Remarks and Q&A by the Director of National Intelligence
Mr. Mike McConnell

Sponsored by:

The Patuxent Partnership & the Center for the Study of Democracy at St. Mary's College of Maryland

St. Mary's City, Maryland

January 16, 2008

PROFESSOR MICHAEL CAIN: Director McConnell, students and faculty, our friends from the Patuxent River Navel Air Station and the NAVAIR community, neighbors, welcome to this very special event. My name is Michael Cain, I am the Acting Director for the Center for the Study of Democracy and Chairman of the Political Science Department at St. Mary's College. We are delighted and honored to have the Director of National Intelligence, Mike McConnell with us today here in Southern Maryland. Thank you for coming.

I know the director gets many invitations to speak and I would like to think he chose St. Mary's because of our great reputation; but I suspect it had something to do with Cindy Broyles, a trustee and distinguished alum of the College, and good friend of both the Center and Director McConnell. She introduced him to good old southern Maryland crabcakes. Let's make sure the Director gets a crab cake today perhaps even a couple—they are better they're a lot cheaper here than in DC. Thank you Cindy for all of your help and support in making this event possible.

I would also like to recognize Bonnie Green, Executive Director of the Patuxent Partnership and Bob Allen the president of the Partnership; Harry Weitzel, Chairman of the Center's Advisory Board is with us along with St. Mary's Vice President for Development Torre Meringolo and Provost Larry Vote, our chief academic officer. Thank you very much for coming.

We also have several elected officials here today, I think – Senator J. Frank Raley – Senator Raley? He may be way in the back – (chuckles) – and Jack Russell, president of St. Mary's commission, as well as Dan Raley. Thank you for coming.

Finally, before we – a few other folks to thank as well. We have also here our NAVAir friends. The leadership is here: Admiral Healy, Admiral Eastburg, and CO of the base, Captain Glen Ives. Thank you very much for coming today and joining us. We very much appreciate it. Welcome all distinguished guests and friends of the college.

Since some of you are – it's your first time here, I wanted to say a few words about St. Mary's College of Maryland. It was first established in 1840. The college is a public honors college; it's the public honors college, I'll have you know, of Maryland, We're a non-sectarian, four-year college devoted to providing an affordable, liberal arts education to everyone. And we're located in beautiful downtown St. Mary's City, founded by English colonists in 1634, the site of

Maryland's first capital. Here the principles of religious toleration, separation of church and state were first championed in the New World. We're very proud of that as well.

A couple of shameless plugs for two of the organizers of this event: first is the Patuxent Partnership. The Patuxent Partnership is a membership organization of government, academia and industry that fosters the promotion and development of technology, though especially committed to supporting academic partnerships in math, science and technology.

We've actually been working several years with the partnership hosting talks and conferences on national defense and security issues. On April 9th and 10th we will hold our third annual two-day conference on defense issues. This year's topic will be on the privatization of national defense, and it will feature some nationally recognized experts. We're exited about that. Students will be invited to this, and you can find more information about this event on our website. It's the Patuxent Defense Forum.

The Center for the Study of Democracy is a joint initiative with historic St. Mary's City, and it's dedicated to exploring contemporary and historical issues associated with democracy and liberty. We promote political education on sometimes difficult and controversial topics, and we run diverse student programs on civic engagement. We have received strong financial support from this community and the wider Maryland community. We've very proud of that. We also received a half-million-dollar challenge grant from the National Endowment for the Humanities, and that required us to raise matching funds of $1.5 million. We're at $1.3 (million); we have $200,000 to go, so if you have a little extra cash – (laughter) – feel free to drop if off with Abby (sp) in the back, and we'd be happy to get that moving forward.

But now to our agenda today; why we're all here. Among the most critical policy issues facing our country today is the need for accurate intelligence to protect our society; yet the behavior of government institutions to secure these ends must be carefully weighed against our own civil liberties. And an important question facing the Senate and the American people relates to the nature of the oversight regime -- the checks and balances -- which regulate intelligence surveillance within U.S. borders. It's a tough issue, it's a difficult issue. Trying to collect intelligence information to protect us and do it quickly while balancing the interests of individual liberties is a difficult issue.

Besides that, there are many other issues, as you know, facing the intelligence community. After 9/11, many realized the critical importance of intelligence, too, for strengthening national security. But good intelligence is also necessary to help identify future threats and future threats are changing. For example, increased global trade and internationalization of our financial infrastructure has increased our economic vulnerability and has opened us to very different and new kinds of threats.

In a recent article I was surprised to read about, the director suggested that a successful cyber attack on a major U.S. bank could have a much larger impact on the U.S. economy than the 9/11 attacks. Welcome to the new world of the 21st century where there are new threats, and how to deal with them is a question that the director has to think about every day.

Director Mike McConnell has a long, distinguished record of service to the country before being sworn in as the nation's second director of National Intelligence. I promise not to list all of his many accomplishments. They are all there; we've given them all to you, but I need to mention that, before his nomination, he served as senior vice president with the consulting firm of Booz Allen Hamilton. From 1992 to '96, McConnell served as the director of the National Security Agency, and prior to that he worked as an intelligence officer for the chairman of the Joint Chief of Staff and the secretary of Defense. He retired as a vice admiral in the Navy after 29 years – 26 of them as an intelligence officer.

I am honored and very pleased to welcome Mike McConnell to St. Mary's College of Maryland. Let's welcome him. (Applause.)

