

JOINT HEARING OF THE HOUSE ARMED SERVICES COMMITTEE AND THE HOUSE SELECT COMMITTEE ON INTELLIGENCE SUBJECT: IMPLICATIONS OF THE NATIONAL INTELLIGENCE ESTIMATE REGARDING AL QAEDA WITNESSES: ERIC EDELMAN, UNDERSECRETARY OF DEFENSE FOR POLICY; MICHAEL LEITER, DEPUTY DIRECTOR OF THE NATIONAL COUNTERTERRORISM CENTER AND DIRECTOR OF THE INTERAGENCY TASK FORCE ON HOMELAND THREATS; EDWARD GISTARO, NATIONAL INTELLIGENCE OFFICER FOR TRANSNATIONAL THREATS; JAMES CLAPPER, UNDERSECRETARY OF DEFENSE FOR INTELLIGENCE; MARY BETH LONG, ACTING ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS; PETE VERGA, ACTING ASSISTANT SECRETARY OF DEFENSE FOR HOMELAND DEFENSE CHAIRED BY: REPRESENTATIVE IKE SKELTON (D-MO) LOCATION: 2118 RAYBURN HOUSE OFFICE BUILDING, WASHINGTON, D.C. TIME: 1:13 P.M. EDT DATE: WEDNESDAY, JULY 25, 2007

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SKELTON:

Ladies and gentlemen, let me welcome today's panelists.

General Clapper, thank you for being with us.

Secretary Long, Secretary Verga, Mr. Leiter and Mr. Gistaro -- everyone is here, so thank you.

This is a very special hearing today, as you will soon learn, that this is pretty much a once-in-a-decade hearing, and we appreciate you being with us today.

We convene to examine and discuss the implication of the recent national intelligence estimate, also known as NIE. We are joined by and welcome our colleagues from the Intelligence Committee.

The NIE is entitled, "A Terrorist Threat to U.S. Homeland."

The unclassified key judgments contained within include pronouncement that the most persistent threat facing the U.S. homeland over the next three years is one posed by terrorists and especially Al Qaida.

As a nation, we find ourselves in this strategic situation after pouring billions of dollars and thousands of troops into Iraq. This tremendous sacrifice has diverted our nation from the real war on terror and subjected the nation to an unacceptable level of risk.

This committee has spent a great deal of time looking at the strain on our servicemembers, as well as on our equipment. We are tasked with ensuring that our military is ready to respond to the next contingency wherever it may be. But we must also ensure that we can deal with today's threats. And I'm deeply concern that we've not paid sufficient attention to the places who threaten us the most.

Chasing windmills has kept our eye of the more important struggle, the one with roots in Afghanistan. The recent NIE points this picture out clearly: the unstable region within the borders of Pakistan and describes a strong and resurgent Al Qaida and warns of a heightened threat environment. In short, it's not good news.

We've asked today's panelists to join us for a discussion about the scope of the NIE, its assumptions, its implications for our nation.

SKELTON:

As chairman of the Armed Services Committee, I'm also concerned about the implications for the Department of Defense. Must we reexamine the Department of Defense's force posture? Must we reassess the Department of Defense's modernization priorities? Must we revamp the department's policies in order to address the near-term threat scenario?

These are the most pressing questions, and I look forward to further examination.

Let me first, then, recognize the chairman of the Intelligence Committee, Mr. Silver Reyes, for any comments he may have, and then I will go to Ranking Member Hunter and Ranking Member Hoekstra. And I will have some administrative comments shortly thereafter.

Mr. Reyes?

REYES:

Thank you, Chairman Skelton.

Good afternoon.

As chairman of the House Permanent Select Committee on Intelligence, I am pleased at this opportunity to conduct our work in open session and to convene a hearing with my colleagues on the House Armed Services Committee. Especially since I also serve as a member of the Armed Services Committee, I know how closely our committees work together to safeguard our nation and empower our military and intelligence professionals.

I want to also add my personal welcome to our panel of experts.

When focusing on an issue as important as Al Qaida, which is the topic of today's hearing, it is critical that our committees work closely together.

I want to thank my good friend and colleague Ike Skelton, the chairman of the House Armed Services Committee, for his leadership and his partnership, as well as our two ranking members, Mr. Hunter and Mr. Hoekstra.

Today we will specifically focus on the resurgence of Al Qaida as reflected in the July 2007 national intelligence estimate entitled "The Terrorist Threat to the U.S. Homeland."

I would like to thank our witnesses for joining us here today because your testimony will help our committees work together to examine this very critical issue to our country.

REYES:

Our efforts to defeat Al Qaida and protect our nation are not separate intelligence or military issues. In order to defeat this most urgent threat, all instruments of our national power must work together seamlessly. This joint hearing reflects that approach.

Four years ago, President Bush told the American people that Al Qaida was on the run and that they're not a problem anymore. However, the NIE released earlier this month indicates that today our intelligence community believes otherwise.

The NIE states that the U.S. homeland will face, and I quote, "a persistent and evolving terrorist threat over the next three years," and that Al Qaida has regenerated key elements of its homeland attack capability. Essentially, the NIE reflects that Al Qaida is not just a problem, but the most serious threat to our nation's security.

This is a grave issue, and it is critical that Congress know how our country can protect itself and ensure that this does not happen again.

One of our main challenges is that, while the Bush administration assumed Al Qaida was no longer a threat, the administration has focused our resources in Iraq. This war, which costs the American people approximately \$10 billion a month, has diverted needed funds and personnel from eliminating the threat of Al Qaida.

The NIE, however, points out that Al Qaida -- the Al Qaida threat emanates from Afghanistan and Pakistan, and not Iraq, and the United States has missed critical opportunities to address that threat.

Moreover, there are signs that the war in Iraq has had an even greater negative impact. It appears that our presence in Iraq may actually be helping Al Qaida.

As the 2006 national intelligence estimate on terrorism noted, the war in Iraq has become a recruiting tool and training ground for terrorists. And as the new NIE assesses, Al Qaida's association with Al Qaida in Iraq helps Al Qaida raise funds and recruit operatives, including for attacks against our country.

This are critically important interests to the American public. And I look forward today to a productive hearing that will not only tell us more about the threat laid out in the NIE, but how we can best fight this threat more effectively. The men and women of the U.S. intelligence community, the men and women of the U.S. armed forces and the American public as a whole deserve this careful consideration.

Finally, as I have consistently noted since assuming the chairmanship of the House Intelligence Committee, the threat of terrorism is not a political issue. There is no room for partisan politics in the realm of national security. So I look forward to working with all of my colleagues, both

Republicans and Democrats, to further safeguard our nation. And as always, I invite all of them to work with us.

Thank you again for joining us here today. And thank you to the members of our respective committees who are here as well.

I would now like to turn it back over to the chairman.

SKELTON:

I thank the gentleman from Texas, the chairman of the Intelligence Committee.

Mr. Hunter?

HUNTER:

Thank you, Mr. Chairman.

I want to thank you and House Intelligence Committee Chairman Reyes for holding the hearing on a topic that I think is very critical to both committees.

And let me joining you in welcoming our witnesses today.

You know, I think it's important that they're here. Over the last week or so we've been bombarded by lots of public statements that I think have ignored or misrepresented, innocently or intentionally, the findings of the latest national intelligence estimate.

So, to our witnesses, your testimony is, therefore, timely and welcome, as it should hopefully correct many misstatements that are currently circulating.

You know, I think this summary captures what the intelligence community and the policy-makers and other experts have said about the Al Qaida threat, and what many will point to as the most important finding in the NIE, and that is that Al Qaida is resurgent.

As we discuss the terrorist threats that confront our homeland, we're going to examine our security strategy based on what the enemy's been doing and could possibly do. However, we can't lose sight that the summary that we provided is very much the same view of the situation as Al Qaida's.

And from -- and I think we have to remember that in 2004, Osama bin Laden said this, and I quote: "The world's millstone and pillar is in Baghdad, the capital of the caliphate."

And later, Zawahiri, his number two and principal strategist, clearly laid out Al Qaida's strategy for Iraq. And he said, and I quote: "The first

stage: Expel the Americans from Iraq. The second stage: Establish an Islamic authority or emirate, then develop it and support it until it achieves the level of a caliphate. The third stage: Extend the jihad wave to the secular countries neighboring Iraq," unquote.

Al Qaida has been waging an offensive war against us and our values for a lot of years. And the group's clearly stated desire is to see us, the West, and the freedom that we represent defeated and destroyed. Bin Laden's view of the importance of Iraq has never wavered, not his desire to attack us again on our soil.

HUNTER:

Yet despite Al Qaida's efforts to break our will, we are also resurgent in our view and continue to deny the very opportunities bin Laden hopes to exploit.

The recent surge in Iraq -- and I would commend all my colleagues to take a look at the -- especially at the activities in Anbar province and the progress that our Marines have made there -- but the recent surge in Iraq, our continued strong military presence in Iraq and our unwavering dedication to the Iraqi and Afghan people have pushed Al Qaida back. Our worldwide efforts, as mentioned in the national intelligence estimate, have constrained Al Qaida in its operations.

And I would just say to folks who find it extremely unusual that we have not sustained another attack on American soil, I would remind my colleagues that we have had an aggressive, forward-leaning operation against Al Qaida since the strike on 9/11. It's difficult to plan an attack when some of your planners don't show up at the meeting because they've been killed or captured. And that's what's happened in many, many occasions.

I think we've got to put today's discussion in perspective.

I'm greatly concerned with Al Qaida's resurgence in the Pakistani tribal area of North Waziristan, and I've expressed my concern in a February letter to the president on that point.

In Al Qaida, we're facing a determined, persistent foe who demands our continued dedication and resolve. The posed a continuing and grave threat to our nation; we all know that. But we can't focus our efforts solely on the group's physical base in the border region of Afghanistan and Pakistan or in Iraq. It seeks to export violence from these regions not just to neighboring countries, but also to the U.S. homeland. It seeks to inspire violent cells in Europe, Africa, Asia and the United States.

HUNTER:

And I think we're all -- people who thought that the operations were confined to Iraq and to Afghanistan were shocked from this view with the events that took place in Great Britain a couple of weeks ago.

It seeks to use cyberspace and emerging technologies to facilitate its operation. And it seeks to terrorize our nations with violence.

But most of all, Al Qaida seeks to break our will. And that is something we cannot allow.

We have a say in what happens. And we cannot limit our perspective on the threats that we face and the impact that we can have on those threats.

So, Mr. Chairman, I look forward to the testimony and discussion of today's hearing, and especially as we hear about the actual assessments found in the NIE, the national intelligence estimate, and not the many misstatements circulating in the press.

As the national intelligence estimate rightly states, Al Qaida poses the greatest terrorist threat to our nation. But the estimate addresses a much broader range of terrorist groups and threats. And I truly hope that we will examine the overall terrorist assessment and what we can do to address the myriad threats we face.

Let's not limit our perspective and discussion to a narrow portion of this very important subject.

Mr. Chairman and Chairman Reyes, thank you for bringing this very important joint hearing to our respective committees. I look forward to the testimony.

SKELTON:

I thank Mr. Hunter, the gentleman from California.

Now, the ranking member of the Intelligence Committee, the gentleman from Michigan, Mr. Hoekstra.

HOEKSTRA:

Thank you, Chairman Skelton. It's good to be with you and Chairman Reyes and Ranking Member Hunter.

It's also good to welcome this distinguished panel to be with us today. Thank you for being here.

Mr. Chairman, I want to start out today by pointing to a critical piece of intelligence, perhaps the most important piece of actionable intelligence written in the unclassified NIE.

It states, quote, "We judge that the United States currently is in a heightened threat environment," end of quote.

When you read a statement like this, it's impossible to not have your thoughts return to 9/11, that fateful morning when Al Qaida attacked the United States in a way that none of us will ever forget.

HOEKSTRA:

I think of what I felt that day. I can only imagine what the families who lost loved ones faced on that day. I can only think of the emotions that went through this nation as we watched this attack and its aftermath played out on live TV.

And when I think of all this, I can only help but ask one question: Have we, as a Congress, done all we can to strengthen our intelligence capabilities to protect our homeland? Have we given the people who are in front of us today the necessary tools to keep us safe? Have we sufficiently prepared the nation for the long struggle we face in the fight against radical jihad?

Unfortunately, Mr. Chairman, today we have to answer to that question no.

We have assembled before us top officials of DOD, intelligence and counterterrorism. For the next several hours, we will subject them to all manner of speeches, questioning, while ignoring, perhaps, the one critical area the director of national intelligence has told all of us -- told Congress and the American people -- the tool that he needs and the tool that needs our attention today. It's a comprehensive modernization of the Foreign Intelligence Surveillance Act.

Testifying before the Senate Select Committee on Intelligence, Director McConnell explained the problem very clearly. Quote: "There are circumstances in which the government seeks to monitor, for purposes of protecting the nation from terrorists attacks, the communications of foreign persons who are physically located in foreign countries, and the government is required under FISA to obtain a court order to authorize this collection," end of quote.

Further explaining the challenge, Director McConnell has stated: "We are missing a significant portion of what we should be getting," end of quote.

The director of national intelligence is telling us we are missing vital intelligence that our nation should be collecting to protect our homeland. Foreign intelligence from foreign terrorists in foreign countries, and we can't collect it.

The NIE that we're going to be talking about today says, "We judge that the United States currently is in a heightened threat environment." If I haven't ever heard a clearer call for action, this is it. This is the wake-up call for Congress and America.

At a time of increased threat, we are handicapping ourselves in the fight against Al Qaida and radical jihadism. The hearing we should be having right now that we should've had already and should've completed is one on moving legislation to fix this FISA problem and close this terrorist loophole.

We have a known intelligence problem, we face a heightened terrorist risk, we have a simple fix to address one of the major FISA problems, and we have over a week before Congress goes on recess.

Al Qaida is not going to take a break. They haven't taken a break while this loophole existed. They won't take a break until we fix it, if we fix it. And they won't take a break while we take a recess during August.

Congress needs to fix it, and we need to fix it before we go on recess.

HOEKSTRA:

Why in a video released on July 5 entitled "The Advice of One Concern," Zawahiri lays out Al Qaida's strategy, which was built on the notion that in this world there are outlying states in places such as Asia and Africa and other parts of the world and there are the core states. They are the center of the global system. Who are the core states? America and the European Union.

The tape goes on, quote, "The only way to confront them, according to Al Qaida's theory, is by taking the war from the outlying states to the central states or the core states, in which case the damage and the consequences of this damage will take place in the central states," end of quote. Means that they're planning and they want to attack us here in the United States.

The tale of the tape is clear: Al Qaida believes it is winning in Iraq, laying the foundation for a post-America caliphate with its center there, and ultimately extending the jihad wave to the rest of the world.

If Al Qaida intends to fight us globally and here in the homeland, then we must be prepared to do the same. We cannot expect to leave one part of the battlefield without consequences on another part. In short, it is my fear that if we precipitously leave Iraq, Al Qaida has every intention of following us home.

With that, Mr. Chairman, I look forward to hearing what the witnesses have to say about the NIE's key judgments that we face a heightened terrorist risk, what challenges the intelligence community faces in collecting against those terrorist threats, and what they are doing to address those challenges, and any recommendations they have for Congress to strengthen our intelligence capabilities against the terrorist threat.

With that, I yield back the balance of my time.

Thank you, Mr. Chairman.



SKELTON:

I thank the gentleman.

Before I recognize Secretary Clapper and the other panelists for their opening statements, let me offer a few administrative comments, if I may.

Let me, first, suggest that you make your comments as succinct as possible. Without objection, each of your prepared statements will be placed in the record. Those on the Armed Services Committee are used to my comment: Say it in 25 words or less. Well, you can say it in a few more words than that, but do your best to condense your comments because there will be a good number of questions.

Let me remind everyone we're in open session. We should refrain from any discussion of classified information. A closed briefing will be held immediately after this session and members should proceed to Room 2216.

I remind everyone that classified matters can be discussed in the follow-on meeting, not here before us today.

Also, again, the large size of our gathering, we intend to strictly adhere to the five-minute rule and we'll recognize those members present at the time of the gavel in accordance with seniority and alternate between the majority and minority and the respective committee memberships.

Members arriving after the gavel will be recognized in accordance with the order of their arrival, again alternating from majority to minority.

And, ladies and gentlemen, five minutes means five minutes, not five minutes and 15 seconds, because we really need to get as many in as we can.

SKELTON:

With that, Secretary Clapper, we really appreciate you being with us today -- and each of you.

And the floor is yours, Mr. Secretary -- General, yours.

CLAPPER:

Thank you, Chairman Skelton, Chairman Reyes, Congressman Hunter, Congressman Hoekstra and distinguished members of the committees.

First, let me thank you both or thank you all for your strong support for the Department of Defense and the intelligence community and for conducting this unique two-committee hearing, which I think is symbolic of the confluence of the Department of Defense and the intelligence community.

We're here, as you indicated, this afternoon to discuss the implications of the recent national intelligence estimate on the terrorist threat to the homeland.

