muslim-American communities, and the private sector. In large part, such a coordinated approach comes in response to current counterradicalization strategy, which exists in a gray area in the period before a violent act is perpetrated.

Often, security agencies attempt to conduct counterradicalization operations, an untenable situation that both strains limited resources and can alienate Muslim communities who feel targeted unfairly. To address the situation, these communities must be made partners in both countering radicalization and preventing violence. Support for such an approach appears in a recent RAND Corporation report, which found that one third of terrorism cases were brought to the attention of law enforcement by the Muslim community. Outreach to the private sector, too, can pay dividends, particularly in the online arena. A key method of radicalization, for example, could be disrupted if YouTube were successfully pressured to remove videos overtly supporting terrorism.

Ultimately, a more nuanced approach, taking advantage of local governments’ ability to meet individual communities’ needs but focused on carrying out a strategic vision aimed at countering the Islamist narrative and empowering positive voices, will go far in combating the threat of radicalization.

This rapporteur’s summary was prepared by Sam Cutler.



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