DIRECTOR MIKE McCONNELL: Thank you, Dr. Cain, very much. I appreciate that warm introduction that that background history. That was very useful.

I understand why this curtain is here because I had the opportunity to step out just before we came in the building to see that beautiful view there, so fortunately now the curtain is there you are going to be looking at me instead of that beautiful view – (laughter) – so I appreciate that.

Secret intelligence in a democratic society – that's a hard thing, and that's going to be my topic for today. And I'm going to take an excursion around the community and a little bit of history, and hopefully set up some of the questions from some of the students about how do we do this and why, and how can we be successful and protect civil liberties, and that sort of thing. So that will be what I focus on.

But I've got one story. It's the only story I have, and I love a new audience because they haven't heard it. (Laughter.)

It was mentioned I got to work for one of my heroes, General Colin Powell. I was chosen to be his intelligence officer. It's called a J2. There's a J code for each discipline on the Joint Staff, and J2 is intelligence, so that was my role.

So I had been selected for flight officer but I was still a Navy captain at the time. So I showed up in July of 1990 – late July of 1990, and we went through a transition – (inaudible) – and there was a large gathering of Iraqi soldiers on the Kuwaiti border. And I looked down to see how I was dressed. It was summertime, remember – July. So I had on a white shirt, gold silver boards – or shoulder boards, white pants, white socks and white shoes. Now that will tell you immediate that the person dressed that way does not know anything about ground warfare – (laughter). Nothing.

So I was studying and trying to be educated, and understand and so on, so I went in to see General Powell, early morning. He's one of those people who moves so fast. He reads quick, he had the television on, he had the phone on his shoulder like this, and he's writing. And I show up. And he said, "Come on in." And so the TV is on, and he's still listening on the phone, he's still writing, and I'm waiting for his attention. And he said, "Go ahead." (Laughter.) So I'm kind of new at this, so I told him what I had to tell him, and then – we did this now for two years,

and what always was impossible for me is I would give him those little briefs, and six weeks later, he remembered more about the briefs than I did, and I had been up all night trying to educated.

But anyway, I gave him the story. I said, "General, there are lots of Iraqis on the Kuwaiti border." And he said, "I know that." And I was ready for the question: How many divisions? – you know, because I'd gotten the Army guys, and we'd studied it, and I was ready. And he said, "I know that. I know that there are ten divisions. How many maneuver brigades?" And I had no idea what he was talking about. (Laughter.)

So now this time I feel about that tall because I – you know, I'm the new guy, I've been up all night, I'm trying to get smart. And I said, "Sir, I don't know, but I'll find out." And I turned to walk out. And I got almost to the door and he's still – he said, "Mike." And I stopped and I'm thinking, "Oh, my career is over." He said, "We can work together." And instantly I had – I knew I had a relationship and rapport with one of the smartest people I'd ever worked for, who had a huge task. And what he was doing at that moment was just saying, personally, you're okay. Just, you know, keep at it. We'll work this out. So that was the start.

Now fast forward. That war started on time, it ended on time, we brought people home, everything was kind of – happiness. I got selected to be the new director of the National Security Agency. Now I have this relationship with General Powell, so I go up to NSA – right here in Maryland, large organization – and I said, "Hmm, I'll get General Powell to come up and speak to the workforce" – a real boost. So I call him up. And he said, you know, Mike, I only get 8,000 requests a month, hard to work in, I'm really busy, we'll work – sometime later.

So I kept trying to figure out how would I do this? How can I put pressure on? How can I get him to commit to come up? And then I remembered back when we started our relationship. He's a ground officer. They love to shoot guns, and they wear these little pins that say, "Expert Rifle" or "Expert Pistol."

"General, when's the last time you qualified on a range?" (Scattered laughter.) "All right, all right, I'll come up." (Laughter.) (Inaudible) – so okay, I go down to the Pentagon to pick him up. So we have this huge limousine, and we're going down BW Parkway. Otis is in the front seat; he's the driver. General Powell and I are sitting in the back seat.

There's a little secret about General Powell that most people don't know. He loves to go fast. (Laughter.) He should have been a fighter pilot. But he said, "Otis, faster." And Otis said, "Sir, you've already gotten me two tickets. I'm about to lose my license." (Laughter.) "I can't go any faster." He said, "Otis, pull over." So Otis pulled over, General Powell got out of the back seat, went around and got in the front seat. Otis got in the back seat with me. Off to NSA we go.

We got to the campus, and we were going a little faster than the speed limit, and we pulled on the campus, and it was a 35 zone, and the last time I looked we were doing 65. Blue lights, a little sound, here we are – so we're pulled over. And Sergeant Jimmy Smith got out of the vehicle, and he walked up, and he looked in the vehicle. He said, "Wait right here."

Now at this point I'm not sure what we're going to do, and I roll the window down so I can hear. And this is Sergeant Smith calling his supervisor. And he said, "Master Sergeant, I've got a problem." He said, "What's the problem?" He said, "I've got somebody out here that was speeding. They were doing 65 in a 35 zone." He said, "Give him a ticket." He said, "Sir, you don't understand. I've really got a problem." He said, "Look, if they're going that fast on the base, exceeding the speed limit, give him a ticket." He said, "Well, there's somebody very, very important in that car." He said, "Well, who could it be?" He said, "I don't know. But this person is so important that General Colin Powell is his driver." (Laughter.)

We got through it, life was good, we moved on.