A couple of introductory comments.

As I said at my confirmation in March, as undersecretary of defense for intelligence, I am not in the business of doing analysis or producing intelligence, so I'm not going to produce any new intelligence here today.

Second, I'm supported by subject-matter experts whom I'd like to introduce: from the Department of Defense, Mr. Pete Verga, to my immediate left, who's the acting assistant secretary for homeland defense; and to his left, Ms. Mary Beth Long, the acting assistant secretary for international security affairs; and to my right, from the Office of the Director of National Intelligence, Mr. Mike Leiter, who's the deputy director of the National Counterterrorism Center and the director of the Interagency Task Force on Homeland Threats; and to his right, Mr. Edward Gistaro, who's the national intelligence officer for transnational threats and a principal author of this national intelligence estimate.

Six years after September 11th, 2001, we have not suffered a successful attack on our homeland. This is not for lack of will on the part of our enemy. Al Qaida and their allied extremists have carried out terrorist attacks in more than two dozen nations since 9/11. Al Qaida has and will continue to attempt visually dramatic, mass casualty attacks here at home and they will continue to attempt to acquire chemical, biological, radiological and nuclear materials. And if they are so successful in obtaining these materials, we believe they would use them.

As the NIE makes clear, we face a resilient and resourceful enemy who will make every effort to protect and regenerate key elements of its capability to attack us and others.

Allow me to make three points about this NIE and what it means for our current security environment.

The findings of this estimate are not a surprise. We are at war with an enemy not confined to national boundaries or a single ethnic group. Our fight against extremists in Iraq, Afghanistan and around the world has kept our nation safe from attacks here at home.

CLAPPER:

This war, like all wars, is not an engineering project. Tasks and challenges cannot be laid out ahead of time and accomplished according to a pre-determined schedule. As the troops say, the enemy gets a vote. And we must and will continue to transform, adjust and respond accordingly.

The NIE makes it clear that our operations in Iraq are not distinct from the war on terror. To quote what I consider a most salient point in the NIE,

"Al Qaida will probably seek to leverage the contact and capabilities of Al Qaida in Iraq, its most visible and capable affiliate."

Mr. Chairman and members of the committees, thank you for your attention. And we look forward to your questions and appreciate your willingness to accept our statements for the record.

I believe Mr. Gistaro has an opening statement as well. Mr. Chairman, if I may, I would defer to Mr. Gistaro.

SKELTON:

Mr. Gistaro, I suppose after you give your testimony, to whom do we go next, General?

CLAPPER:

That's, I believe, it; just the two opening statements of myself and Mr. Gistaro.

SKELTON:

All right. Fine.

Mr. Gistaro, please.

GISTARO:

Mr. Chairman, members of the committee, thank you very much for having us here today.

SKELTON:

Put your microphone a little closer, please.

Thank you.

GISTARO:

I will be very brief, since the unclassified key judgments have been submitted to the record.

I think one important thing for the committee to understand is, this is an estimate that couldn't have been written several years ago. It's because of congressional reforms, it's because of the DNI, it's because of the Intelligence Reform Act, it's because of the WMD Commission findings that we

were able to have a brand new community participate and produce this estimate.

GISTARO:

Certainly, we had the traditional members of the intelligence community fully involved: the CIA, DIA, the National Security Administration, NGA and others. I think what was new were our new partners in the community: NCTC, DHS and the FBI.

I think it's very important to note that they were full participants from the beginning in the production of this estimate. And particularly when we were dealing with threats to the U.S. homeland, threats from homegrown terrorist groups, and threats from single-issue terrorist groups that the FBI follows very closely, it was their input that made this estimate possible.

And I think for that point, it's very important for the intelligence community that this paper was produced and we were able to produce it as a new, broader community.

I'll not go into the key judgments at this time, sir, since they're a part of the record and out of respect for the committee's time.

Thank you.

SKELTON:

And as I understand it, General, Mr. Leiter, Mr. Verga and Mary Beth Long, each do not have opening statements.

Am I correct?

LONG:

You're correct, Mr. Chairman.

(UNKNOWN)

That's correct.

(UNKNOWN)

That's correct.

SKELTON:

All right, then, if those are the prepared opening statements, I will reserve mine and call upon the chairman of the Intelligence Committee, Mr. Reyes.

REYES:

Thank you, Mr. Chairman.

First, a couple of points that I think are very important.

We have learned many things -- we have learned many things post- 9/11, one of which has been that as we give our military and law enforcement agencies every conceivable tool that we can in order to protect us, we also have to be mindful that we want to -- we don't want to have the terrorists succeed by compromising the rights of our American citizens.

REYES:

I think that's a basic and fundamental responsibility of the Congress. I say that because, when we provided the legislation that -- the Patriot Act, we provided some key tools that now we have found have been used inappropriately.

One example was the national security letters that were utilized by the FBI.

I think it's important that we do our business in a very careful and orchestrated, regular way. And I think it's vitally important that all of us understand that, in terms of addressing whatever changes need to be made under the Foreign Intelligence Surveillance Act, as my ranking member mentioned, we want to do that.

We want to give and make the adjustments that are necessary. But we also want to be careful, doing that.

So, over the course of the last month, month and a half, we've been having hearings to address that very issue. We've been trying to understand exactly what issues and what problems those that have had to work with FISA have had to address, as they went about their business.

At some point, in the fall, we will look at whatever legislative fixes need to be made.

A lot, I think, depends on information that you give us about the threat. And certainly, the NIE is one issue that we want to be very careful in evaluating.

But I also think that we don't want to be stampeded to make changes that, ultimately, we may have to change because we didn't do it carefully and in a regular way.

So we're addressing those kinds of issues. We don't want to do something that is not carefully thought out.

In that vein, there are some options that we are looking at, to be able to perhaps give the director of national intelligence the flexibility to do the kinds of things that he has told us are necessary.

So we're not just sitting on our hands. We're working very quickly and very importantly, in a structured way, to get to that.

But I guess one of the fundamental questions that I would like the panelists to address is the following.

REYES:

It's a two-part.

I want to know if the war in Iraq has made Iraq a more hospitable situation for Al Qaida than it was before the U.S. invasion, number one.

Number two, is Al Qaida using our presence in Iraq to help recruit terrorists around the world?

And what specifically is Al Qaida doing -- as you pointed out in the NIE -- to be a concern to us in the way that it's gathering strength?

GISTARO:

If I could just...

REYES:

And that's what those three -- that question was three parts.

GISTARO:

Yes, sir.

With regard to the second part first, sir, the community sees three different ways that Iraq impacts the threat to the U.S. homeland.

First, Al Qaida in Iraq is the only affiliate of Al Qaida that has stated its intention to attack the U.S. homeland. That's number one.

Number two, we're concerned that Al Qaida core in Pakistan might be able to leverage some of the capabilities of Al Qaida in Iraq for its own plotting against the U.S. homeland.

And third, sir, as you pointed out, Al Qaida in Pakistan, Afghanistan, has made the conflict in Iraq a central point in its own propaganda, and it has used the conflict there to raise resources, recruits and to energize the broader extremist community to focus on attacks against Western interests, U.S. interests and the U.S. homeland.

With regard to your first point, sir, as the president spoke yesterday, Zarqawi pledges allegiance to bin Laden in 2004.

GISTARO:

We certainly see very close ideological ties between Al Qaida in Iraq and Al Qaida core. We see shared experiences and personal histories between the leaderships in the organizations. And we see some overlapping of certain facilitation networks.

Al Qaida in Pakistan tries to provide strategic guidance and encouragement to AQI, but it also defers to AQI to make tactical decisions on the ground with regard to its operations inside of Iraq.

SKELTON:

Thank you, Mr. Chairman.

Mr. Hunter, please?

HUNTER:

Thank you, Mr. Chairman.

Gentlemen, you've made clear in your statements that Al Qaida wants to attack America. I guess my first question would be, is there compelling evidence for the securing of the southern border of the United States against that backdrop?

I'm talking about the 2,000-mile southern border.

CLAPPER:

Congressman, there's no doubt that Al Qaida has expressed an interest in penetrating U.S. homeland defenses, either through legitimate or illegitimate means. And in that regard, the southern border clearly poses a challenge for the U.S. government to secure the entire homeland.

HUNTER:

Secondly, you've made a point also that Al Qaida has established what we denied them in Afghanistan in the initial campaign, which is safe haven. And it was done initially after the Pakistan forces made a deal with tribal leadership in that narrow strip of land, the Waziristan area, to the effect that they would pull out Pakistan forces in return for vague assurances that the tribes would not work with and would, quote, "distance themselves" from Al Qaida, as vague as that sounds.

HUNTER:

And my question is, do you think -- in recent times the Pakistan government has reacted, has -- now has sent in some military forces. There's been some contact and some confrontation.

Give me your view on whether the Pakistan reaction is adequate, whether it's working, whether it is working to deny safe haven, and to scrub that area, or whether it's simply a symbolic reaction, a ceremonial reaction.

CLAPPER:

Sir, at this point -- let me make two points.

In the estimate, we talk about the global counterterrorism efforts that have been very effective over the last five years.

I think we have to give a tremendous amount of credit to Pakistan, which has been a critical ally in this fight. President Musharraf has faced at least three assassination attempts personally because of his assistance to us. Some of the most critical arrests that have occurred of senior Al Qaida members have occurred in Pakistan by the Pakistanis.

And as you know, sir, they've lost hundreds of their own soldiers and police in this fight. We have to give them credit for that.

I think Al Qaida is now in a part of Pakistan that is largely inaccessible to the Pakistani forces, the government. It always has been. And it is a very difficult operating environment for them.

I think the efforts that you refer to, sir, are only in the first week or so of implementation. And so at this point it is much too early to try to provide an assessment of the impact of these latest Pakistani moves on the safe haven in the FATA.

HUNTER:

Why do you say they're inaccessible?

CLAPPER:



Sir, I think there are a number of different reasons. The topography is very hostile. It's very barren. I think the population that does exist there has always been outside the control of Islamabad, and is sympathetic to Al Qaida, both in terms of its religious ideology as well as their tribal traditions of hospitality to outsiders.

And, again, it is just a very difficult environment for outside forces to operate in.

HUNTER:

Well, I understand that it's difficult. But it's not inaccessible. I mean, American -- the 10th Mountain Division soldiers have gone up to 10,000 and 12,000 elevations in Afghanistan and carried the fight to the enemy.

Has the Pakistan government indicated that they're not going to try to penetrate these areas at all? Or are they trying to penetrate them?

CLAPPER:

Sir, we're rapidly getting outside my area of expertise, because I'm not a Pakistani expert.

HUNTER:

OK. Well, I'll pursue that later.

Let me just ask one last question, and that's this: Clearly, Al Qaida has now been involved in high-visibility bombings of civilian populations in Iraq that have been spread across not only American television and international television but television in the Arab world.

HUNTER:

Has that diminished the popularity of Al Qaida, the bombings of civilians, in newscasts which identify the bombings as being attributed to Al Qaida? Has that diminished their popularity in the general Muslim community worldwide? What's your take on that?

CLAPPER:

Sir, to the extent that we can measure how those attacks are broadcast on Arab television and such, I don't think we have detected an increase of the criticism of AQI. But what I'd really like to do, sir, is take that as a question for the record to get you a more authoritative answer.

HUNTER:

Thanks.

Thanks, Mr. Chairman.

SKELTON:

Thank you, Mr. Hunter.

Mr. Hoekstra?

HOEKSTRA:

Thank you, Mr. Chairman.

I think as you -- the panel has stated, A.Q. in Iraq has become affiliated with A.Q. core, or Al Qaida, as we would historically note. Is that correct?

CLAPPER:

Yes, sir.

HOEKSTRA:

Operating then with bases probably in Pakistan, Afghanistan and Iraq?

CLAPPER:

I'm sorry, sir?

HOEKSTRA:

Operating -- having bases or located in Pakistan, Afghanistan and in Iraq?

CLAPPER:

Yes, sir.

HOEKSTRA:

And that probably attempting to communicate on a regular basis between those locations to share strategy and direction?

CLAPPER:

Yes, sir, but I think because of U.S. and allied efforts in both the South Asia theater and in Iraq, that ability to communicate at times is quite difficult.

HOEKSTRA:

That we may have -- at some times we may have disrupted it. We also have established that they pretty much have a similar series of objectives which is to be successful in Iraq, you know, destabilize the region, eliminate the state of Israel, attack the West, and establish the caliphate.

HOEKSTRA:

Is that correct?

CLAPPER:

Yes, sir.

HOEKSTRA:

I mean, they've said it different orders at different places, but they share the objective of attacking the United States and the West.

CLAPPER:

Yes, sir.

HOEKSTRA:

And it's possible that as they are communicating or trying to communicate, they might -- is it reasonable to assume that they might try to share information about the type of training that might be necessary to attack the U.S.?

CLAPPER:

Yes, sir, and I think a lot of that destructive expertise is made public on the Internet.

HOEKSTRA:

OK. That it may also be appropriate that they'll try to talk about how they may finance an attack against the West or the United States?

CLAPPER:

I have not seen evidence of that, sir.

HOEKSTRA:

I mean, if they're going to plan on attacking the United States, wouldn't we expect that they would be talking about how they would finance an effort like that?

CLAPPER:

That's entirely possible, sir.

HOEKSTRA:

Wouldn't they also have to talk about who would carry out an attack like that?

CLAPPER:

That's also possible, sir.

HOEKSTRA:

What the targets would be?

CLAPPER:

Possibly.

HOEKSTRA:

Methods?

CLAPPER:

Yes, sir.

HOEKSTRA:

The timing?

CLAPPER:

Possibly.

HOEKSTRA:

I mean, I would think that that's -- isn't that the kind of information that you as an intelligence community are trying to get from Al Qaida if you believe that they're going to attack the United States, that you're trying to figure out where are they training for this, how are they financing it, who's going to do it, what the targets are, what the methods are, and what the timing would be?

CLAPPER:

Yes, sir.

HOEKSTRA:

And that that -- a lot of that communication would be happening in the areas where they are located, which would be the ungoverned areas in Pakistan and what A.Q. in Iraq is doing?

CLAPPER:

I think that's a possibility, sir. But, again, we do not see that.

HOEKSTRA:

You do not see that? Is perhaps part of the reason that we don't see that, isn't that the kind of information that the director, the DNI is talking about when he says that we are missing significant parts of information?

CLAPPER:

Sir, I think as a community and certainly as reflected in the estimate, we take very seriously our own intelligence gaps and what we do not know.

HOEKSTRA:

Right. Again, it's not the primarily focus, but it is, you know, just pointing out and highlighting, this kind of information as to the financing, the participants, the timing and these types of things.

HOEKSTRA:

This is the information that we're trying to get, when foreign terrorists are communicating in foreign locations. And that's the kind of information that we need to get and that we are blind to, significantly blind to, at least as Director McConnell has identified it.

And I hope, again, that this is an issue that we address before we recess and go on break in August. With that, I'll yield back the balance of my time.

Thank you, Mr. Chairman.

SKELTON:

I thank the gentleman. According to my information sheet here, going down the list of those who were here when the gavel went down, Mr. Cramer from Alabama, five minutes.

CRAMER:

Thank you, Mr. Chairman. And I thank all the chairmen and the ranking members and the witnesses for this opportunity today. As tough as it is, in this open hearing, to address issues that are at this level of sensitivity, I want to give it a try, too.

So, based on what I've heard so far, are you saying that Al Qaida and Al Qaida in Iraq are one and the same organization?

CLAPPER:

Sir, the way the relationship is described in the NIE is that Al Qaida in Iraq is an affiliate organization to Al Qaida in South Asia.

CRAMER:

So -- let me help you with that. Then the answer to that is, yes, they're basically one and the same organization?

CLAPPER:

Sir, I think, you know, as the president described yesterday, we're dealing with an Al Qaida that has a decentralized command-and-control structure. And I don't want to leave a false impression that we're talking about a monolithic organization.

CRAMER:

So then, if, as the NIE reflects, we are concerned about a threat to the homeland here, who calls that shot from Al Qaida?

CLAPPER:

Primary concern is Al Qaida in South Asia, organizing its own plots against the United States. What we're concerned about is that AQI, as the most visible and capable affiliate of Al Qaida, has also expressed an interest in attacking inside the United States.

CRAMER:

What kind of presence did Al Qaida have in Iraq in 2003?

CLAPPER:

Sir, by 2003, Zarqawi had established his presence inside the country. And by 2004, he was pledging his loyalty to bin Laden.

CRAMER:

All right. Can you measure or compare their presence in 2003 versus their presence in Iraq today?

CLAPPER:

Sir, beyond the top leadership, I think that's a question we'd either have to answer in closed session...

CRAMER:

All right. Then I'll defer that to the closed session.

In the NIE, it states that the threat from Al Qaida is through greater cooperation with regional terrorist groups. What are those regional terrorist groups?