My topic today has some humorous aspects. I think about being on the Hill and being subjected to the slings and arrows of some of the questions that I receive from time to time. It's not always humorous; it's a serious topic.

And Americans are interesting in this context. Americans love to read spy novels, and we love to watch spy movies. I'll bet you everybody here has a favorite, whether it's 007 or the Bourne series. But Americans don't like spies – just don't like spies. In the community that I represent, that's what we are asked to do.

Americans, by and large, don't trust their government. How many of you – this is a liberal arts college. I know it's not Virginia, but it's real close, and one of those guys over there – his name was Jefferson, and he wrote a lot about this: the tyranny of government. You know, Jefferson said there should be a revolution about every 20 years, and it was setting up this framework – remember at this time, coming from Europe, framing in the classics, the last thing that the Americans wanted to do was to fight a war, win independence, and then have someone ride in on a white horse to be an emperor. So there was always this suspicion. So it's our culture. We just don't trust government.

Well, if you are running an organization whose purpose is to capture and collect the secrets of a foreign nation who wants to remain secret, then you've got a little bit of a dilemma because the world is a globalized situation. It has shrunk in time, both speed and connectedness. Now think about this: if you have someone get ill in Hong Kong and we could have a pandemic start 12 hours later in New York City, that's what I mean by speed.

Also, Doc Team mentioned cyber and cyber-security and some of things that we've been looking at, thinking about how does an organization in New York City – some time ago, but relatively small, and their service was to provide global communications to several of the financial houses, the large investment banks. What I was struck by is every three days this relatively small organization moved the equivalent of the United States' gross domestic product in value. Think of how much money that is and they did it every three days. And they're just doing a service to move ones and zeroes around the globe. And I said, well, explain this to me. They said, well, this is global. It's seven days a week. I think of it as starting in Tokyo and going around the world and it never stops.

So, from a risk point of view, think about what would happen if you could disrupt that global flow of money. Think about your lives and how we conduct ourselves today. We all have credit cards, we all use it to pump gas, and I didn't see too many tall buildings around here, but if I go to work, if the elevator doesn't work, I'm not sure I could get up eight floors, and when I get there, I have to turn on a computer. So all of a sudden, the connectedness that increases our awareness and increases our productivity and automates literally everything we do also becomes a vulnerability.

Now, think about what I do for a living, that connectedness is being used by people who wish us harm. They communicate through that connectedness, you would refer to it as the Internet, so if I have a mission to know about their activities, then I have to have some way to exploit their communications, and then when you start to touch that level of communications, then Americans get concerned: wait a minute, how do I know that you stop at the right place and you're not doing the wrong thing?

Now, let's talk about intelligence in this country. I said Americans don't like spies, and I said Americans by and large don't like to trust their government. What has been our history in intelligence? We do two things: we're never ready when we're needed, that good old American ingenuity, we build it real fast, it does good things, and then we take it apart. And that's been our history; there's only one exception to that, it's the Cold War.

So now what's the context? I'm pretty old, but I don't go back to World War I – I read about it once – but I do go back to the period right after World War II, and so because of my profession, I wanted to understand it better. I did some reading and research and talking to people that lived through World War II.

When we went into World War II, we were not prepared. We didn't have a robust capability. We didn't know what was going on in Nazi Germany, we were not prepared. So, as we built capability, what is it we did? What are the two basic things that the intelligence community did in World War II? First, we learned to break code. We broke code, we read the message traffic, we read the communications of the German High Command, Nazi Germany, and we did the same thing against the Japanese. Now, think about this: all of the battles that we won in Europe where we marched all night or landed at Normandy, or all the things that we – Battle of the Bulge – well, think about it, it's a little bit easier if you know the other guy's game plan, if he's going to go left or come forward or move back. It makes your planning a little more clairvoyant, so we say.

And so thanks to the heroics of two Polish officers in the late '30s, they captured the German machine called Enigma and smuggled it out to Sweden, who smuggled it to Norway, who smuggled it to Bletchley Park in England. And the England – the English were reading the code and they needed help. So they signed up with the Americans – we need your help. So people from right in this community went to Washington, to Nebraska Avenue, and invented some of the early technology that we call computers today to be able to understand and read that traffic in real time. We were so good at it that we read the orders to the German commanders before they did. So think about that advantage.

Now, one, that's a secret; and, two, the last thing you want to do is to tell anybody because all they had to do was change the codes, change the coders, change the settings and we would've been out of business. So now you start to get an appreciation for the value. It can have tremendous value. Some argue that that shortened the war by months and months and months, saved thousands of lives. Well, many in the media would say, it's our responsibility to know what you're doing, report it to the public. And I would say, well now, think about World War II, if we're breaking German code and the fact it becomes known that we could no longer break German code, why would I want to make that a public story?

Let me use the Pacific as an example, fascinating story. The Pacific, Japanese Pacific Fleet was underway; they left Tokyo and they're going somewhere. And there's a technique in the Navy, if you want to be undetected, you just do not turn on your radio. You don't turn on any equipment. Now, from the beach, from Tokyo, you can send out messages, go here, go there, rendezvous at this point, or re-supply, whatever it is. So, it's one-way traffic. So, from Tokyo out, you've got a fleet deployed and they have a mission, they're going somewhere. Admiral Nimitz knew they were on their way, but he didn't know what the target was.

So think about targets in the Pacific: Singapore, Manila, the Aleutians, San Francisco, that's a pretty wide expanse. Remember, post-Pearl Harbor we didn't have all of the ships that we had before, so what do we do? A youngster, a young Navy – I think a lieutenant, said we've been able to get into and break the German – or the Japanese naval code. So they came up with the idea, let's cause potential targets, where we think the most likely targets are. Let's (get ?) them to talk about themselves in the clear.

One of the targets was Midway. So a little known fact about Midway, they have no fresh water. So on a ground cable on the ocean that nobody can hear, they told the commander at Midway, send us a message in the clear that says you have a water emergency, you must have re-supply immediately. So he sent in the clear, dear Hawaii, this is Midway calling, no water, got to have help, send a tanker. Within 12 hours, Tokyo said to the fleet deployed somewhere, Target X suffering water shortage.

At that moment, Admiral Nimitz took every ship in the U.S. Pacific Fleet and put them in proximity to Midway. And when the Japanese showed up – because that was the target – the Battle of Midway was joined and the war was never the same in the Pacific from that point on. It was constantly downhill for the Japanese navy after that.

Now, think about that. We had a technical capability to exploit a pretty esoteric naval code that allowed us to understand targets and defeat an enemy in a war, a global war. Is that a secret? I'd say that's a secret, and should we make it public? Well, we talk about it today because it's history. But at that time, they could've taken away our capability by just modifying that code. So the reason I'm telling the story this way is I'm trying to give this audience, particularly students because you're going to have to debate this, you're going to have to vote about it, you're going to have to be engaged in the public dialogue on this, is we're in a situation now. We have a similar circumstance.

There's an enemy today that is different from what we faced in the Cold War and in World War II. It's a group of terrorists whose mission is mass casualties larger than 9/11 inside the United States by any means possible. I'll come back to that.

So if I go back to World War II, what do we do? Two things: we learned to break code, and we did it well. And we learned how to do human operations. What we called OSS back in those days, Office of Strategic Services, is called CIA today. These are operators, these are brave men and women who would parachute behind the lines with special equipment and do sabotage or resistance work with the resisting forces. That's – today we refer to it as HUMINT, code-breaking we refer to as SIGINT, that's signals intelligence for code-breaking, and human intelligence for human beings doing things on the ground. Those are the two big contributions of World War II.

Fast forward: what do we start to do in 1946? We don't like this secret stuff. Let's take it apart. Winston Churchill, he's the one that said democracy is a terrible form of government; it's just superior to anything else we've ever tried. One of my heroes, he said, you know, there's some interesting terms I can invent: one of them was Cold War, the second was Iron Curtain. So those of us a little older than students here, when you think Cold War, Iron Curtain you have, instantly have a vision of what the issue is, what the problem is.

So some debated post-World War II, we had the National Security Act in 1947, created the United States Air Force, create CIA, create a Department of Defense. In creating the CIA, you had to create a community that said because of the Cold War, we cannot take this community apart. We have to make it robust and we have to sustain it. So for 40 plus years, we had bipartisan agreement and funding – very robust I might add – to have a capability that was global.

What did we do? All right, think about the Soviet Union. I've forgotten whether there's 13 or 14, but one or the other, time zones of denied territory. So something in this expanse from the Pacific into Europe, Warsaw Pact even bigger, but just stay with the time zones of the Soviet Union for a moment, things were happening, weapons were being developed, capability was being developed, and their leader – I remember this as a youngster when I was about the age of some of these students here – banging on the podium at the United Nations, we will bury you.

So we had to look inside a secret society who did not want us to know what they were doing, and we had to understand what they were doing and how they were doing it and how we might try to counter it. So we did two things: we captured the high ground, another way to say that is outer space. Now, you remember the stories of U2s and Francis Gary Powers was shot down and so we've got see how did we do it? We invented space; we invented tremendous capability to get up in space and look down. And we did that very, very effectively for the entire Cold War.

Now, as a student of the Cold War, as one of the Cold War warriors, I can tell you, the Soviet Union could not think about, plan for, design, build, test, or deploy a major system that we did not understand and generally have a capability to counter it by the time it was fielded, and that's across the Navy and the Army and the Air Force and missile forces and so on because we had the high ground.

Now, at one point, they came out; I checked in the Navy, it's McConnell, 1966 – 1967 went to OCS in '66, took a little – (inaudible) – 90 day wonder. First mission, go to Vietnam, do that, came back and said, eh, I'm not sure I want to stay around. I'm kind of behind my colleagues here learning how to drive ships. I was in the bound water Navy, I said this intel sounds kind of interesting. So I signed up to an intel officer, just to get the training, I think I was going to get out, and then I got hooked because now I got a chance to see the inside. I got to understand the secrets and know the capability and so on.

First problem: a Yankee-class submarine, Yankee-class, that's an SSBN – if that's not a familiar term to you, SS submarine, B ballistic missile, N nuclear – so that's a nuclear submarine carrying a nuclear tip set of missiles, and where was it located? Off Norfolk, Virginia.

Now what's the significance of that? The missile flight time from Norfolk, Virginia, off the coast of Norfolk, to Washington, D.C., was less than eight minutes. So if we went through that debate in the late '40s and early '50s about what's our foreign policy, containment, and what's our defense policy, nuclear deterrence, you had to have the ability to always guarantee that you could retaliate. But all of a sudden the game changed when it was eight minutes of flight time.

So the national leadership turned to the Navy and said fix it, neutralize that threat. So when I said earlier, we've got outer space; the maneuver requirement was inner space, it was under the ocean floor. And so the Navy – and I got to be a part of that – built the capability to neutralize that threat. And we did it very, very well.