CLAPPER:

Sir, in addition to AQI, we're very concerned about the Sunni jihadist groups in North Africa, formerly known as the GSPC, now, again, pledging loyalty to Al Qaida and renaming themselves Al Qaida in the Maghreb.

CLAPPER:

Right.

CRAMER:

And to what extent is Al Qaida capable of placing operatives in the United States? Or, in your opinion, do they have operatives already in the United States and, if so, in what number, generally speaking?

CLAPPER:

Sir, we do not see and the FBI does not see Al Qaida figures here inside the United States with links back to the senior leadership at this time. What the NIE talks about is our concern that we see increased efforts on the part of Al Qaida to try and find, train and deploy people who could get into this country.

CRAMER:

And then -- why questions are always tough, but why haven't we eliminated the threat from Al Qaida leadership in Pakistan?

CLAPPER:

Sir, as we talk about in the paper, I think the critical variable here is safe haven and being able to find a physical space in what's essentially the Wild West of the tribal areas of Pakistan with which to rebuilt capabilities.

CRAMER:

Thank you, Mr. Chairman. I yield.

SKELTON:

I thank the gentleman.

Gentleman from New Jersey, Jim Saxton.

SAXTON:



Thank you, Mr. Chairman.

Secretary Clapper, please feel free to refer this question to whoever on the panel may be the most appropriate on the panel to answer it, or yourself.

In 2006, it appeared from here that Al Qaida pretty much had their run in -- could go wherever they want, do whatever they wanted pretty much in Iraq with the exception of where our Special Forces and others got in their way.

More recently, we have seen press reports and other reports that in the Al Anbar province, the tribal leaders turned against Al Qaida and essentially banished them that province.

More recently, we have seen evidence that the same thing is happening in the province of Babil, of Diyala, of Salahuddin, of Nineveh, and in Baghdad itself. Would you give us an update on that or please have somebody tell us what you know about that?

CLAPPER:

Well, yes, sir, I read the same reporting, and I think this is, in large measure, a case of the enemy of my enemy is my friend. And I think this is a case of increasing disenchantment with AQI on the part of many people in Iraq.

CLAPPER:

So that is a trend that appears to be emerging.

SAXTON:

And what does that mean to us from a standpoint of our involvement in the conflict in Iraq?

CLAPPER:

Well, I think it reflects the effect of our sustaining the attacks on the offensive against AQI. And more specifically, I think it is a reflection of the effectiveness of the surge.

And we all look forward to the report that General Petraeus and Ambassador Crocker will -- are expected to render in September about what the significance of this -- of these indications mean.

SAXTON:

Do you think that part of it may be that the tribal leaders and those fathers and mothers in the tribe are observing what it is that Al Qaida is about and have decided they don't want it for their children?

CLAPPER:

Sir, that's certainly possible. I don't purport to be the expert on what the dynamics are, but I would think that certainly, that sort of thing certainly plays out in their minds.

SAXTON:

Thank you.

Let me ask another question. I happen to represent the town in New Jersey, Cherry Hill, where the Fort Dix Six -- the group that became known as the Fort Dix Six -- were arrested.

The indictment against them said that they were inspired by Al Qaida. And I'm wondering what that means to us, exactly, and also what role the Internet played in bringing groups like that together and providing training opportunities for them, and also if we know whether groups such as the Fort Dix Six have direct contact of any kind with Al Qaida members outside the country.

SAXTON:

Congressman, certainly the Fort Dix Six represent something which is becoming an increasing concern for us over the past several years, and that's radicalized violent extremists within the United States who are, as you said, inspired by Al Qaida.

CLAPPER:

It's something that both the Department of Homeland Security and the FBI and the National Counterterrorism Center focus much of our attention on.

We have not, as I believe Mr. Gistaro earlier mentioned, we have not seen any communication between those individuals and senior Al Qaida leadership.

That is certainly something that we fear, but it is not something that we have seen.

With respect to the use of the Internet and the value of the Internet, undoubtedly Al Qaida and other violent extremist groups have come to use the Internet quite effectively, both for communication, direct person-to-person e-mail. Also for radicalization through Web sites, as well as propagating information about how to build and use certain weapons.

SAXTON:

Have you evidence that there are other groups that are of similar nature that currently exist in the States?

CLAPPER:

Congressman, I think for both intelligence and law enforcement reasons, it would be inappropriate for me to comment in the open session on those, but we'd be happy to talk to you in closed session.

SAXTON:

Thank you.

Mr. Chairman, thank you very much.

SKELTON:

Thank you so much.

Adam Smith from the state of Washington.

SMITH:

Thank you very much, Mr. Chairman.

A couple questions that I want to focus on is -- Al Qaida's strength in Iraq and then the best way for us to policy in different ways to get at them in their safe haven in the FATA region of Pakistan.

Focusing on the strength-in-Iraq piece, we've heard a lot about how a lot of the local Iraqis have turned on Al Qaida. And I think Mr. Saxton points out a lot of good reasons for that.

What is our assessment now of their relative strength with the Iraqi population? Certainly they have the ability to commit terrorist acts. Do they still have some number of Iraqis who are sympathetic to them actively working with them?

I know at one time they had very sophisticated in some towns sort of almost sort of their own little government structure set up in different towns and different places. Does that still exist in some places?

SMITH:

Do they still have the Iraqis' support? Or they have descended down to the point where primarily their strength is simply the foreign fighters coming across the borders giving them the strength to make attacks?

So if you could assess, you know, what their strength with the population is.

And I ask that because a safe haven requires some support from the local population. And juxtaposing that with the situation in Pakistan, where they seem to have that support from the local population, how should we go about upending that support? The local tribal leaders have clearly given safe haven in the FATA to elements of Al Qaida. What's our best way to work with Pakistan to uproot them?

And I have a bias there, and that bias I don't think threatening Pakistan and saying, "You have to do more, you have to do more" is the best way to do that. We need to show Pakistan that we're a long-term partner. By and large, I think the Bush administration has done that. I just, you know, want to make sure that we don't change course.

So if you could hit those two areas, whoever you think is best to answer it, I'd appreciate it.

CLAPPER:

Well, let me take a stab at this and I'll defer to others here.

I think as Mr. Gistaro indicated, we do have to give Pakistan credit for what they've attempted to do. And with respect to the FATA, President Musharraf has embarked on a longer-term program of social improvement, economic improvement in the ungoverned areas. But this will only have payoff on a long term, certainly probably beyond the time frame of the NIE, which was three years.

SMITH:

Is there hope, in your opinion -- sorry to interrupt -- for getting the tribal leaders to sort of turn on Al Qaida in a similar way they did in Al Anbar, in the FATA?

CLAPPER:

Well, I don't think we should have a great expectation of this, given the tribal dynamics in the FATA. But -- as well, though, I think we'd be remiss as the Pakistani government would be remiss without attempting to make some positive changes in the quality of life, if you will, of the tribes in that area.

However, there are deep-seated, long, historical dynamics that I think are going to make that a challenge.

CLAPPER:

As well, I think we've also attempted to provide assistance to the Pakistani government, the Frontier Corps and their ability to observe improvements in the intelligence surveillance, reconnaissance, sharing actionable intelligence with the Pakistanis, providing equipment, helicopters, night vision goggles and the like, to help them better observe what's going on and then take appropriate action.

But I don't -- this is going to be a long haul process, not something that's going to occur, certainly not -- I don't think there's going to be a demonstrable change within the three-year time frame of the NIE.

SMITH:

If you could hit the Iraq piece, because my time is limited.

I agree with you, and I think we need to make that long-term commitment to Pakistan as a matter of policy -- we in Congress as well as in the administration.

If we could hit the Iraq piece, Al Qaida's strength there?

GISTARO:

Sir, I mean, estimates vary within the intelligence community as to the size of AQI. I think it's safe to say that most would agree there's several thousand members in the organization.

Ninety percent of those members, those foot soldiers, are going to be Iraqis, we believe.

In terms of the motivation for people joining, it differs, I think based on what part of the country you're in. If you're in a mixed area, AQI's argument that you have to join up to protect your Sunni brothers and sisters from the Shia is a more compelling argument.

If you're in a place like Anbar, I think they probably try to use the religious argument.

SMITH:

But they're not having a lot of success right now, wouldn't you say?

GISTARO:

No, sir, especially in a place like Anbar, I think people have decided that that harsh, coercive form of Islam is not what they want to live under.

SMITH:

The big judgment here, isn't it kind of hard to imagine -- and I know Al Qaida wants to control Iraq -- gosh, a year ago they stated that they did, even though they didn't -- so there's no question that's their ambition.

But isn't it highly unlikely, given the situation -- the Shia, the Kurds, the way the Sunnis feel about them -- that Al Qaida would have the local support necessary to get any meaningful control of Iraq?

GISTARO:

Sir, I think if you go back to the Iraq estimate of January of this year, it talks about not taking over the country per se, but pockets within Iraq that they might be able to exploit.

SMITH:

Thank you, Mr. Chairman.

SKELTON:

Thank the gentleman.

The gentleman from New York, John McHugh?

MCHUGH:

Thank you, Mr. Chairman.

Gentlemen and good lady, thank you for being here.

Mr. Secretary, you probably heard the opening reference by the distinguished chairman of the Intelligence Committee about the '06 NIE. I just happen to have a copy of it. It speaks about Iraq being a recruiting tool, a cause celebre in the terminology of the NIE. Do you recall that document from memory? I know that is not precisely on point of our topic today.

Let's put it a different way. You would agree that it is the assessment of the Intelligence Committee -- or, excuse me, intelligence community that Iraq is serving as a recruiting mechanism...

(UNKNOWN)

Yes.

MCHUGH:

... for Al Qaida in Iraq.

I think it's interesting that '06 document then went on to say, "Should jihadists leaving Iraq perceive themselves and be perceived to have failed, we just fewer fighters would be inspired to carry on the fight." Does that mean the way to beat their recruiting is to beat them? Is that what it was saying?

GISTARO:

Sir, as I read that key judgment, I think it's more focused on the people who are actually inside of Iraq right now fighting.

MCHUGH:

Well, let me ask it a different way. What kind of recruiting tool for Al Qaida in general, writ large, would an American defeat in Iraq serve?

GISTARO:

Sir, I think the two estimates do make the judgment that if Al Qaida perceives a victory in Iraq, that that will embolden them and that they will use that for their own purposes to generate resources and enthusiasm for their cause.

MCHUGH:

As you pursue in the Intelligence Committee this multi-headed hydra of Iraq -- and let's agree that they're not all the same, yet they are creating affiliation -- do you think Iraq and Afghanistan is an either/or situation or do you think we ought to be focusing on potential success in both?

CLAPPER:

Well, I think we should -- this is a global -- it is a global campaign, and so I don't think it's zero sum or either/or.

CLAPPER:

It's both.

MCHUGH:

So when some suggest that we're diverting resources away from Afghanistan, away from the mathematical judgments that may assume, you would agree perhaps that our actions in Iraq are indeed important in the war against Al Qaida?

CLAPPER:

Yes, absolutely. Yes, sir.

MCHUGH:

I was interested in the line of questioning that the distinguished ranking member of the Intelligence Committee had, where I believe it was correctly stated that you don't have any indication, no sourcing, no information that these groups are having contact in the United States. It seemed to be a total lack of threat. Is that -- or certainly lack of information as to your ability to assess the threat.

(UNKNOWN)

Congressman, what I would say is we have strategic warning of Al Qaida's intent to strike either Western Europe or the homeland. We continue to look at various individuals throughout the world to try to determine their links to Al Qaida or other Al Qaida affiliates.

MCHUGH:

So, thus, the reason for the heightened threat level in the United States, even though we don't have any specific threat against the homeland. Am I correct in that?

(UNKNOWN)

Correct.

MCHUGH:

I would also say -- thank you, gentlemen. I would also say that I certainly, from my perspective on both this committee -- the Armed Services Committee -- and the Intelligence Committee, I think that Mr. Hoekstra's opening comments about concerns with respect to the adaptability and the



efficiency and effectiveness of FISA as we know how it operates and how it is not operating ought to demand our immediate attention, not this fall but now.

I share the chairman and other's concerns very deeply that we have to have a balanced approach in how we authorize our intelligence services.

MCHUGH:

If the cost of defeating the terrorists is the loss of our basic pillars of freedom, then it's a pretty hollow victory.

But there are things about FISA that I think we've learned very clearly, and I hope we get a chance to talk a bit about this more in the closed session.

It is not bringing into question American citizens' rights that totally involve the ability to find out what foreign terrorists in foreign places are saying, doing, thinking and threatening to do against the United States and we ought to be acting now.

And I thank you, Mr. Chairman.

SKELTON:

I thank the gentleman. His time has expired.

The gentleman from California, Mr. Thompson?

THOMPSON:

Thank you, Mr. Chairman. And thank you for holding this hearing.

In May of 2003, President Bush said that Al Qaida's on the run, that the group of terrorists who attacked our country is slowly but surely being decimated and right now about half of all the top Al Qaida operatives are either jailed or dead. In either case, they're not a problem anymore.

In the '06 NIE, you said that we had seriously damaged the leadership of Al Qaida and disrupted its operations.

And now today, in the '07 NIE, you say that Al Qaida has rebuilt its capabilities and that they are in a safe haven and they're doing well.

What happened? How did we lose this ground? How did we go from "on the run" in 2003 to today, where Al Qaida's rested, training and successfully recruiting new Al Qaida members?

GISTARO:

Sir, with regard to the two national intelligence estimates, if you take the 2006 estimate, I think the next sentence in those key judgments says that Al Qaida will remain the greatest terrorist threat to U.S. interests in the U.S. homeland in 2006.

THOMPSON:

No, I understand that. But we went from a well-stated position, where we were gaining the upper hand, to a position, now, where they're in a safe haven; they've increased their training; they've increased their recruiting; they're gaining great success. And we should be very concerned about that.

GISTARO:

Yes, sir.

THOMPSON:

What happened?

GISTARO:

I think the key development there is they were able to relocate their leadership note to an area where it was much more difficult to get at them.

THOMPSON:

This is the Federally Administrative Tribal Areas?

GISTARO:

Yes, sir, particularly in...

THOMPSON:

What happened? Did we -- we took our eye off of them and allowed them to relocate, regroup, and replenish?

GISTARO:

Sir, I think an alternative way to look at that is, we took away the safe haven in Afghanistan; they went to urban areas in Pakistan.

Working with the Pakistanis, we pushed them out of the urban areas of Pakistan.

THOMPSON:

Were they -- was Osama bin Laden and Al Qaida in Iraq when we went into Iraq?

GISTARO:

No, sir.

THOMPSON:

But where did we take the safe haven away from them?

GISTARO:

Afghanistan, the urban areas of Pakistan. We pushed them out the urban areas of Pakistan to south Waziristan. And then, in about March of '04, the Pakistanis went in and pushed them out of south Waziristan.

They relocated to north Waziristan and other places in the Pak- Afghan area. Much more difficult for the Pakistanis to find them and do something about it. They used that safe haven to regenerate the operational leadership that is involved in developing and executing external operations.

I think we also saw indications that the top leadership was able to exploit that comfort zone in the tribal areas to exert a little bit more influence on the organization.

And then the fourth component is: We see their operational tempo of bringing people in to train for western operations picking up.

THOMPSON:

As I recall, Secretary Rumsfeld had called off a raid on senior Al Qaida members in that Pakistan area because he thought it was going to create a -- or it was stated that it was going to create a rift between our allies in Pakistan and our country.

Were those press reports correct?

CLAPPER:

Sir, we looked into that and actually did not pin that down to a specific case in point. Operations are planned and occasionally called off for a variety of reasons. They're reviewed at, you know, subsequent levels. So I don't know about this specific case. It could well have happened.

THOMPSON:

Can you comment on our relationship with our Pakistani allies today and whether or not Musharraf is doing all that he could do to let us operate in and his forces also operating in the Federally Administered Tribal Area, go after these safe havens?

CLAPPER:

Well, if the criterion is, is -- are the Pakistani government doing 100 percent of everything we might like? Probably not. I do think, though, that...

THOMPSON:

In your judgment, are they doing all that should be done in order to ferret out these safe havens?

CLAPPER:

I think they are doing what they can, given the constraints that Mr. Gistaro previously outlined...

(CROSSTALK)

CLAPPER:

... dynamics, et cetera.

THOMPSON:

I hate to interrupt, but my time is running short.

Can we count on these safe havens continuing to be safe for quite some time to come?

CLAPPER:

No, sir. I think our objective will be to neutralize -- not eliminate, but certainly make this safe haven, as we have the others, less safe and less appealing for AQ.

THOMPSON:

Thank you, Mr. Chairman.

REYES:

Thank you.

Mr. Thornberry?

THORNBERRY:

Thank you, Mr. Chairman.

Mr. Gistaro, what is the date that the NIE was issued?

GISTARO:

Sir, I believe it was last Tuesday.

THORNBERRY:

So the key judgment that we are under a heightened threat is applicable for last Tuesday?