Now, in all of that, the fact we had outer space with tremendous capability and inner space because we could track and modify the capabilities or neutralize the capabilities of the Soviet Union. It was a near-term threat. Those are all secrets, big secrets. And does the public have the right to know? Yes, in a sense they do. But if it starts to become so public and so well known, the sources and methods by which you are capturing this information are comprised so that it can be countered on the part of the enemy, in this case, the Soviet Union, or a potential enemy.

Lots of ways to do that – you could – things that you're observing out in the open that you design, you can take underground or put undercover. So there always are ways to point-counterpoint on this. So our challenge was to do this in a professional way, capture this information, and make it available to the right decisionmakers.

I would submit that because we could do the things that we did, we empowered the national decisionmakers to win the Cold War. Remember, we won the Cold War without firing any shots, tremendous, tremendous accomplishment. And I think my community, the professionals in my community, contributed to that in a very significant way.

Go back to al Qaeda – 1991: the Soviet Union collapsed. Nineteen ninety-two: I got selected to be the new director of the National Security Agency just up at Fort Meade. What were the two words that came off Capitol Hill? Peace. Dividend. Another way to say that is, we want the money back. So a large, robust, global capability benefited from all of that other stuff I talked

about in the Cold War – all of a sudden, it was, we don't need all of those Russian linguists; we don't need all of those supercomputers. Who's the enemy? Let's get smaller.

And so, our dilemma was, we had a world of communications that we had been very good at exploiting. At that moment – remember the date – 1992 – when did the World Wide Web get put into the Internet? Nineteen ninety-four. So the world changed that quickly from how we used to do business to how we're doing it together.

Now, let me take you back to that firm in New York City. It's moving the equivalent of the United States' gross domestic product every three days. That's the Internet. So our world changed from a technology point of view. And guess who lives on the Internet? Bad guys and good guys. And it's – how do you separate? And how do you do the authorities of this community in a way that does your foreign intelligence mission but respects the right to privacy of U.S. citizens?

Let me take you to 9/11. We had an act passed in 1978; it's called FISA. That stands for Foreign Intelligence Surveillance Act. Why? Well, if you go back in time to the '30s, the '40s, the '50s, the '60s, and the '70s, there were situations where either law enforcement or the intelligence community conducted surveillance against U.S. citizens. There was a time in the '50s that the FBI was tapping the telephone of the chief justice of the Supreme Court. I happen to know that because I grew up in the South. I was very interested in this and one of my heroes was Justice Hugo Black. He was from Alabama. He was a member of the Ku Klux Klan, but he was the leader for integration on the court, racial integration. It was such a paradox, someone who grew up the way he did and the leadership role he took on the court.

The FBI tapped not only his phone, but the chief justice of the Supreme Court, Earl Warren's phone. Now, you might ask today, why would we do that? In the cold light of day and where we are now, you'd probably think that wasn't the right thing to do. Well, you can make that argument in the '30s. In the '40s, we rounded up Japanese and interned them. We monitored communications; we read people's mail. We had a global conflict. Was it appropriate?

Now, people have argued it both ways. The '50s I just mentioned – in the '60s, there were abuses again on Martin Luther King's telephone was tapped. So you can argue: Today it looks like the wrong thing to do. Well, let's go into the '70s: protests against the Vietnam War, the Weatherman. Remember the Weatherman group? Americans – they were blowing up draft induction centers. Well, the attorney general said to – director of National Security Agency tapped their phones.

And the director said, but, sir, those are U.S. persons. And the attorney general said, I know the law. The law says I can authorize you to tap the telephone of foreign powers or agents of a foreign power, and those people are not blowing up those draft induction centers unless they're acting on behalf, as an agent of foreign power. That was the logic.

That attorney general went to jail, but that period of time, and leading into Watergate, there were some abuses. So in 1978, a law was passed: FISA, Foreign Intelligence Surveillance Act. And what it said was, we've got a Cold War. We've got to do intelligence, but we don't want any of

these abuses anymore. How do you balance that? Church and Pike – Church in the Senate, Pike in the House for the committees that reviewed this and looked at the entire history, exposed all the information.

So the law said, you do the international foreign mission, but if you do anything in this country, you must get a warrant from a court. Create a new court. Call it FISA court, the right way to do business. I wrote the law very, very carefully, but there was a problem; in 1978, we didn't know there was going to be an Internet. We didn't know about cell phones. And the law was shaped in a way that says, you can do your mission, intercepting wireless – remember those satellites I mentioned earlier. The globe talked to itself on satellite relay. You can do it from this country as long as it's out there, foreign.

And then when they talked about wire, I said, well, the wire is here. You've got to have a warrant. But what's happened? Ninety percent of the world's communications today are transmitted on fiber optic cable. And there's a reasonably high probability that anybody talks in the global net – remember this Internet I keep describing – will pass through guess where? A wire in the United States. So all of a sudden, the law says, if it's on the wire, you've got to have a warrant.

Now, here's my situation. I've got bad guys in Pakistan talking to bad guys in Iraq about blowing up something in America. They're foreigners in a foreign country, but the place I have access is in the United States. So, all of a sudden, the situation outstripped the language and the law. So we recognized that; we went back to the Congress; we made our case.

We said, look, we've got three requirements here. The first requirement is, don't require us to get a warrant for intercepted foreign communications betweens foreigners in a foreign country, regardless of where or how we intercept it. That seems pretty logical, pretty understandable. The second thing, we said, look, if it's a U.S. person, require us to get a warrant. And the third thing is, if we need the assistance of the private sector, for goodness' sake, give us a way to compel them to help us. But also give us a way to protect them if they provide that help.

Now, very interesting summer last year – we got a law passed. That was my first experience. I don't want to go through it again. (Laughter.) But we got the law passed. It's called the Protect America Act. And it gave us two of those three things. It gave us authority to collect foreign communications against a foreigner in a foreign country regardless of where we intercept it, no warrant. It also requires us to have a warrant if it's a U.S. person, the appropriate thing to do. I asked for liability protection for the private sector and the agreement was, it is prospective; it's future. We're not going to talk about the past.

Well, now, I have a dilemma because there are claims being made about the past so those who were alleged to have assisted us are now in a situation where they're being taken to court for huge, huge sums of money. So our dilemma today is, we have a terrorist group that's committed to mass casualties in the United States. In the invasion of Afghanistan, about two-thirds of those players were either killed or captured.

But leadership and some of them escaped into something called the FATA, the Federally Administered Tribal Area of Pakistan. That is a region of the world that's never been governed from the outside. It is a special enclave about the size of the state of New Jersey in Pakistan. The British attempted to pacify it for 60 years; they were never successful. It is very fundamentalist in their outlook. Al Qaeda moved there; they've been accepted. We refer to it as sanctuary.

So we watch al Qaeda recruit – they recruit in Europe; they recruit around the globe. And the purpose of the recruitment is to train people in weapons of mass destruction and then get them back into the United States so we have some horrendous catastrophe.

And so, our dilemma is, how do we work that target in a real-time way? We've been very successful. There are many that have been made public where we stopped some terrible event. Probably the one that would be most known to you in the room is the – it was a plan to board 10 airplanes, 300 people each, in Europe, U.K., to fly here. And they were going to blow them up out over the Atlantic Ocean.

We knew that because we can do this kind of collection. The debate today is, to do that collection, some allege that we're spying on Americans. And so, that's our dilemma. Now, this bill that was passed in August, the Protect America Act – August the 5th is when the president signed it – had six months. It runs out at the end of this month. There are three versions of that bill on the Hill to update it: one in the House, one in the Judiciary Committee in the Senate, and one in the oversight committee, the intel oversight committee in the Senate. And one of them is the – it gives us the authority we need – and the other two do not. And we're out of time.

So our dilemma now is, how do we work through this with the Congress? It's going to expire and there is a threat; it is real. And our best way of having insight and understanding is through this process I described earlier. So managing this community with the mission that we have, committed to rules of law where, in some contexts, we're violating the laws of the foreign country in which we do our operation. If we were collecting secrets in Germany, Nazi Germany in World War II, they probably wouldn't have considered that consistent with their laws. So we have to do that, collecting secrets that are intended to be secret in foreign countries, and live within the bounds of our own law.

So after a period of our history, always building it up at the last moment, taking it down later – except for the Cold War – we've now built it up again because of this new threat – and there are other threats we worry about; the century of Asia is going to be the next century. The population, over almost 60 percent of the global population will be Asian in the next 30 years, at contrast to 5 percent in Western Europe and I think it's 13 percent between North and South America. The largest economies in 30 years – number one is China. Who is number two? We're arguing. We don't know if it's India or the United States; it'll be one or the other. Number four will be Japan.

Demographics are terrible for China, Japan, Western Europe. If you think demographically in a society like this: young at the bottom, old at the top – young ones were – social and safety net is at the top. China is on a path to do this because one child per family – it doesn't take too long.

We also have an imbalance of men and women. It's about 120 plus men for every 100 women. That creates an interesting dynamic in and of itself.

So we have a century of Asia on us, where the three largest economies – three of the four largest economies will be Asian, almost 60 percent of the population, with incredible dynamics, intention in the societies. So, as once was alleged, history ended with the collapse of the Soviet Union. It did not end. We have problems today; we will have problems in the future. And our mission is to adjust with regard to those problems with a robust capability to collect the information, do it consistent with our law, be good enough to protect the nation in that context, but respect the rights to privacy for U.S. citizens.

So I think I'll stop and take a few questions. Thank you very much. (Applause.)

PROFESSOR CAIN: Let's – we have about 10 minutes for questions for the director. If we could, let's have students go first and then we'll open it up to everyone else. So a couple of students out there who – I know you all are in the back, too. I can't see all the way in the back, so sorry if it – yeah, Marielle (ph). If you would, identify yourself and say your major, when you're going to graduate. Everyone doesn't have to say when they graduate, all right? Just students. (Laughter.)

Q: Thank you. I'm a second-year econ major.

My question for you, Doctor, would you please tell me you how you feel about law enforcement and intelligent agencies essentially sharing info and how your office coordinates all of that information coming in effectively and – (inaudible) – translate it into a comprehensive strategy that respects our civil liberties?

DIRECTOR McCONNELL: What was the last part?

Q: Respects our civil liberties, comprehensive strategy.

DIRECTOR McCONNELL: You captured the biggest challenge we have. And when I was describing FISA – that shaped our thinking and our framework and our culture because it was all foreign. Remember the first word in FISA is foreign. And what effectively was creative is – think of it as a hundred-foot brick wall between intel people, foreign, and law enforcement people, domestic.