In other words, it's not a heightened level of threat for this fall, it's a heightened level of threat now.

GISTARO:

Sir, I think what we said was because of Al Qaida's undiminished intent to attack us here, because we see them regenerating capability, that we're entering a heightened threat environment for the duration of the three-year time estimate on the paper.

THORNBERRY:

And so that heightened threat level will continue until you tell us different, I guess -- or you have other facts, something else happens that in some way reduces that threat.

(UNKNOWN)

Mr. Thornberry, if I may, I just want to draw a slight distinction between the national intelligence estimate and the daily counterterrorism intelligence that we process.

And in that regard, we do think we're in a heightened threat of strategic warning right now. And whether or not the three-year period stays the same, we have a separate and distinct heightened concern now.

THORNBERRY:

OK. Thank you.

Mr. Gistaro, I wanted to ask about one other thing. In the public key judgments of that NIE, it seems to me you put a lot of emphasis on evolving threat, adaptable enemy, they're watching what we do and they change accordingly. It seems to me in that situation information is more critical for us than ever about who's doing what and what methods they're looking at and that sort of thing.

Would you agree?

GISTARO:

Yes, sir.

THORNBERRY:

I'm interested, in the opening statements, a couple times it was mentioned that the Al Qaida threat emanates from the Pak- Afghan border.

You just had a number of questions about the safe haven that they have been allowed to establish again.

But a number of authors and scholars would say that we're putting too much emphasis in some ways on a physical location. As a matter of fact, somebody I heard recently said Al Qaida has an ideology that has become a movement. And I'd like for either of the two of you to address that.

If we were to wipe out every Al Qaida person in Pakistan and Afghanistan area, does that mean we can start carrying shampoo onto airplanes again? Does that mean that we don't have to screen all cargo, which apparently is in the bill that we're about to vote on?

Talk to me about safe haven, and if we knock out number one and number two, does that mean we don't have to worry anymore?

GISTARO:

Sir, I think all the things you just listed would definitely have an impact on the threat that we face.

GISTARO:

I think it's important to know that, later in the key judgments, we really do talk about and focus on that globalization and technology developments mean that people are able to become alienated, find others who share their alienation, become more radicalized, group together and find destructive expertise, without ever having gone to a training camp or put themselves in contact with a terrorist leader -- the homegrown terrorist threat. And I think that is much more enduring.

THORNBERRY:

Mr. Leiter, that's where I really want to get. Because it's the thing that concerns me the most. I think the military folks are doing a good job. We're doing, with some exceptions, in intelligence, we're doing OK.

But I worry about a national strategy to combat the ideology. NCTC has that tasking, to develop a national strategy that goes across military.

But combating a movement, an ideology that has become a movement, is not something we do very well. Can you reassure me that we're doing better than it looks to me like we are?

LEITER:

Congressman, first of all, I absolutely agree. The war of ideology -- you can take everyone out in the FATA, but the ideology will live on to some extent.

The national implementation plan the president signed and approved in June 2006 sets forth four strategic objectives. One of those four is winning the war of ideas.

And that plan is a blueprint for the entire U.S. government. And it's not just the people sitting up here. It's the State Department. It's the Department of Homeland Security. It's all the departments that deal with the, quote unquote, "war of ideas."

And I think that plan, which has now been in place for about a year -- we've seen some progress; for example, the creation of a counterterrorism messaging center within the State Department, under Undersecretary Karen Hughes.

These are initial steps. There is no doubt that, when we call this a long war, it is because ideology and extremist views are not reversed overnight, and I believe that we have to attack this and work at this at all levels, the most extreme and also into the liberal elites of the Muslim world.

THORNBERRY:

I hope we can develop a greater sense of urgency on that as well as the other issues.

Thank you, Mr. Chairman.

REYES:

Thank you, Mr. Thornberry.

Ms. Tauscher?

TAUSCHER:

Thank you, Mr. Chairman.

I think the reason that we're at somewhat of a wide variance on the import of what is happening exactly right now is that there is such a wide variance in the two NIEs.

These are documents that are not similar, in my mind, having read both of them. If they had been transposed, if the one I read last week was the 2006 document, I'd certainly feel a lot better.

The problem is, is that the 2006 document is kind of like a sleeping pill -- take it and you're going to feel better tomorrow.

Unfortunately, we woke up and we have the 2007 NIE, which set my hair on fire. It is unambiguous about the current threat and it says to me that we have not been successful in dealing with the threat of Al Qaida, its ability to recruit, its ability to reconstitute itself and that something -- I'm suspicious -- that something that we've been doing has caused us to not be able to defeat what everyone has agreed for a very long time is our number one enemy, people that really, really want to kill us and are really trying hard to do it.

And I think that if we all kind of agree on where we are right now, if that is true, then we have every reason to be concerned. What is it that has caused us to not find and kill Osama bin Laden?

TAUSCHER:



Because he's hiding in the FATA?

GISTARO:

Ma'am, if I can just address the difference between the two NIEs. I think they are different papers trying to answer different questions.

The 2006 estimate was really looking at the underlying trends driving extremism within the Sunni community worldwide. This paper that we're discussing today is much more tightly focused on intent and capabilities to attack us here. And I think that those different -- the different focus of the two papers may explain why we have different language and the perception that they have radically different...

TAUSCHER:

With all due respect, they seem like they're written by different people with different methodologies, setting a framework for people to understand. This is the difference between, "Gee, I'm really worried there may be something happening up the street -- walk faster." That's one set of comments. The other is, "Run, run, run, run for your life." That's the difference between these two documents.

Now, if you're trying to tell me that this is about somebody writing in a different style or that different methodologies used, I don't really think that's what you mean to have me believe.

GISTARO:

No, ma'am. I think they were trying to answer fundamentally different questions.

TAUSCHER:

Well, can I make a suggestion? Until the problem changes, until we find and kill Osama bin Laden, that's all I really want from you people, is to tell me what the status of Al Qaida is and whether they have in fact reconstituted themselves -- which is what you tell us they have -- that they have refinanced themselves, that they have rested, that they have actually franchised themselves into Iraq and probably other places all the time while I think many of us thought, and certainly my constituents believed, that we were trying to get them.

LEITER:

Ms. Tauscher, if I may, there is a historical event which to at least some degree that I can talk about in open session which changed this trend, which is the North Waziristan peace agreement. And President Musharraf has

noted that the agreement that was signed for North Waziristan has not necessarily helped eliminating the safe haven in the FATA.

LEITER:

So that was something that was just before the 2006 NIE...

TAUSCHER:

But, with all due respect, you have gone through the chronology from 2001-2002 to 2007, where you basically said, this is like a balloon. You push here, it bubbles out over there.

We have watched them hop, skip and jump, pretty much with freedom and ability to reconstitute, from Afghanistan to Pakistan urban areas, to South Waziristan to North Waziristan. They can move pretty much where they want in that whole entire area, and have for the last seven years. And we haven't found them and killed them.

CLAPPER:

Well, respectfully, ma'am, some of them have been found and killed.

And I would just note that it is not a constant trend either way. We have had ups and downs.

The elimination of the Afghan safe haven did diminish capabilities for a period, and they did reconstitute some. And then they were chased from the urban areas. And they did reconstitute some.

TAUSCHER:

Well, if I can make a suggestion, I think these NIEs have to be congruent with each other. They have got to be side-by-side documents. We have to have a way to look at them and say, this is what you told me the last time and this is whether we're going up or down. Simply. A little thing like this or a little think like that would be very, very helpful.

We can't have this complete divergence, as we've had in these two documents, because it causes a tremendous amount of anxiety for the population when they hear about the NIE on television.

And then, for those of us who think we're watching this closely, to see such a swing away from what our expectations have been, that we have actually decapitated these guys in 2006 and now they're traveling around wherever they want, reconstituting and refinancing and being more robust.

LEITER:

And my last note would be, ma'am, that the NIEs really are snapshots in time. So they don't come out all that often. They come out once a year...

TAUSCHER:

Well, then, you'd better take them from the same camera because the picture's got to look a little familiar.

LEITER:

And I would say that the streams of intelligence that we see I think has tried to provide those regular updates.

TAUSCHER:

I mean -- yield back.

Thank you, Mr. Chairman.

SKELTON:

Thank you, Ms. Tauscher.

Mr. Wilson?

J. WILSON:

Thank you very much, Mr. Chairman.

And I'd like to thank you all for being here today.

And I particularly appreciate your sincerity and your concern that, indeed, we're in a long war. We're in a global war.

I, in reading the national intelligence report, was, like so many people here, so saddened to see the regeneration of Al Qaida and particularly to see that it is coming from the ungoverned tribal areas of Pakistan.

I have had the opportunity to visit Pakistan four times. I visited with President Musharraf.

It hasn't been stated here today, but he, himself, has been subject to at least four assassination attempts by (inaudible) affiliated with Al Qaida. I

actually feel like President Musharraf is doing the best and his military is doing the best that they can under the circumstances.

J. WILSON:

And, indeed, maybe they've learned a tragic lesson based on the treaty that they had in Waziristan. Additionally, I see it in their interests to create border security with Afghanistan, which is beneficial to Afghanistan; additionally to create border security with India. India has lost 60,000 people due to cross-border terrorism coming out of Pakistan.

But we truly are -- I am very grateful for the government of Pakistan, and I think it's to the interests of -- to the people of Pakistan that there be stability.

Another point I want to make too is that with the terrorist threat emanating largely out of the ungoverned tribal area of Afghanistan, I believe that it shows that our troops are, indeed, on the offense in Iraq, in Afghanistan, and this is stopping the terrorist capabilities of a direct threat to the United States. And so I am more grateful than ever for the American military being on the offense.

It's been stated that the great concern we have are safe havens. The Washington Post has identified that if we're not successful in Iraq, that safe havens would be created with terrorism training camps to attack the United States.

I'd like to know how -- is this, the issue of safe havens, is this how an insurgency, a terrorist organization can best threaten the American people, or worst threaten the American people?

(CROSSTALK)

(UNKNOWN)

Sir, I think we have identified physical spaces where people can come, gather and plot as a fairly important ingredient in the ability of terrorists to develop and execute a plot. That said, it is not absolutely required.

We see indications that people are able -- without ever going to a camp or a safe haven, able to radicalize themselves, find like minded individuals, gain destructive expertise and actually conduct attacks.

J. WILSON:

And three weeks ago, we had the extraordinary circumstance, apparently, of physicians in England -- London, and then at Glasgow. Has it been determined what training they had or what was their inspiration?

J. WILSON:

And indeed the attack on the Glasgow airport certainly should concern the American people. That looked like any school in the United States. It looked like any supermarket.

We need to understand the threat to our country, as evidenced by Glasgow.

LEITER:

Congressman, we're working very, very closely with British intelligence and law enforcement officials. We certainly look at what happened there and try to apply that to preventative measures here in the United States.

Beyond that, because of very strict British laws, I think it's difficult for us to comment in open session.

J. WILSON:

And, additionally, the success of killing Al Qaida leadership of Algeria, Egypt, Zarqawi himself in Iraq, it's been stated that there hasn't been progress. Well, indeed, the leadership around the world has been killed even though obviously they have successors.

But, again, I want to thank you for your efforts and look forward to the balance of your presentation.

REYES:

Thank you, Mr. Wilson.

Mr. Andrews?

ANDREWS:

Thank you, Mr. Chairman.

Thank the panel.

I'd like to ask Secretary Clapper, the NIE, the public part of it says the main threat comes from Islamic terrorist groups and cells, especially Al Qaida, driven by their undiminished intent to attack the homeland.

One a scale of 1 to 10, 10 being the most lethal and imminent threat, how much of a threat to the U.S. homeland is Al Qaida in Iraq?

CLAPPER:

Well, it's difficult to put it on a scale. I just would reiterate what the NIE stated, though, about the professed intent of AQI to attack the United States.

ANDREWS:

I understand about intent. I'm asking about capability. On a scale of 1 to 10, what's their capability to attack the homeland?

GISTARO:

Sir, as the intelligence community has looked at this issue, the judgment that they have stated is that currently the bulk of AQI's resources are focused on the battle inside of Iraq.

ANDREWS:

Oh. Is that a 10 or is it a one?

GISTARO:

Sir, one of the things we tried to avoid in this estimate was to try and put a number like that, because it can just be misinterpreted.

ANDREWS:

Or perhaps misused.

I would ask a similar question about Al Qaida in the FATA areas. How do you assess its relative capability to attack the homeland from the FATA areas? Is it greater than AQI in Iraq?

GISTARO:

Sir, as we look at both intent and capabilities, I think with regard to AQ in South Asia, the intent is totally undiminished. In terms of capabilities, the core elements of the capability they need to attack us here, we see a negative trend from our standpoint in terms of safe haven, leadership and training and recruitment of operatives.

ANDREWS:

Are they more capable or less capable of attacking us from the FATA relative to Iraq?

GISTARO:

Sir, I think the estimate speaks pretty clearly that we are primarily concerned with Al Qaida in South Asia.

ANDREWS:

So they're more capable in the FATA areas than they are in Iraq, right?

GISTARO:

Yes, sir.

ANDREWS:

Secretary Clapper, if we were to put aside the difficulties with Pakistani politics, which is -- I know we can't do. But if the Pakistanis would let us do whatever we wanted to in the FATA areas -- diplomatically, intelligence-wise, militarily -- to the extent that you would want to answer that question in this forum, what would that be? What is the optimal situation for us in the FATA areas?

CLAPPER:

Well, I think probably a greater freedom of action, first on the part of the Pakistanis themselves, even though they've done a lot. If they could do more and if there were, I think -- speaking personally -- probably more freedom of action on our part to engage in Pakistan -- I might ask Ms. Long...

ANDREWS:

May I ask a question? If we received a report this afternoon that there was plans fairly well along the line and that we felt it was in our interest to intercede with a Special Forces strike, are we able to do that?

CLAPPER:

Well, yes, sir. We would be.

ANDREWS:

Why did you hesitate?

CLAPPER:

I just was thinking about the extent to which I would want to discuss that in open session.

ANDREWS:

OK. No, I understand that.

What suggestions, that you could give us in open session, would you make, as far as moving us closer to that optimal position you just described?

As a Congress, what could we do that would help us move toward a situation where we have greater freedom of movement in the FATA areas?

CLAPPER:

I think, if we simply continue the efforts we have now under way, particularly the continuation of the dialogue with President Musharraf, working with his military, ministry of interior, the aid and assistance that we have flowing to Pakistan -- I think we need to continue that, and of course, accordingly, would...

ANDREWS:

My time's...

CLAPPER:

... would hope that the Congress would support that.

ANDREWS:

I appreciate that. My time's just about up. I would just -- I think you understand this, but I want to say it. The American people, I think, both Republican and Democrat, want this job done by the United States, to the extent that that is achievable.

We do not want to farm this one out.

(UNKNOWN)

Right. Congressman...



ANDREWS:

To the extent that it can be done, I think that we want...

(UNKNOWN)

If I could...

ANDREWS:

... it done by our people so it's done.

(UNKNOWN)

I wouldn't want the American people who might be watching this to get the impression that, if there were information or opportunity to strike a blow to protect the American people, in the FATA, that we would not take immediate advantage of that opportunity.

ANDREWS:

I appreciate that very much. Thank you. I yield back.

REYES:

Thank you, Mr. Andrews.

Mr. Cole?

COLE:

Thank you very much, Mr. Chairman.

And thank you, gentleman and ladies, for being here.

Let me -- I'm intrigued by a couple of points, and actually struck by the same things that Ms. Tauscher and Mr. Thornberry were.

So let me ask you this, because, when you look at the two NIEs, it creates a great deal of consternation. Is it possible that -- well, let me just put it to you this way.

COLE:

Is our intelligence and understanding that much better or is our situation that much worse?

GISTARO:

That's an excellent question, sir. I think it's probably a little bit of both. I think one of the reforms in the NIE process that has been instituted under the DNI is that on NIE is sacred, and that when we're going to produce a new one, you don't start with the old NIE and assume that one is absolutely true and you just have to build on from there. You go back and do a zero based intelligence review.

COLE:

So we certainly need to look on our understanding as evolving here, and very difficult to say, "We got it right then, so what we know now, we can draw a very straight line from it."

GISTARO:

I think we -- as part of our tradecraft, we absolutely try to avoid that mindset. That said, I think the intelligence has changed in the past year, and the judgments in the current NIE are driven by the intelligence that we've seen in the last year.

COLE:

Let me also ask you this. I agree very much with Mr. Thornberry's comment that we're dealing as much with a movement as we are with a man or a group of men or an organization.

If we got what everybody up here would want us to get -- that is, we got Osama bin Laden tomorrow and were able to kill or capture him -- would it fundamentally change the nature of the challenge or the threat that we're dealing with? Or would that still exist?

(UNKNOWN)

Sir, the community actually spent a lot of time talking about that exact point.

(UNKNOWN)

Because it's in the classified section of the paper, I'd prefer to go into detail on that in closed session, if I could.

COLE:

Absolutely.

Well, let me ask you this, then and switch the focus in the time I've got left to Al Qaida in Iraq. In your judgment, is our focus there a diversion or is it still an integral part of the ongoing struggle with Al Qaida? Are we sort of chasing a lesser target there at a great deal of expense, great deal of resources? Or is the focus there still worthwhile?

(UNKNOWN)

Well, I believe it is clearly still worthwhile. That is a significant threat. It's a significant component of the larger global AQ threat, so absolutely.

COLE:

Given the fact, Mr. Secretary, that -- you know, clearly we have multiple struggles going on in Iraq. We've got civil strife, we've got tension between ethnic and sectarian groups. I mean, I don't envy you the challenge.

Is it even possible to disentangle these threads? You know, we get a policy pronouncements in Washington that we should just focus on Al Qaida in Iraq and somehow everything that's happening domestically in terms of the government or the rivalries or the jockeying for power is sort of irrelevant. I mean, do we have the luxury of that kind of clarity and that kind of isolation of the problem in an area as complex as Iraq?

(UNKNOWN)

Well, I think you've accurately characterized the complexity of the situation there. Certainly the Al Qaida threat is crucial and it's crucial that we continue our campaign against it. But that is against the backdrop of all the other complexity and the dynamics in Iraq. I'm not sure it's possible to cleanly disaggregate those various components of the complexity, as you correctly allude.

LONG:

Congressman, if I could augment that answer, I think what you're getting at is -- excuse the augmentation. Actually, one of the things that we are learning about Al Qaida is that they play upon the societal divisions that pre-exist, whether it's tribal, Shia-Sunni or otherwise. And by exacerbating those tribal and other divisions, they actually play into the criminal and other elements of what's going on in complex societies like Iraq and in the FATA.

So your point is exactly right, sir, that to disaggregate what actually Al Qaida is focusing on, which is to force those divisions in society to be - conflict against not only those people, but our brave men and women in the coalition forces, is very, very difficult.

COLE:

Looking back -- I know I don't have much time -- again, we sort of do a lot of historical revisionism. But this is clearly a very adaptable, very resourceful, multifaceted opponent.

COLE:

Thank you, Mr. Chairman. I'll hold that for another time. Thank you.

REYES:

Thank you, Mr. Cole.

Ms. Davis?

S. DAVIS:

Thank you.

Thank you all for being here.

When you were asked about what's changed, I think one of the things that you cited was the change in the Waziristan agreement. And yet there's been some, I guess, points of view that would suggest that it's not really just there in the FATA region that Al Qaida has been reconstituted, but in fact it's across Pakistan, and that there are more problems than just looking at the FATA regions.

Would you agree with that? And if so, what do you believe is the situation there as you look at it in a broader context?

LEITER:

I think when we're talking about Al Qaida core senior leadership, I actually would. The vast majority of what we're talking about is in North Waziristan. So I would not say that it is a Pakistan-wide problem.

S. DAVIS:

Anybody disagree with that? OK.

I know that there have been several articles that would suggest that that's greater, and I wanted to give you a chance to clarify that.

Thank you.

One of the other issues that we've focused on is the changes that have occurred in the Al Anbar area and the fact that both Sunni and Shia tribal leaders have come together in many ways to fight Al Qaida.

There's a downside to that, as we know, and I wonder, in terms of the intelligence that you're receiving, if you believe that we ought to be looking at that downside or that this is just a risk that we need to take in terms of the strengthening in many ways of those tribal communities and the tribal leaders as they fight Al Qaida?

I guess a follow-up question to that is, if, in fact, we're seeing that shift and that's true, is then Al Qaida in Iraq being seen quite differently by at least that area of the country? And are they that much less a threat?

LONG:

Ma'am, I can address that from a non-intelligence standpoint. I'm not sure what you're referring to when you say the flip side. I think you may be referring to some of the public discussion about arming the tribes or militia in Al Anbar.

And as you know from the statements of the secretary actually, these were folks who were well armed to begin with, but it's very important, and you're exactly right, that what has happened there is a shift in attitude. And I believe it was Congressman Hoekstra that pointed out that the important point of the forcefulness behind the theory and the ideology of Al Qaida is the attitude.

LONG:

So when we take a look at the tribes, whether they are in Al Anbar or in other places, where they've made the fundamental commitment to enforce the government, to reinforce the government of Iraq, and to counter what they consider to be a foreign and hostile threat of Al Qaida in Iraq, that's a good thing.

And what we're trying to do is encourage that by empowering them, by guiding them and by institutionalizing that effort.

S. DAVIS:

Are you saying from the point of view of intelligence, then, there's really no downside to that?

LONG:

Ma'am, I can't speak to the intelligence facts. I would refer you to my colleagues as to that point.

S. DAVIS:

OK. I just wanted to have a chance, because certainly some military leaders would suggest that it's a very cautionary way to proceed and we certainly need to do that.

May I just turn very quickly, I'm trying to get a sense in terms of priorities and certainly in terms of the department and where you've put your resources, obviously, they're limited.

Would you say that -- has there been a shift of resources from the last NIE that you report than the report today or the 2007 report? Does that NIE make a difference in terms of the way you would utilize resources and certainly individuals who are focusing on whether it's Al Qaida, Al Qaida in Iraq, whether it's Pakistan, the FATA region -- have you shifted your resources at all?

CLAPPER:

I think in general terms the NIEs have simply served to reinforce the course that the department's been on. It's undertaken a lot of actions in response to this shift and the focus on terrorism. So, changes in the unified command plan, the expansion of our special operations capabilities, to name a couple of specific examples.

I think the NIEs have -- is simply, despite, perhaps, the somewhat different approach, different purposes, but I think the underlying, fundamental themes have served to reinforce the direction the department's taken.

At the same time, though, we have other issues we must -- the department has to wrestle with in terms of nation-state, potential nation-state peer competitors, et cetera, apart from the war on terrorism.

SKELTON:

Thank the gentlelady very much.

Mr. Mike Turner?

TURNER:

Thank you, Mr. Chairman.

I want to thank each of you for your efforts to answer our questions today and for your service. This document is, obviously, a very important one. And as you hear the questions of the members as we look to issues of policies and of actions, it's something that will guide us to a great extent.

It saddens me though that, so many times, the National Intelligence Estimate is used for political purposes. Last time when the National Intelligence Estimate came out, there was a great amount of political hay that was made over Al Qaida's reaction to our presence in Iraq. And I heard some of that today as we went down the questions about Al Qaida.

And it just strikes me because there's some of this that just seems obvious. And so I have a few questions for you that really have been troubling me since we began the discussion on the last National Intelligence Estimate has people have tried to take it and put it forward to the American people for, I think, political purposes that don't help our discussion.

Are there any of you that believe, or did you have any intelligence information that would have indicated that Al Qaida would have liked us more by our entering Iraq, or that they would have been supportive or us entering Iraq? Anyone have any information that Al Qaida would have liked and been supportive of us going into Iraq?

I suspect the answer is no. And the reason why I suspect the answer is no is because whenever I hear someone make big hay over, "Al Qaida is upset that we're in Iraq," I think that that should win a bloomin' obvious award because we can't imagine that they would have thought anything else.

Now, I wasn't here when we voted to go into Iraq, so I'm not one of those who's here to try to make the point of what we knew and what we didn't know, but it just troubles me when people try to make the point that Iraq is -- about Iraq's -- about Al Qaida's reaction to our presence in Iraq when it seems to me that it was pretty obvious what their reaction was going to be.

Looking to post-9/11, is there any of you that believed, or did you have any information, that would have indicated that after we were attacked on 9/11 that Al Qaida was done, that they were satisfied with their attack on our country and that on 9/12 Al Qaida posed no risk to our country?

TURNER:

Anyone -- you know, I suspect that the answer's no.

So today it would be back to the bloomin' obvious award that Al Qaida would not have changed its intent. Now, what is not obvious and what I think was so important about Ellen Tauscher's discussion is that it's not obvious that the capabilities, the time in which they have capabilities that are waning or the times that their capabilities are escalating. And I look forward to our classified discussion as we learn more of that.

The third question that I have for you is, is there any place in the Middle East where the United States has troops where Al Qaida is not present? You don't have to tell me where, but is it a yes or a no? Is there a place we have troops in the Middle East where Al Qaida has no presence?

I suspect the answer's no.

LEITER:

We could probably give you...

TURNER:

OK.

LEITER:

... very limited examples, but yes.

TURNER:

OK. OK.

Well, very limited. I appreciate your saying, because it also seems to me that it would be pretty obvious that there's no one who would have suspected that our going into Iraq would not have resulted in Al Qaida following us and something else that's not a surprise.

Turning to another portion of your report that we have not discussed, you're talking about Lebanese Hezbollah and you go on to say that they might pose a threat for attacking the homeland if it perceives the United States as posing a direct threat to the group or to Iran. Obviously, they have been -- we've seen significant military action that has occurred in that area.

Could you please describe further what your thoughts are there with respect to their views of the United States as a threat and then their threat to us?

GISTARO:

Sir, this was one of the parts of the key judgments that we scrubbed pretty hard from a security standpoint. And I would much prefer to discuss it in closed session.

TURNER:

Thank you. I'll wait for my questions there, then.



Thank you, Mr. Chairman.

SKELTON:

I thank the gentleman.

I'm going to call on Mr. Murphy right now. And after he asks his questions, we're going to have a 10-minute recess.

Mr. Murphy?

MURPHY:

Thank you, Mr. Chairman.

MURPHY:

Thank you, Mr. Secretary and distinguished witnesses, for your testimony today.

I believe that it's telling that, in the entire unclassified NIE, that the name "Osama bin Laden" is never mentioned. And this seems to fit a pattern where even the president has said, about bin Laden, and I quote, "I truly am not that concerned about him," unquote.

Well, I know folks in the 8th Congressional District of Pennsylvania are concerned about him, and about bringing him to justice. Because he is the one who's responsible for the murder of 3,000 innocent Americans.

So will you please explain to me why -- and I quote -- "the most authoritative written judgments on national security," end quote, does not include our efforts to capture and kill Osama bin Laden?

GISTARO:

Sir, what we were trying to assess in the estimate was the intent and capabilities of Al Qaida and other terrorist groups against the United States.

Bin Laden's influence on that is discussed pretty thoroughly in the paper. It was not to assess, in broad terms, U.S. counterterrorism policy.

MURPHY:

So, in the whole NIE, it's not -- his name is not mentioned at all, and he is still the leader of Al Qaida?

GISTARO:

No, sir. He is discussed quite a bit in the body of the paper.

MURPHY:

Well, I've asked this line of questioning in the past. I think it's important, also, given the (inaudible) over the past five years, the aid, the \$5.6 billion aid to Pakistan to combat terrorism. It's about \$80 million a month, with no strings attached, no questions asked, no accountability.

And I believe it's quite disturbing that the NIE states that Al Qaida's found a safe haven in the Pakistan tribal region.

When I was in Pakistan and Afghanistan a few months ago, they expressed a willingness to help out in the border region and also the border of Afghanistan. And they asked for the Afghan army to assist in their efforts.

And currently, the House of Representatives and the Senate are working out compromises to our bill, implementing the 9/11 Commission recommendations.

One provision that's being negotiated and, I believe, incorporated into the final bill is a section on Pakistan that would limit aid to Pakistan unless the president issues a determination that Pakistan is making all possible efforts to prevent the Taliban from operating in areas under its sovereign control, including the FATA, the federal administered tribal areas.

The administration has opposed even this minimal effort to promote accountability, stating it would be counterproductive to fostering a closer relationship with Pakistan.

In light of the troubling findings of the NIE over Pakistan's failures to fight terrorism, does this administration, and in particular, does DOD and NCTC oppose efforts, such as those in the 9/11 bill, which demand accountability, including specific benchmarks with respect to Pakistan's effort in rooting out terrorism?

LONG:

I'd like to go ahead and answer that on behalf of the Department of Defense.

MURPHY:

Thank you, Ms. Long.

LONG:

I would take some difference of perspective of your statement regarding that no one holds Pakistan accountable. And as a matter of fact, there are extensive exchanges between the department and the Pakistani government to account for and to follow through on how the aid that we provide them is utilized.

For example, I believe it was Congressman Smith who talked about the policy implications and the policy lines of our assistance to Pakistan. And those extend to development of the military, as you're well aware, with the Frontier Corps.

LONG:

And it also extends to non-kinetic measures such as economic and other developmental efforts in order to bring stability from a political-economic standpoint to the FATA.

So I do believe that the department in particular and, while State Department is not here, does account for and does follow very closely the utilization of the aid that is provided to Pakistan.

MURPHY:

But the reality on the ground is that we knew this intelligence before -- the NIE just came out. We've known for at least since I've been in Congress for seven months, the fact that we knew this was -- this region of the world was a safe haven for Al Qaida.

And we continue to give \$80 million a month to the tune of \$5.6 billion. President Musharraf, who is an ally of the United States, though, has called off his military, the Pakistani army, and basically outsourced this tribal area and allowed Al Qaida and the Taliban to grow stronger and stronger.

LONG:

Once again, sir, I would disagree with you. To date, approximately 700 Pakistani security services have died in support of the effort to stabilize the FATA and other regions. And I believe as of today, some 100,000 Pakistani security forces are in that region contributing to the global war on terror.

MURPHY:

Ms. Long, is it your testimony that President Musharraf has not called off the Pakistani army and that that section of Pakistan, that the FATA section in the past...

LONG:

It is my testimony today that it is my understanding that there is Pakistani military and other security forces present in the FATA, yes, sir.

SKELTON:

I thank the gentleman.

We will now have a 10-minute recess.

SKELTON:

And Dr. Gingrey, you will be the next member called upon.

(UNKNOWN)

Mr. Chairman? Mr. Chairman?

SKELTON:

Yes?

(UNKNOWN)

Could I ask a courtesy of you to maybe announce the order of members that will be called on when we get back?

SKELTON:

Certainly, we can do that before we leave.

(UNKNOWN)

Thank you very much.

SKELTON:

I have Dr. Gingrey, Mr. Loeb sack, Mr. Wilson -- Ms. Wilson, excuse me, Mr. Holt, Mr. Franks, Mr. Sestak, Mr. Issa. That's as far down as I can go as of this moment, if that helps any.

All right. Ten-minute recess.

(RECESS)

SKELTON:

We'll come back into session.

The gentleman from Georgia, Dr. Gingrey.

GINGREY:

Mr. Chairman, thank you very much.

SKELTON:

Wait until everybody takes a seat there.

GINGREY:

Yes, let the witnesses settle in and...

SKELTON:

There we go. Go right ahead, Doctor.

GINGREY:

Mr. Chairman, thank you, and I want to thank the witnesses for sharing their time with us this afternoon. It's been a great hearing. My colleague from Ohio asked the question a little while ago when he talked about the bloomin' obvious award to some of his rhetorical questions.

And I thought I would offer a couple of new rhetorical questions as well. And I think the answer to it, at least from my perspective, is bloomin' obvious, but I would welcome the witnesses to actually answer the question if they felt qualified to do so.

And this is the first question: When a well-qualified team of cancer specialists -- now, remember, I'm an ob-gyn physician so I'm coming at this analogy, obviously, from a medical perspective -- but when a well-qualified team of cancer specialists agree on a plan or therapy for a patient's cure, and this plan is based on all available medical information at the time of initial treatment and they apply that therapy consistent with the known standards of care at that time, yet the cancer comes back, is that medical team guilty of malpractice?

Now, the other question then is -- if the answer is no, if this same team, knowing that the successful treatment of this recurrent disease -- now

the cancer has come back, it's going to be much more difficult. Much more difficult, as we all know.

So they decide to withdraw their care from the patient and move on to some other battle that they're more likely to be successful in. Would you then say that they're guilty of malpractice or even abandonment of the patient? And I think that bloomin' obvious answer to this rhetorical question is yet.

And we have all heard the old adage, and I'm old enough to remember when people would say, "Oh, goodness, you've got a cancer, but don't let them cut on it, Doc. Don't let that doctor cut on it, because it'll spread it."

GINGREY:

And what I'm getting at -- we're talking about; we've been here a long time today -- we're really talking in this national intelligence estimate in regard to Al Qaida and the fact that we went after the cancer with the best knowledge that we had, the best of our ability at the time, and the cancer, Al Qaida, according to the national intelligence estimate, has come back.

And it's come back with a vengeance, and it's going to be tougher, and it is tougher to wipe them out because it's spread a little bit.

Do you gentlemen think that we should give up in a situation like this or should we continue to fight the cancer because there is still a chance for a cure?

CLAPPER:

Well, I'm not a medical doctor, sir, but I think your analogy is -- and even though the questions and statements are rhetorical, I think they're correct. And the answer to your first rhetorical question is, of course, no. At least I don't think it subscribes to the common understanding of what medical malpractice would be.

I think what we have here is somewhat of just a chronic condition that is going to be with us for a long time. And we have to, I think, resolve that this is a long-running condition and hopefully we'll find a cure for it someday, as we will hopefully find a cure for cancer.