So if it was a domestic issue, probable cause, now you have got to go through a process to get a warrant, and so on, if Mohammad Atta had been in Pakistan and we were tracking him, some way to track him – he went to Turkey, went to Europe, got over to Canada, we'd track him as foreign intelligence target, and he crosses into the United States, he's now a U.S. person; he gets all of the rights and privileges that you get. He's invisible to your intelligence community.

As long as he doesn't break the law, law enforcement can't conduct surveillance because they don't have a probable cause. Al Qaeda recognized that and that is why 9/11 happened in my view. So you put your finger on the challenge. How does this society that divided foreign and

domestic and lived very comfortably because we have these great saltwater moats, and we hadn't had a battle here since 1812 – we did our wars over there, never over here, and all of the sudden the war is here.

So how do you effectively do that? We have a little game plan. I think we left a copy for you. We had a hundred-day plan. Well, it takes a little longer in government so we didn't get it all done, so we made a 500-day plan – (laughter) – and it's to capture that. One of our six goals, information sharing and management is one of the primary issues to do just what you said. So we're working it very, very hard. We've got technology people, policy people legal people – we're really working it in partnership with the FBI.

PROFESSOR CAIN: One more student. Yeah.

Q: I'm a senior political science major. And I actually have two questions. The first one is much has come out in the books following the invasion of Afghanistan from Gary Shrone (ph) and Gary Bernstein (ph) especially that had the CIA, had the access to the 101st Airborne. They could have surrounded the Tora Bora and possibly captured bin Laden right then. What are the prospects going forward for capturing bin Laden, do you think? Do you recognize that that was possibly a mistake?

And then my second question is with the wide-open Southern border, it doesn't seem that that is really politically considered a realized threat when – you know, airport security seems awfully silly when there's thousands of people totally undocumented that could be carrying very dangerous equipment across the border. What are you doing to try and realize that threat and make the politicians, many of the presidential candidates, do something about that threat?

DIRECTOR McCONNELL: Okay, let me take them in the order you ask. First of all, I can't answer the question about Tora Bora and 101st and what might have happened. When there, I was working with Cindy Boros (ph) down here – (laughter) – trying to do business about that time. So – and I have done a little bit of history but I don't know – I can't answer that question.

I know there are a lot of allegations about you should have done this; you should have done that. Often the person making the argument has got an agenda, so I just don't know.

Where is he today? He's in the FATA, which I mentioned, Federally Administered Tribal Area, Pakistan. That is the border area between Afghanistan and Pakistan. And think of it this way: This region is the size of New Jersey. He wants to remain hidden. He has a support structure to keep him hidden. And if you could look at a map or chart – have you ever visited the Rockies, Rocky Mountains? You're the wrong coast, but these are 14, 15, 16,000-foot mountains, and it's very, very difficult to find a single human being who wants to remain covert, who has a support structure to keep him covert. It doesn't mean we're not looking, but that is where he is.

And he runs – and this is what I was trying to capture earlier – he has – he and his associates are running this global enterprise because you can sit in an isolated, remote location in Pakistan and community instantly around the globe. So think of it almost as a franchise from Morocco to Algeria, to Tunisia, to Libya, to Egypt, and on, all the way across. There are now al-Qaeda

associated cells. That is also true for Europe, and they are trying very hard to get in the United States.

Why aren't they here? So far, we've been pretty good at what we do. But you put your finger on a critical problem: What about the border? It's not just the Southern border; we've also got a northern border. And how do you do that? Now, fortunately for me, that one is not in my job jar. That one belongs to the secretary of Homeland Security, Michael Chertoff. And legislation has been passed, and we are in fact today building a border fence along the Southern border – still doesn't answer the question on the Northern border.

So this – you ask how we solve it. In my view, we make it difficult to come across, but it has to be a partnership with Canada and Mexico; that is the ultimate solution, is helping them solve that problem so it doesn't become our problem.

This student or – way in the back. Do you want to come up?

Q: Hi. I'm a history-and-art major. I'm just wondering, as the director of National Intelligence, is it difficult to decide, like, what information is more important – like, you get it from very intelligence agency, correct? Is that – is it difficult to figure out, like, what is the most crucial information at the time or –

DIRECTOR McCONNELL: Sorting is a challenge because you think of our collection – think of it as bits or pieces of information. It's measured in the billions per day. So that is a challenge. That said, people are trained, they speak the language, they are expert in an area, they are expert in the capability, so there is some awareness about how to do that.

A second thing is we have something called an NIPF, the National Intelligence Priorities Framework. And so every six months, we get the president to sign what has been agreed to by his cabinet – these are the things that are most important to us. And this is as very dynamic process. In the White House, there is a series of PCC, policy coordinating committee; DC, deputies and deputy cabinet officer; and PC, principal committee cabinet officer. And every issue that is being worked is worked through that process.

So for the intelligence people that support that, you know what are the issues, what is of concern now. I'll give you a recent example. I don't know if you every heard of the PKK or the KGK. That is a terrorist organization based in Northern Iraq, and they're Kurdish, and their mission is to create a greater Kurdistan. They have a particular bone to pick with Turkey. So their modus operandi, the person that founded them was a Marxist in the '70s – is to cause an overreaction by the Turkish military so that you attack into Iraq and inflame the Kurdish population. The objective is destabilize Northern Iraq and also Turkey; that is the framework.

So I didn't wake up one morning and say, I wonder what the PKK is doing today. It became a critical issue at a critical time, so significant amounts of our capability were focused on that problem because it was a major issue for all of the decisionmakers from the White House to the Department of Defense out to the players in Iraq or Turkey or where we're trying to deal with the issue.