But in the meantime, we have to attack it using a variety of means and methods, as we are, and we have to take it on wherever it occurs and wherever we can get to it.

GINGREY:

I've still got a little time for other answers. I would...

GISTARO:

Sir, I would, you know, I would obviously agree with you. And the only other additional comment that I would make is, while Al Qaida is a very resilient organization, they have, in fact reconstituted themselves, I have a hard time imagining how much worse it would be had we not undertaken the actions we have taken since September 11. And I have a pretty vivid imagination.

GINGREY:

Well, I will say this. In regard to that comment about, "Oh, don't let the doctors cut on that cancer," I can assure you -- and I'm not a cancer specialist either -- but if you just look at it and hope that it'll go away and that you don't disturb the hornet's nest and think that they'll like us, it will for surely kill you.

I yield back, Mr. Chairman.

SKELTON:

I thank the gentleman from Georgia.

Mr. Holt?

HOLT:

Thank you, Mr. Chairman. And thank the witnesses.

I'd like to follow on some of the questioning of Mr. Thompson and Ms. Tauscher about the difference -- and that you've heard from others here today -- about the difference between the NIEs, where in '06 it talked about seriously disrupting the leadership of Al Qaida and now saying that it's reconstituted and as great a threat as ever.

You took a couple of -- made a couple of efforts at trying to explain some of the differences. At one point you said, "Well, we took away the safe haven in Afghanistan." But that, of course, had happened long before the '06 NIE. And -- so that can't be the explanation of what's changed.

Then you said, "Well, the policy of Pakistan in the tribal areas has changed." And that certainly is true.

So let me just ask you to say it outright -- are you or are you not saying that the Pakistani policy of -- Musharraf's policy in the tribal area has changed in a way that has led to either tolerating Al Qaida or aiding directly or indirectly Al Qaida? Are you saying that?

LEITER (?):

Congressman, the North Waziristan peace agreement contributed to Al Qaida developing over the past year a safe haven. It made them more secure.

If I can add one thing, though, you noted that taking away Afghanistan in 2001 couldn't have any effect. My point was that this has not been a constant evolution, that taking away the safe haven for Al Qaida in Afghanistan in 2001 did, for a period, disrupt its ability to plan and plot.

Their movement to the urban areas of Pakistan gave them an opportunity to regenerate. Attacking them there allowed them to move -- and so on and so on.

HOLT:

Well, I think that there is an important policy implication of what you've just said about the policy -- about the change in Pakistan.

Let me go to another question: What sort of control does Al Qaida in Pakistan or wherever the leadership is have over Al Qaida in Iraq, for tactics and operational planning?

What sort of control do they have?

GISTARO:

Sir, I think the president laid it out pretty clearly yesterday that...

HOLT:

No, I'm asking you. You studied this. And he's getting his information from you...

GISTARO:

Yes, sir.

HOLT:

... I hope.

GISTARO:

Yes, sir.



I think what the president said was we do not see Al Qaida in South Asia exercising tactical control over AQI, that they have deferred to AQI...

HOLT:

Now, you also said, in answer, Mr. Gistaro, in answer to Mr. Thompson's question, that Al Qaida was not in Iraq at the time that the U.S. went in. When did they go in? When were -- when did they appear, if it was after we entered?

GISTARO:

Sir, I think we -- the intelligence community looks at the 2004 swearing of b'ayah on the part of Zarqawi to Al Qaida as the point where we started to talk about Al Qaida in Iraq.

HOLT:

OK. And why? Why did they go in?

GISTARO:

Sir, I think it was -- and I defer to others on the panel. There was a terrorist presence in Iraq. It decided in 2004 to align itself formally with Al Qaida.

LONG:

Congressman Holt, if I might actually clarify just two points, actually.

You asked a moment ago about the policy implications of the northern Waziristan agreement. And I wanted to make sure -- it was unclear from where the conversation left off -- that agreement is no longer in effect, sir, and in fact has been abandoned.

And the Pakistani government made the policy decision to return the army, which had maneuvered itself away from some of the centers, to garrisons and along the border.

They have returned significant forces to northern Waziristan as well as realigned the forces within northern Waziristan.

So I didn't want to let the go with the misinterpretation that the agreement was still in effect and, therefore, that we had not and the Pakistanis had not made the appropriate policy adjustments.

HOLT:

Well, thank you.

Let me just wrap up by saying, you know, you've published an unclassified version of this, so clearly you mean it for public consumption. It is leaving the public very confused.

LEITER (?):

You know, we've gone from the president saying that nearly -- in '03 that the president nearly one-half of Al Qaida's senior operatives have been captured and then a few months later that nearly two-thirds have been captured or killed and then a year later that maybe three-quarters have been killed. You know, we've gone from orange to yellow to red warnings. And now we have conflicting NIEs, barely a year apart. It is leaving Americans very confused about what we really know and whether what we're stating are facts or political assertions.

LONG:

Mr. Chairman, if I'd like to go ahead and answer that question...

SKELTON:

Please.

LONG:

Sir, it is a confusing situation, in part because it's a complex situation. And the nature of counterinsurgency, of terrorism in particular, this target is a very dynamic target. And it has adapted and changed to our tactics and procedures and continues to do so.

You're exactly right in that we owe it to the U.S. public to not boil this down to soundbytes and to ensure that they understand the complexity and the difficulty of this terrorist target, sir.

SKELTON:

Thank you very much.

Let's go back. We went into Iraq in March 2003, am I correct? The answer's yes. At what point did we realize there was an insurgency?

Anybody?

(UNKNOWN)

I think soon after the end of active hostilities...

SKELTON:

That would have been around May the 1st, 2003.

(UNKNOWN)

Roughly.

SKELTON:

Am I correct?

CLAPPER:

I think we began to see early -- when I was director of NGA at that time, and I think we began to see early signs that there was not a coherent national thing, but there were certainly the earmarks of it, of an insurgency.

SKELTON:

Was this basically the Baathist of yesterday, of the Saddam Hussein Sunni group?

CLAPPER:

Well, I think it was a combination of interests using -- as it soon emerged, using terrorist tactics, the Sunnis versus Shias, disaffected Baathists, yes, and then when -- as things evolved and we began to see the association with AQI, with Al Qaida moving in and exploiting the situation and galvanizing the terrorist movement in Iraq.

SKELTON:

When did the Al Qaida or foreign fighters, if they are the same thing, move in and begin assisting the insurgency?

GISTARO:

Sir, I think if you do go back, Zarqawi was already in Iraq even before we invaded. I think he had started to establish those networks to bring

foreign fighters into Iraq, primarily to be suicide bombers that he started using with increasing frequency in 2004 and 2005.

SKELTON:

When was that?

GISTARO:

Sir?

SKELTON:

Yes, sir, when was that? When was there a presence of Al Qaida assisting or working with the Sunni insurgency?

GISTARO:

We -- at that point...

SKELTON:

I'm using May 1 as a focal point. From that point.

GISTARO:

Sir, we began to use the term Al Qaida in Iraq in 2004 after Zarqawi pledged his...

SKELTON:

So that would be? In the following year?

GISTARO:

Yes, sir.

SKELTON:

Not until then?

GISTARO:

We were certainly aware of Zarqawi and what he was doing, but in terms of his...

SKELTON:

When were you aware of Zarqawi and what he was doing?

GISTARO:

We saw evidence that he was in Iraq even as early as, I believe, 2002.

SKELTON:

When did he begin his activities?

GISTARO:

Sir, I think this is something I need to take as a question for the record to make sure I can give you an accurate...

SKELTON:

I'm getting a little fuzzy there. Let's go back.

(UNKNOWN)

Chairman, yield for a second?

SKELTON:

I will yield.

(UNKNOWN)

Thank you.

I mean, the fact of the matter is Mr. Zarqawi was in Iraq, but he was there as an insurgent independent, that he didn't even have a good relationship with Osama bin Laden.

In fact, Osama bin Laden rejected his overtures a number of times until it was convenient for Al Qaida to figure that they wanted some credit for the kind of insurgency that was going on in Iraq. And at that point, they finally

accepted the overtures of Zargawi and all the insurgent activity that he was already involved in on an entirely different basis became associated with Al Qaida. And that's how the situation evolved.

SKELTON:

Let's proceed.

Mr. Franks?

FRANKS:

Well, thank you, Mr. Chairman.

And thank all of you for being here. Sometimes it's easy for those of us that have the opportunity to kind of second-guess you to forget that you're the invisible frontline of freedom in this country and that we appreciate you very much. I know you have a difficult job.

You know, I was struck by the comments that both Mr. Gingrey and Mr. Rogers -- or Mr. Turner about some of the obvious questions. Part of the problem is that sometimes in this body self-evident truths have become less self-evident. It seems like truth sometimes get disinvited from the debate. So if you grant me diplomatic immunity, let me just try to do a little bit of the same thing that they did.

Ms. Long, when you mentioned that Al Qaida was very adept at being able to not only assess but to understand the political dynamics in a given area and to exploit those in ways that are pretty insidious, do you not think that they also are able to assess our own political dynamics here and exploit them to a great degree as well?

LONG:

Absolutely. In fact, I believe there is intelligence as well as anecdotal information that they watch our political dynamic as well as our dialogue very carefully in order to gauge our weaknesses as well as our strengths.

FRANKS:

I think it's probably one of the greatest challenges that we have here, is that Al Qaida is an insidiously intelligent and dangerous group that has profound commitment to their ultimate end. And our challenges sometimes is to diminish their capacity.

With that in mind, let me ask you again, Ms. Long, do you think that Al Qaida feels emboldened and strengthened by -- and this is a terribly unfair question to you, it's a political question but it also has a pretty straightforward answer, probably -- do you think Al Qaida is emboldened or encouraged by calls in this body for us to withdraw from Iraq?

LONG:

I think debate about what we do in Iraq and the manner in which we do it is very important.

LONG:

And I think public dialogue and discussion about that is critical to our democracy. And I think that, to the extent that individuals see that, both internally and externally, they know that this is a fundamental principle of America, that we dialogue.

I do think we need to be very careful that we don't inadvertently either dissuade our allies from being aware and knowing our commitment, as well as emboldening our enemy.

FRANKS:

And if they had a vote, Mr. Verga, do you think that Al Qaida would vote for us to withdraw or to stay and fight?

VERGA:

I think they'd like us to withdraw?

FRANKS:

You think they'd like for us to withdraw?

Let me ask you, Mr. Verga, do you think that the reason -- let me not characterize it. What do you think the reason is that we see this drawing into Iraq of Al Qaida?

Why are they coming to Iraq to fight us?

VERGA:

They're coming to Iraq to fight us, one, because we're there. We're fighting them there because they're there. And they see it as an opportunity to hand us a defeat, which would help them get to their ends, which is, ultimately, an Islamic caliphate that spans the world.

FRANKS:

Well, you know, Osama bin Laden, not so long ago, said that this battle of the two rivers, Iraq, is the critical battle. He said that this is an important thing.

So, if Iraq is not important to Saddam Hussein -- I mean, to Osama bin Laden, if it's not important, in the battle against Al Qaida; if it's not important in the battle against Islamic terrorism; if it's not important in the battle against jihad, then somebody needs to explain that to Al Qaida. Because they don't understand.

Let me ask you, Mr. Verga, what do you think happens if we withdraw too soon from Iraq, before that government can stand?

What happens there? What does Al Qaida do?

And what advantage do they gain by that happening?

VERGA:

I think the biggest negative would be to establish a Taliban-type state, that we had in Afghanistan prior to going into Afghanistan, in a country which has much more indigenous capability.

Iraq is a very -- a much more advanced country than Afghanistan was. And if you have an Islamic state bent on exporting Islamic fundamentalism around the world, they would have an operating base. And I think the implication for the region and the implication for the safety and security of America would be profound.

That's why I'm -- it's my best professional judgment that leaving Iraq precipitously, without setting the conditions for the Iraqi people to be able to have a stable country is not in the best interests of the United States.

FRANKS:

Well, I suppose it doesn't shock you to know that I agree with you completely on that.

Mr. Gistaro, I think you mentioned earlier that the assessment is that the potential capacity to attack the United States comes more from Al Qaida in Asia than it does in Iraq, but that Iraq has probably the clearest open statement that they want to attack the United States.

FRANKS:

So I ask this question, it's a little bit fuzzy, but is it possible that the reason that we deem the Al Qaida capacity in Iraq to be less than that of Al Qaida in Asia because they don't have the safe haven in Iraq, because our people are there and are engaging them? Is that -- does that have anything to do with diminishing their capacity?



GISTARO:

Yes, sir. The intelligence community assesses that AQI's -- the bulk of its resources are focused on the conflict inside of Iraq at this time.

FRANKS:

I think, you know -- I guess I'm about out of time here, but I guess I just want to try to thank all of you again. I hope that you stay with it. I think that this is the most dangerous enemy that we have faced, in terms of the ideological commitment that they have, and that, unlike some of the dynamics of the past, it's no longer an equation of: What is their intent and how can we diminish that? It is the equation of how do we prevent them the capacity to do this country great damage and how do we gain the confidence and the cooperation of the Iraqi people?

And I would submit to you that I believe that the rhetoric in this institution can have two negative consequences. It can embolden the enemy and it can reduce the commitment on the part of our allies to cooperate.

Thank you.

SKELTON:

OK. Before I call on Mr. Sestak, it's my understanding that Mr. Leiter must leave at this moment, and someone will take his place.

Am I correct?

LEITER:

I do, Mr. Chairman.

I thank you for the opportunity to speak with you.

And taking my place -- and I apologize for having to leave early -- taking my place will be the NCTC's director of intelligence, Andy Liepman.

SKELTON:

The name again?

LEITER:

Andy Liepman.

SKELTON:

Andy what?

LEITER:

I'll let him do it, but L-I-E-P-M-A-N.

SKELTON:

Thank you.

LEITER:

And, again, thank you for your time, Mr. Chairman.

SKELTON:

Thank you, Mr. Leiter.

Would you spell your last name please?

LIEPMAN:

Yes, sir. It's L-I-E-P as in Peter, M-A-N.

SKELTON:

Thank you so much. Welcome.

Mr. Sestak?

SESTAK:

Thanks, Mr. Chairman.

The largest phrase I'll walk out of here with is yours, Mr. Gistaro, "a safe haven, Pakistan." I can remember, I guess, during the war when we went into Afghanistan, General Hayden, who headed the NSA at that time, said to General Franks -- oh excuse me, Franks said to Hayden, "Give me some actionable intelligence." And Hayden replied, "Give me some action, Franks, and I'll give you some intelligence."

We have a safe haven so there's no action. They just sit there, so we can't get intelligence, if Hayden's comment was correct.

You said, General that we want to use -- we want to attack it by every means, by a variety of means.

Actually, who probably should be sitting here at this table is the State Department, but you're the closest to it, Ms. Long.

And then you, General, how do you get action so you can get intelligence in what you described as safe haven, that the might of America can't get the intelligence in a certain place in the world?

That was for you, Ms. Long or the general first, either one.

CLAPPER:

Go ahead.

LONG:

I think there are a variety of ways of getting action. We've talked a lot today about the kinetic aspects. And I think what you're alluding to is, as a result of kinetic activity, you can get prisoners or detainees from which -- or you can learn from...

SESTAK:

No, much more than that. To the general's point, there's a lot of means to get action.

LONG:

Well, in fact, I was starting there, and I was about to say that actually I think one of the things that we have learned in Al Anbar, for example, is that it's the nonkinetic that sometimes is more productive as an intelligence producer. And that's persuading folks that it's not in their best interests to...

SESTAK:

So how will we do that for Pakistan, to the safe haven? What's the action you recommend?

LONG:

Actually, we have a three-pronged effort that I think is effective, and that is economic development so that the people of the FATA in northern Waziristan in particular see their world changing so that they can affiliate themselves with a better way of life.

SESTAK:

Will that take time?

LONG:

That will take time and it will take patience and resources.

SESTAK:

Anything near-term? Because he's just sitting there.

LONG:

Yes, and one of the other things that we're doing near-term -- and actually as we speak -- is we're developing the capabilities of the Pakistani army as well as the frontier forces which...

SESTAK:

But he has a treaty that he's kind of...

LONG:

That treaty is no longer in effect, sir.

SESTAK:

... existence, right.

LONG:

And, as a matter of fact, the...

SESTAK:

But why did we wait -- if this treaty was given a safe haven, why didn't we ask him to break it earlier?

LONG:

I think there's a misperception that perhaps we were standing by as this treaty was in effect, and that's incorrect. And, in fact, our military and other efforts to not only provide military and other support, but as well as economic development to Pakistan were ongoing during the treaty, sir.

SESTAK:

General, any recommendations?

CLAPPER:

I just, as I said earlier, I just think we need to continue on all front -- all fronts -- to, whether it's assistance to the Pakistanis. I think Ms. Long makes a very good point about it's not just the kinetic, putting bombs on targets...

SESTAK:

Would you change anything we're doing now to try to get more action or some action?

CLAPPER:

I think we need to continue what we are already doing...

SESTAK:

But it hasn't produced anything in...

CLAPPER:

Well, I don't think that's -- I don't think that's necessarily the case. I think it is producing something. I think the treaty with the tribes in Waziristan was a good thing to try. It was done in good faith. It didn't work out. And now it's ended. So they'll try another approach.

And I think that is characteristic of what needs to be done here, is to call on all...

SESTAK:

Yes, sir. General, could I follow up...

CLAPPER:

Includes the kinetic and the nonkinetic.

SESTAK:

... follow up? I am taken where you said attack by variety of means. When General Eikenberry left Afghanistan he was asked, "Does Iran work toward our interest in Afghanistan for stability." His answer was yes at that time, not because they love us, but they didn't like Al Qaida and Taliban and put money into building roads.

The NIC had said that we'd spiral into chaos in Iraq if we redeploy precipitously in 18 months. When asked, "Dr. Fingar, did that include the influence if it was to be one of the means by which we want to get stability in Iraq, to negotiate with them, to work with them, to see if they can have an impact?" his answer -- "would that change your answer of spiral into chaos," since they don't, he said, want a failed government, "Would that have changed your answer?" He said, "Probably."

In attacking by variety of means these insurgents, would working, in your intelligence estimate, with Iran help address this problem in Iraq?

CLAPPER:

Well, the first -- in the first instance, I think any Iranian element that poses a direct threat to U.S. forces in Iraq will certainly be -- has been and will be dealt with.

Beyond that, the limited dialogue that Ambassador Crocker has had with the Iranians to implore them to reduce, eliminate their engagement, their support for the insurgents in Iraq is the right thing to do.

SESTAK:

I'm out of time. Thank you.

SKELTON:

Thank the gentleman.

Mr. Gallegly?

GALLEGLY:

Thank you very much, Mr. Chairman.

And thanks to all the witnesses for being here today.

General Clapper, it's pretty common knowledge that in order to get to Al Qaida we need to be able to surveil the Al Qaida network and their use of modern telecommunications.

GALLEGLY:

How is FISA's inability to provide with you with proper tool to effectively listen to the terrorists' communications impacting your ability to protect the homeland?

CLAPPER:

Sir, I think it'd be best if we left that for a closed session discussion.

GALLEGLY:

OK.

Would it be safe to say that -- it is clear that Al Qaida is using modern telecommunications?

CLAPPER:

Absolutely. They are.

GALLEGLY:

And it is important that in order to get through to Al Qaida, we really need to get to the core by getting through the network?

CLAPPER:

Yes, sir. That's correct. And that is, as I'm sure you appreciate, that is why the interest in updating, modernizing the FISA legislation -- not only to improve the efficiency of our attack against Al Qaida communications and use of the Internet, et cetera, but at the same time to ensure that civil liberty considerations are addressed as well.

GALLEGLY:

But without getting into the specifics and the overall effect on the homeland, the current status of FISA does have an impact on our ability to do our job?

CLAPPER:

It does in the extent -- it's not as efficient and as responsive as it needs to be. And that is a factor of -- occasioned by the huge change in technology that's occurred since the original FISA legislation was enacted.

GALLEGLY:

Kind of like between the Motorola cell phones of 20 years ago that look like a shoebox compared to these today that you can make a vanilla malt with?

CLAPPER:

Well, it's even more basic than that, sir. I mean, we've gone from an era of putting alligator clips on telephone lines to the technology you just indicated.

GALLEGLY:

Thank you very much, General Clapper.

SKELTON:

Jan Schakowsky?

SCHAKOWSKY:

Hello.

Thank you, Mr. Chairman, both chairmen. And I thank our witnesses today.

In 2002, before the vote on the use of force, I said, "Am I the only one who sees that the emperor has no clothes?" Well, now, many years later, most Americans now see that the emperor has no clothes and what we've been doing has simply not been working, in my view. Almost six years now after 9/11, when Al Qaida did attack us, 3,400- plus American troops are dead, 1,000-plus contractors who we don't even count are dead, tens of thousands of Iraqis, nearly a half a trillion dollars borrowed, \$12 billion a month, \$12 million an hour. And the level of threat from Al Qaida, we're learning, is high, perhaps high as it ever was and growing.

I wanted to just read something from "The Strategic Reset," which is from the Center for American Progress, includes a report from Larry -- is a report



includes Larry Korb, who as an assistant secretary of defense: "The current Iraq strategy is exactly what Al Qaida wants. The United States, distracted and pinned down by Iraq's internal conflicts, trapped in a quagmire that has become the perfect rallying cry and recruitment tool for Al Qaida. The United States has no good options, given the strategic and tactical mistakes made on Iraq since 2002, but simply staying the course with an indefinite military presence is not advancing U.S. interests."

So, you know, we heard the president say in May 2003, "Al Qaida's on the run. That group of terrorists who attacked our country is slowly but surely being decimated. Right now, about half of all the top Al Qaida operatives are either jailed or dead. In either case, they're not a problem anymore." Then we've talked about the 2006 NIE and then the latest, where Al Qaida has protected or regenerated key elements of its homeland attack capability.

SCHAKOWSKY:

This is six years later now.

And so, we know also that Al Qaida in Iraq, which we're talking about the threat from there, did not exist prior to the U.S. occupation. And in Pakistan now we have what I call an Al Qaida free zone.

And I wanted -- Mr. Verga, you said you don't want the American people to get the wrong idea, but why wouldn't they?

I'm looking at July 25th, 2007, article that says, "A secret military operation in early 2005 to capture senior members of Al Qaida in Pakistan's tribal areas was aborted at the last minute after top Bush administration officials decided it was too risky and could jeopardize relations with Pakistan, according to intelligence and military officials."

Why wouldn't they get the wrong idea about our seriousness about capturing Osama bin Laden?

And let me make a few more points.

The other thing I don't understand is why we haven't focused more on Saudi Arabia. Another article, July 15th, 2007, in the L.A. Times, "Fighters from Saudi Arabia are thought to have carried out more suicide bombings than any other nationality. About 45 percent of all foreign militants targeting U.S. troops and Iraqi civilians and security forces are from Saudi Arabia, 15 percent from Syria and Lebanon, 10 percent from North Africa, according to U.S. military official figures made available to the Times."

So I want an answer about the threat, which I didn't see mentioned in the unclassified report, from Saudi Arabia.

So those are two allies, Pakistan and Saudi Arabia.

And, finally, I wanted to ask your opinion, then, of what the latest revealed strategy of significant American role in Iraq for the next two

years, the joint campaign plan, could yield us in terms of getting Osama bin Laden and those people who really are trying to attack us -- that bad guys that we know have killed us?

When I look at the articles about that two-year presence, what I see is about trying to stabilize Iraq, reduce the threat to Iraqis, but nothing about how we're really going to go -- it seems to me we missed the boat. We took a turn from Afghanistan, where we fighting the Al Qaida, and we went to a place that has only enabled Al Qaida to organize to use our Iraq occupation as a gathering point.

Thank you, Mr. Chairman.

SKELTON:

Thank the gentlelady.

Mr. Issa, California?

ISSA:

Thank you, Mr. Chairman.

Ms. Long -- Secretary Long -- as a key adviser to the secretary of defense, this hearing is on Iraq, and I don't want to stray too far from it, but I feel I must.

As Al Qaida builds its network of foreign fighter recruiting, and they clearly have done that, and they've used Iraq as one of the central recruiting points. And of course they continue to use Israel and the plight of the Palestinians as another key recruiting.

But recently near Tripoli, Lebanon, it was shown that a huge amount of foreign fighters came into a Palestinian camp and in fact -- and I'll use the words of Prime Minister Siniora. He calls them Al Qaida-like. He does not want to call them Al Qaida.

But they're clearly foreign fighters. They're clearly Sunnis. They clearly were recruited to come in, commit crimes and kill Lebanese armed forces when they came to respond to a bank robbery.

One, how do you respond to that event?

And, two, which is going to be more broadly for the panel, when we spend \$12 billion a month in Iraq, what is the excuse of having a key potential second front get only 20 Humvees -- when we promised them three-quarters of a billion a year earlier -- at the time of that attack.

As a matter of fact, at the time of the attack, just as a little note, they only had 600 artillery rounds to put into the target, because we hadn't kept any of our significant promises for resupply.

SCHAKOWSKY:

And I needed to use about my half my time on you, and then I'm going to go to General Clapper. So if you could give me your thoughts?

LONG:

I can -- actually, sir, are you referring to the Lebanese armed forces activities against the Palestinian enclaves in Tripoli and in northern Lebanon...

ISSA:

Yes.

LONG:

... as well as some of the activity that LAS has undertaken in southern Lebanon?

The first point is, you're exactly correct that foreign fighters have moved into Lebanon. And as you know, and although not the subject of this particular hearing, those have been in order to strengthen Hezbollah, as well as the activities going on in the north that were contrary to the Siniora government.

It's important for you to be aware that, in fact, the Department of Defense, as well as the Department of State, have reinvigorated and in fact augmented our support to the Siniora government, as well as the LAS, the Lebanese armed forces.

As you're aware, sir, it wasn't until quite recently, chronologically, that the Lebanese government, to the extent it was one, was Syrian-backed, and, some would argue, a Syrian puppet.

And prior to that, you're exactly right. Not a lot of resources went into the building of the armed forces.

ISSA:

OK. And I apologize. I appreciate your response, but I'm going to make a quick comment back.

LONG:

Sure.

ISSA:

This is the typical talk we get in these hearings. And it's nice to have a public hearing so we can make a public answer. It's been two years since the assassination of Rafik Hariri.

The March 14th coalition swept in a new organization, clearly anti-Syrian, and the Syrians were driven out. And we pledged to in fact support that legitimate government. The president invited the prime minister and had him at the White House.

What I was asking -- and I'm going to have to go on to General Clapper -- but what I was asking is, why, when we spend \$12 billion a month, when the amount of weapons going into Iraq and Afghanistan is so huge, we couldn't get more than 20 Humvees in, in a damn year?

That's the question. It answers itself. And I apologize, but your answer that it's been a short time -- a year or two of a nation that had no military, whose 113s are lucky just to be diesel and not gas, who go back to when I was a lieutenant, and then to say, well, it wasn't enough time, is simply disingenuous.

Additionally -- and I know you don't like being called disingenuous -- King Abdullah offered to ship and train from his excess stocks of our equipment. And we said no. And it's -- his equipment still sits there. So the fact is...

LONG:

That's inaccurate.

And I apologize for interrupting. We have gotten a lot more equipment into Lebanon than 20 Humvees. And if you would like, I will come to you and brief you and your staff as to the amount of equipment.

ISSA:

I would look forward to it. Because I'll compare it with the list I received in Lebanon.

General Clapper, the follow-up question for you: It's interesting that you began your career as a lieutenant flying over Laos and Cambodia. And that was at a time in which Laos and Cambodia were not open antagonists to us, were they?

CLAPPER:

That's right, sir, but...

ISSA:

OK. And they in fact simply were unable or unwilling to fight an enemy of ours. And they were being used in order to traffic in people who would kill Americans.

And at that time, in the beginning of your career, we would not accept that foreign fighters and weapons and resupply came in through other sovereign nations. We would not accept their sovereignty if they were not able to maintain their sovereignty.

So my question to you today, from a standpoint of Iraq, is why is it we respect the sovereignty, to the letter, of Syria and Iran, while, clearly, foreign fighters, munitions and others, either with or without the assistance of those countries, come into us -- why is it we do not have a next generation of aircraft, like the one you flew over Laos and Cambodia, with eyes and ears and yes, munitions, if necessary?

And that's as to Iraq. And obviously, Pakistan would be exactly the same question. How do you answer why -- what was right when you were a lieutenant somehow is off-limits as a secretary?

CLAPPER:

Well, the conditions were not quite -- the direct analogy was a little -- the analogy's a little different. When I was flying a mission -- EC-47 missions, which were World War II aircraft with the original World War II engines in them, that I was flying...

ISSA:

Yes, but you were eating K-rations when you got home, too.

CLAPPER:

Exactly.

And of course the target was specifically the North Vietnamese military formations that were moving through Laos. And the component of the Laotian government that was supportive acceded to that. And, of course, the conditions today, I believe, with Pakistan are just different.

ISSA:

Mr. Chairman, thank you for your indulgence.

SKELTON:

Mr. Issa, thank you very much.

John Tierney?

TIERNEY:

Thank you, Mr. Chairman.

Mr. Chairman, I'm going to start by making a brief statement as opposed to questioning and then hope to move to questions.

And I just want to put it up on the record here to clarify. There's been some other statements made about the Foreign Intelligence Surveillance Act, and I think some of it may be construed as misleading by others.

That act has been changed dozens of times since it was first enacted, and it was changed a number of times since 9/11. The president instituted his program without ever coming back to Congress and asking that any changes be made in order to take care of any imperfections that he might have seen in it.

We've had numerous hearings now, both open hearings and classified hearings in the Intelligence Committee and some subcommittees. And the administration's barely been able to articulate any particular problems with it.

But the ones, I guess, that we can gather is they may need some staffing of people, additional staffing of people to implement the Foreign Intelligence Surveillance Act as it's written. And the other is that the act already allows for foreign-to-foreign communications to be intercepted. This administration, for reasons we probably can talk about in classified session, has chosen to say that it wants a warrant nonetheless.

We don't need to go to an extent that some people have proposed, which would open up all United States communications to indiscriminate interception.

But I do want to state that Mr. Schiff and Mr. Flake -- bipartisan -- Ms. Harman and others have taken care of that issue in FISA legislation that failed to get bipartisan support. Senator Feinstein introduced a similar fix in the Senate. And I hope that people won't get caught up all in this hyperventilation to think that this Congress hasn't been acting on that.

Rather than make it into a political issue, I'm hoping that we can get back to legislation that Mr. Schiff, Mr. Flake, Ms. Harman and others have filed for the last two sessions so we can clear up that issue and stop playing politics.

On another matter here, I think the NIE states clearly the importance of eliminating key Al Qaida leaders. It states specifically that, "The loss of

key leaders, particularly Osama bin Laden, Ayman al-Zawahiri and al-Zarqawi" -- of course, who's already gone -- "in rapid succession probably would cause the group to fracture into smaller groups. Although like-minded individuals would endeavor to carry on the mission, the loss of these key leaders would exacerbate strains and disagreements.

We assess that the resulting splinter groups would, at least for a time, pose a less serious threat to the United States interest than does Al Qaida originally."

I propose that that was true back right after September 11 of 2001, and that's why we went into Afghanistan and why the entire Congress voted to go in. I also suspect, unfortunately, that it was -- remained to be true when this president diverted troops out of Afghanistan and into Iraq, which at that point in time did not have any Al Qaida people involved in that situation. And that is true today, that it's still important to go after Osama bin Laden and Zawahiri and other leaders on that basis. But yet the president has disbanded a special intelligence group that was focused solely on that avenue and has continued to support the Musharraf regime in Pakistan, which some people would argue isn't doing enough in that FATA area, the tribal area to take care of Osama bin Laden and Zawahiri.

Does anybody here think that it's not important at this time to put some focus on trying to get Osama bin Laden and al-Zawahiri and deal with that situation? Is there anybody here that is arguing that it's not important to go after them?

OK.

Assuming, then, that before Mr. Musharraf made the deal with the tribal chiefs in the Waziristan area we had unrest there, we had Taliban, we had people that were causing problems. That's why he said he made the pact with them, because he thought that was going to get their cooperation in moving those elements out. So it was a pre-existing problem, it didn't happen because of the pact.

Now the pact has put in place (inaudible) National Intelligence Estimate that may have exacerbated the situation. The fact of the matter is that he is now and is by some reports trying to reinstitute those pacts.

Ms. Long, you say that that's not the case. So are the reports that we're reading that there's still an effort on the part of the Musharraf government to reinstitute those pacts with the tribal leaders no longer accurate, you're uncertain or can you adamantly state that it's not happening, that the United States government is working with Musharraf to make sure that he doesn't reinstitute that policy?

LONG:

No, sir. Actually what I stated was that the northern Waziristan agreement that was instituted last year arguably was violated by both sides and has been abandoned by both sides, and that Musharraf has moved subsequent to that to not only reconfigure the Pakistani armed forces, particularly the army, but also to put more in the area.

(CROSSTALK)

TIERNEY:

Excuse me a second, I just -- my time is running out.

But during all of the time when that obviously wasn't working, why did the United States fail to work with General Musharraf and convince him to do something other than to stand by and abide by that pact and watch that area get worse?

LONG:

Sir, we were not standing by. And as a matter of fact, there were a number of dialogues -- I myself traveled to Peshawar as well as the Pakistani capital in order to dialogue with the Pakistanis on the meaning of that agreement. And in fact that agreement, some would argue, was an attempt not only to deal with the Al Qaida presence there, but also the Taliban. As you're aware, the Taliban and other extremists in that area are also a threat -- not only externally, but to Afghanistan -- excuse me -- but internally to Pakistan.