So there is lots of information, but there is a winnowing process and an awareness process that is constant. It's seven days a week, 24 hours a day. So I don't find it particularly challenge to know where to get the key information. I do find it challenging sometimes to make sure the right piece gets to the right place – go back to 9/11. There was enough information in 9/11 for us to have at least connected so we could, in my view, probably prevented that. And so that is the lesson learned – the WMD Commission, the 9/11 Commission, and then changing the community. We created the Department of Homeland Security; we created a director of National Intelligence; we made some fundamental changes.

And the good news of a democracy is when there is a problem, it gets very focused on correcting the problem. So we're making progress. I don't think we're there, but we're on that 500-day plan we handed out to you. That is the way we're trying to deal with that problem, and it talks to the question you asked.

Q: Thank you.

PROFESSOR CAIN: Take one or two questions. Two more questions.

Q: Hi. I'm interested in following up in your comments on waterboarding in the New Yorker article where you said it would be torture if applied to you. And my question is do you think that experience has been effective for the United States government, weighing information gained versus the notoriety internationally of engaging in these harsh interrogation techniques? If the government had to do it over again, would you – would you advise proceeding in that way?

DIRECTOR McCONNELL: First of all, let me restate the president's position that the United States does not engage in torture. We do use enhanced interrogation techniques. There are people – there are Americans today that are alive that are living and breathing because of those interrogation techniques. The issue is how do you keep uncertainty in the mind of a terrorist, someone that has been captured so that you can cause that person to provide information that is needed. And one of the reasons we don't talk about the techniques in great detail is we want to always have that uncertainty there. So we don't do torture; we do interrogation. It has saved lives, and so from my point of view, we have accomplished the mission within the bounds of U.S. law.

Now, my personal view is the tragedy of Abu Ghraib, which was out of the bounds of law and out of proportion, caused a vision or mindset that people see that and relate it to what I'm talking about when I say enhanced interrogation techniques. So there is a mental image and then there is the reality. The reality is we do not do torture and it has been successful.

MR. CAIN: One more.

Q: Hi. I'm a history major who hopes to someday be a history teacher. I feel like I would be remiss if I didn't –

DIRECTOR McCONNELL: How about an intelligence officer? (Laughter.)

Q: Not smart enough. (Laughter.)

DIRECTOR McCONNELL: You're going to St. Mary's for goodness' sake. (Laughter.) I'm not smart enough to get into St. Mary's today. (Laughter.)

Q: Don't tell admissions. (Laughter.) But my question is this: historically it seems that a lot of times in picking up the intelligence that we do because we're good at, you know, finding out things that people don't want us to know, it seems that we find information not necessarily pertaining to use but pertaining to other foreign nations and their diplomatic nuances with each other, which have presented opportunities either – which we perceive to be to our benefit, and so we've supported one side over another.

And I was wondering just what is the process on that? And it's gone terribly wrong in the past sometimes, and so I was wondering what has been done to I guess ensure that it doesn't happen again because, I mean, not having done a lot of research on it, I hear – or I've heard that we helped train some of the people who are doing us ill now. And it's a little disconcerting to think that people we supported are now trying to hurt us because at the time they happened to hate someone we also hated. And so I guess I was just wondering what has been done to kind of rectify that. I'm sure my question doesn't sound as smart next to the Reuter's guy. (Laughter, off mike.)

DIRECTOR McCONNELL: Could I ask you – can you give me a specific – I was hanging in there with you but I didn't quite get to the question, so help me out a little bit.

Q: I just – most specifically, bin Laden was trained as an operative or not as an operative for us but trained by our people. And I'm not entirely certain on the entire history of it because I'm not an expert in that area.

DIRECTOR McCONNELL: Okay. Well, let me back up to historically try to answer – at least address it from where you started. We collect lots of information. We also live in a democracy, and you probably notice there is a presidential election that is going on right now. Now, if you – when you turn on the TV, do all of those candidates agree with each other? This called a democracy, the worst form of government except for everything else we've ever tried. So we're going to collect information we provided to policymakers and we're providing to a set of policymakers that were collected today, and they have a point of view.

We're going to have a new set of decisionmakers, policymakers in a year and four days – 239 days – (laughter) – and I'll be looking for a job. So what I would try to frame as my answer is the American public holds the United States military in very high esteem. When you talk about what do you think about this organization, that organization, whatever, the United States military is almost always right at the top.

And I would like to think we're attempting to earn the trust of the American public as professionals in the intelligence community. We're not political; we're professional. And we're

going to go collect that information and we're going to provide it to a set of decisionmakers that are going to have different points of view. And we'll get a set of decisions.

The goodness of that is, if you don't like those decisions, you get another chance in four years – (laughter) – in some cases, every two years and, occasionally, with senators, it takes a little longer. But you can always change it. And that's how I would answer your question. It's the wonderfulness and the goodness of being responsive to the votes that are going to come right out of this room.

Thank you very much. It's been a real pleasure being with you. (Applause.)

PROFESSOR CAIN: I – before we leave here, I want to thank you all for coming and remind you that on March 28th, Tom Brokaw will join us here for the annual Benjamin Bradley lecture. I look forward to seeing you then, and I wanted to remind invited guests of the Patuxent Partnership and the Center for the Study of Democracy to convene in Good Pastor Hall immediately following this, right now. So thank you very much for coming. (Applause.)