We did not stand by, as a matter of fact, during that time frame. We increased our aid to the Pakistani military.

LONG:

And we began serious dialogue and efforts to train the Pakistani frontier forces, which were the element that the Pak government at the time was looking to as the primary element to reinstitute stability to Northern Waziristan.

It is true that President Musharraf and various elements of the Pakistani government are looking at a variety of means, including small agreements in villages and other places, in order to gain stability.

Some would argue that the approach isn't too different from the approach that we're taking in Al Anbar in that they're looking to change tribal minds in order to gain them on the side of what the Pakistani military's trying to do, sir.

So I can't categorically say that there's no agreements being contemplated at this time. I actually would hope that the Musharraf government is looking at all means to stabilize the region.

REYES:

Thank you, Mr. Tierney.



Mr. Ruppertsberger?

RUPPERSBERGER:

There's been a lot said today, a lot of questions. I hope I'm not repetitive. I had to be at another hearing and on the floor.

I want to focus, I guess -- and I'm not sure who on the panel could ask the question -- about the issue of terrorism on our borders.

I think if you look at the history and where we are now, when we went into Iraq there were really no terrorists in Iraq at that time. Al Qaida, if they were, I think Saddam Hussein probably would have killed them. But now I think we can all say that with all the issues that are going on, that Iraq has been a training ground for Al Qaida and it's very serious.

The way I see the situation -- and I've been there four times -- is you have Sunni-Shia, and it's almost as if we're the security guards for the Iraqi government and Iraq right now, and then you have Al Qaida there throwing bombs and doing whatever needs to be done.

I think clearly that strategy has to change in Iraq, and there are different opinions on that.

I heard the president on the radio this morning, and I think, unfortunately, he made the argument that we need to stay in Iraq because that's going to protect us from an attack on our shores. Well, Al Qaida is throughout the world right now. I think it's a very radical organization and they recruit people throughout the world.

I'm very concerned about the threats in the United States. I believe that one of the reasons we haven't had an attack is that Al Qaida has been focused in a lot of areas and they want a big attack in the United States, an attack that's possibly some type of nuclear attack.

And the only way we're going to stop that, I believe, is through good intelligence. And my concern is do we have the resources from an international level, which is what CIA and NSA are doing, to get back to the United States to our federal, state and local. FBI, who's really in charge. I think the JTTF is probably the best resource we have to stop the terrorism.

The FBI is attempting to set up their own intelligence, a national security branch, but I'm very concerned that they're not where they need to be yet.

RUPPERSBERGER:

They have good leadership there, but they need a lot of resources. And what makes it work is federal, state and local.

And my question is, right now, we know that when eventually we leave Iraq -- hopefully it's sooner than later -- that Sunni and Shia are going to still be having their issues, that Al Qaida that are trained might come over to our borders and threaten us.

What are we doing to make sure that we're getting the resources, the intelligence to our federal, state and local, that we're identifying the cells in the United States?

And I'll say one other thing and then maybe you can answer the question.

The only way we're going to, eventually, deal with the issue of terrorism -- we're not going to be able to fight our way out of it. We're going to have to get the Muslim community throughout the world and let them come out and say God does not want you to kill, that there's 1 percent or less of Islam that is basically hurting and hurting our religion. And we're going to have to -- really, that's the way we're going to stop this terrorism down the road.

Getting back to the United States, we have Muslim communities here, very active in community, do a lot. But they're also -- they have children who have been in a very insular society and yet have gone to public schools. And I'm sure they have an issue with what we do in this country.

What are we doing to help get the intelligence to our FBI and our state and locals in the United States?

LIEPMAN (?):

Congressman, NCTC was formed partly as a result of the 9/11 and WMD commissions, and Congress passed IRTPA, and one of the primary motivations in that was to improve the latch-up between our foreign intelligence operations at the CIA and DIA and such and our state and local or our law enforcement -- FBI, DHS.

And I see every day analysts from the law enforcement side and the foreign intelligence side sitting side by side, with access to each other's information.

We are -- we are certainly not perfect yet. We are still breaking through some stovepipes. But I think the sharing environment between the two main communities is better than it's ever been.

I mean, we, in fact, are launching right now a new endeavor to make available federal product to our state and local and tribal partners. And we do that entirely through the DHS and the FBI.

And what we need to be careful that we give them the information that's useful, that we not flood them with the amount of information that's available.

RUPPERSBERGER:

Do we have the resources necessary? There's so much money going to Iraq. Do we have the resources to deal with that?

RUPPERSBERGER:

And that is my last question, because the red light just came on.

LIEPMAN (?):

Sir, I think we're doing pretty well on that. Congress is being quite generous to us so far.

RUPPERSBERGER:

And the communications between FBI and Homeland Security...

REYES:

Thank you, Mr. Ruppertsberger.

Ms. Eshoo?

ESHOO:

Thank you.

Thank you to the witnesses for your answers today, but most importantly for your service to our country.

I can't help but think that you all in the positions that you hold are trapped in a bad policy, trapped in a bad policy. And as we examine the impacts of the key judgments in the NIE, I believe it directs itself toward that.

Now, there's a huge fall-off, as has been stated earlier this afternoon, between the NIE of this year, of 2007, and the previous one. I think everyone in this room and everyone in the country, regardless of what their political affiliation is, would agree that the statement in this NIE that Al Qaida has, quote, "protected or regenerated key elements of its homeland attack capability" is bad news for our country.

I want to get to a couple of areas of questioning relative to the NIE and the resources that are appropriated by us that you have and how they're being used to address this.

But I first want to make an observation before I get to that on what some of my colleagues have put forward today, which is really very, very

troubling, and I think misleading. It's been suggested that we're blind, the term "we're blind" in terms of intelligence on Al Qaida because of FISA.

Now, the first question that comes to my mind is, how indeed could this NIE have been put forward if in fact we're blind? Does anyone on the panel believe that we are blind?

(UNKNOWN)

No, ma'am.

ESHOO:

That's the term that's been used.

ESHOO:

Does anyone believe that we're blind?

Does anyone believe that we're blind?

(UNKNOWN)

No.

ESHOO:

No one?

I mean, it's very important to get down on the record because I think it's a disservice to what all of you do, first of all, to suggest that. And we know better because fear is the most powerful of human emotions.

We owe more to the American people than just trying to scare the hell out of them and say, after all of the expenditure of life and limb and the investments that the American people are now making, \$10 billion a month in Iraq alone, that we're blind.

So thank you for your observation on that.

Now, let me get to resources. The NCTC, I would like you to tell the committee how many people you have devoted to the shortfall that the DNI or the gap that the DNI has spoken of.

How many actual people do you have devoted to this?

LIEPMAN (?):

I'm not sure which shortfall you're talking about. We currently have approximately 400 -- slightly more than 400 government workers in NCTC.

ESHOO:

I'm not asking you how many people you have in your agency. I'm asking you how many you have actually working on the intelligence portion of what the committee hearing is about today, to secure the intelligence -- I mean, this is about the NIE. This is a startling NIE.

(UNKNOWN)

Ma'am, we have 230 analysts right now, all of whom work on terrorism, the majority of whom focus on the nexus between foreign intelligence and domestic threat.

ESHOO:

Well, in a secured setting, those are not the numbers that we received.

To General Clapper, it's nice to see you again. Can you tell us about the resources, how you break down your resources and use them in this area?

CLAPPER:

Well, the totality of the resource, apart from NCTC, there are other organizations...

ESHOO:

My direct question was, the DNI has said that there's a gap in the ability to track terrorist communications. So how many people, both at NCTC and in your agency, General Clapper, do you have on this?

CLAPPER:

Well, I think, to be perfectly accurate about that, if going to include, for example, the population at NSA, which we probably shouldn't discuss, that are devoted to this, that shouldn't discuss that in open session, anyway.

CLAPPER:

And we'd have to research that. So I'd like to take that for the record.

ESHOOO:

Is that the same for NCTC?

LIEPMAN:

Yes, ma'am.

ESHOO:

Let me ask the following question: There's \$10 billion being spent in Iraq per month. What would -- what amount of that and what impact would it have, relative to what the NIE described, the huge challenge that we have today in Pakistan?

CLAPPER:

As I understand your question, ma'am, of the money that's being expended in Iraq on a monthly basis and if that were used for some other purpose, is that your question?

ESHOO:

Well, again, the hearing today is on the implications of the NIE regarding Al Qaida. Now, the NIE, in its unclassified summary with the key elements in it, directs itself to what we know, we've been talking about here today.

I believe that what we're doing in Iraq has really brought us to the descriptions that are in this NIE. That doesn't seem to be the policy of our country because of the administration.

So, given what the NIE has described, I'd like to have an application of \$10 billion to what the NIE directs itself toward and the description of America's enemies and where they are growing and posing that much more of a threat to our country.

CLAPPER:

Well, part of that threat emanates from Iraq. I mean, we have -- as we discussed earlier, we need to take on Al Qaida wherever it is. It happens right now that one of the places that it's present is in Iraq.

ESHOO:

Let me ask it this way.

REYES:

Can you please wrap it up?

ESHOO:

In terms of a percentage -- Mr. Chairman, I've been here since early this afternoon. I just want to finish with this question.

REYES:

I have, too.

ESHOO:

In terms of Al Qaida, which is a -- there are many franchisees. They're all over the world. They're limber. They're entrepreneurial. And the NIE describes the kind of threat that they are posing not only in Iraq -- AQI, that's now growing -- but elsewhere.

What percentage of this overall world Al Qaida threat is in Iraq? What percentage do you attribute to Pakistan, and then to other countries?

CLAPPER:

I believe, again, it'd probably be best served to research that in the interest of accuracy and provide that for the record.

If you're talking about our estimates on the population of Al Qaida in various countries, if that's what you're...

ESHOO:

Well, it seems to me that, you know, we assign resources to priorities. So I just want to know how you broke down the percentage.

Thank you.

REYES:

Thank you, Ms. Eshoo.

Mr. Johnson?

JOHNSON:

Thank you.

I really like the analogy that the gentleman from Georgia used earlier about cancer. And on 9/11, we discovered a big cancer. And we went after the root causes of the cancer. We went into a place that was a safe haven for Al Qaida. And it was Afghanistan. And we rooted out and ran off the Taliban, who had provided the safe haven for Al Qaida.

Isn't that correct?

(UNKNOWN)

Yes, sir, that's correct.

JOHNSON:

And it was not Iraq that was providing the safe haven, it was Afghanistan, correct?

(UNKNOWN)

Correct.

JOHNSON:

But then we had a misdiagnosis that took place. We had already diagnosed the cancer and then we got a diagnosis of high blood pressure emanating from Iraq. We were told that Iraq was the place where -- had a relationship with Al Qaida. We found out that that was not true, misdiagnosis. We were told that there was weapons of mass destruction. That was not true. We were told that there was an attempt to obtain nuclear materials from Niger, Niger or whatever we call it. And that turned out to not be true.

And then instead of treating follow-up treatments for the cancer in Afghanistan, we then shifted our focus into treating the high blood pressure that was not even -- which was a misdiagnosis. And we then enabled the cancer to spread to other organs.

And so now we have a situation where because we took our attention off of clearing up the residual cancer, if you will, down in Afghanistan that had been run off into the mountains of Pakistan, now we've got a resurgence of the situation with both the Taliban and Afghanistan in Pakistan.



And it really was not the -- this agreement on September the 5th that President Musharraf of Pakistan signed with the tribal elders that led to the resurgence of this cancer, was it? Because that had started a long time ago when we shifted our attention to the misdiagnosis.

Am I speaking correctly here, or what?

LONG:

Congressman, if I may, I'm not going to -- I went to law school, not medical school so I'm going to change analogies on you.

JOHNSON:

Well, me too.

LONG:

But I do think it's important to note that shift of focus or not, it's important to remember that we have had about -- I believe we currently have some 23,600 U.S. troops in Afghanistan, along with our 26 NATO partners as well as the coalition members...

JOHNSON:

We've got roughly about 145,000 troops now bogged down in a civil war in Iraq. And in that war in Iraq, we have fostered more terrorist development.

And so I say these things to just point out the fact that the American people don't really have a lot of confidence in this administration to actually confront the issues that are addressed in the National Intelligence Estimate that has been compiled by you all.

JOHNSON:

And we appreciate the great work that you've done. But let me ask you, in terms of Al Qaida's ability to obtain chemical, biological, radiological or nuclear material, what are those prospects now and has our government been preparing for the possibility that those kinds of attacks could be levied upon the American people inside the boundaries of the United States of America?

GISTARO (?):

Al Qaida has the stated objective of obtaining weapons of mass destruction, chemical, biological, nuclear, radiological materials. Even

before the NIE came out, we recognized that as a threat. We've had -- in 1996 there was a Defense Against Weapons of Mass Destruction Act that was passed that the Department of Defense has been doing for training in about 120 cities around the country.

The Congress has authorized and funded 55 National Guard weapons of mass destruction civil support teams, 52 of which are now operational; the other three will be operational shortly.

United States Northern Command, and the secretary of defense has authorized them a force package necessary to respond to a CBRN attack inside the United States.

So the short answer to your question is, yes, we recognize the threat, and, yes, we've been preparing to deal with it.

JOHNSON:

Thank you.

SKELTON:

Thank you.

The gentleman from New Jersey, Mr. Saxton, has a question. The gentleman from Texas has a question. And then we will, with the agreement of the chairman of the Intelligence Committee, we will then go into closed session, which will be in Room 2212.

All right, Mr. Saxton, then Mr. Reyes.

SAXTON:

Mr. Chairman, I just want to take one minute to thank you for holding this hearing and to express my great appreciation for the time the witnesses have spent with us testifying here today.

And to thank you all for the job that you're doing, which is a very, very difficult one.

I'll never forget being in this room in 1990, when the secretary of defense came here and said, "I've got good news and bad news." He said, "The good news is the Soviet Union is going to go away. The bad news is the threat isn't, it's just going to change."

And, unfortunately -- fortunately, he suggested -- unfortunately, we never carried through with making the changes that were necessary to meet the new threat because we didn't know what the new threat was going to be, nor did anybody else in this country, until well into the 1990s.

And so what you've heard today from some of the members is a level of frustration not so much from those of us who lived through the '90s and 2001 here in this room and in adjoining rooms, but from folks who got into this game a little bit later than those of us who had the opportunity to watch the changes manifest themselves and to deal with the frustrations of trying to change our political structure, the structure of our administration, the structure of our intelligence-gathering apparatus and the structure of our military, keeping in mind that the only military people who trained for this mission were people numbering about 40,000 who happened to belong to the Special Operations Command.

SAXTON:

The rest of our military was configured for a completely different mission.

And so I appreciate the frustration that I hear from some of our colleagues, but I just wanted to know that -- wanted you to know that those of us who have perhaps lived through this in a different setting than some others understand how difficult it is to change and how difficult it is to meet this new threat. And there are lots of analogies that can be used which I'll save for another time. But thank you for what you do.

SKELTON:

I thank the gentleman.

Mr. Reyes?

REYES:

Thank you, Mr. Chairman.

I just want to quickly wrap up by -- I also want to echo my good friend from New Jersey's comments thanking you for your service, because I know you've been here a long time this afternoon and it has to be frustrating knowing the challenge that we face and trying to figure out how can we best apply the precious resources that we have.

But I have -- I was in -- in March I was in Afghanistan with General McNeil. And at the time, we were talking about the reported spring offensive that the Taliban had threatened to charge, to implement. And he told us that he had asked for additional troops and that the answer had been no because of Iraq, because we were using all the available troops in Iraq. And so there was no reinforcements.

I mention that because there are real consequences to what Mr. Johnson and others have said about the effort that is taking up precious resources in Iraq versus our ability to support Afghanistan the way at least General McNeil and others would like.

The other comment that I have is, it's my understanding, General Clapper, that it's a well-known fact that Osama bin Laden and Zawahiri do not communicate by any means that we would be able to intercept using our FISA capabilities.

REYES:

Is that true or not?

CLAPPER:

Well, to the best of our knowledge, we believe they use...

REYES:

Couriers?

CLAPPER:

... couriers or some other means that -- that they're certainly very opsec -- operations security -- conscious.

REYES:

Just very quickly, where are they on our target list? Are they the top 10, or...

CLAPPER:

They are still considered very high priority.

REYES:

Thank you.

And thank you again.

And, Mr. Chairman, I yield back.

SKELTON:

I thank the gentleman.

Let me thank the members of the Intelligence Committee, members of the Armed Services Committee that have been here today. And a special thanks to the panel. And I want to say publicly we appreciate your service and your being with us today. And some of the questions have been difficult. We appreciate your candor and your answers.

So then without objection, we will close this part of the hearing and go to Room 2212. But you have to get into 2212 through next door, 2216. So don't get lost between here and there. And we'll take up in just a few minutes.

Reconvene in five minutes.