AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

S. HRG. 110–835

CURRENT AND PROJECTED NATIONAL SECURITY THREATS TO THE UNITED STATES

HEARING

BEFORE THE

SELECT COMMITTEE ON INTELLIGENCE

OF THE

UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

JANUARY 11, 2007

Printed for the use of the Select Committee on Intelligence

Available via the World Wide Web: http://www.access.gpo.gov/congress/senate

U.S. GOVERNMENT PRINTING OFFICE

48–098 PDF WASHINGTON : 2009

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

SELECT COMMITTEE ON INTELLIGENCE

[Established by S. Res. 400, 94th Cong., 2d Sess.]

JOHN D. ROCKEFELLER IV, West Virginia, *Chairman*

CHRISTOPHER BOND, Missouri, *Vice Chairman*

DIANNE FEINSTEIN, California
RON WYDEN, Oregon
EVAN BAYH, Indiana
BARBARA A. MIKULSKI, Maryland
RUSSELL D. FEINGOLD, Wisconsin
BILL NELSON, Florida
SHELDON WHITEHOUSE, Rhode Island

JOHN WARNER, Virginia
CHUCK HAGEL, Nebraska
SAXBY CHAMBLISS, Georgia
ORRIN G. HATCH, Utah
OLYMPIA J. SNOWE, Maine
RICHARD BURR, North Carolina

HARRY REID, Nevada, *Ex Officio*
MITCH McCONNELL, Kentucky, *Ex Officio*
CARL LEVIN, Michigan, *Ex Officio*
JOHN McCAIN, Arizona, *Ex Officio*

ANDREW W. JOHNSON, *Staff Director*
LOUIS B. TUCKER, *Minority Staff Director*
KATHLEEN P. MCGHEE, *Chief Clerk*

CONTENTS

Hearing held in Washington, DC, January 11, 2007
Statement of:
Rockefeller, Hon. John D., IV, Chairman, a U.S. Senator from West Virginia 1
Bond, Hon. Christopher S., Vice Chairman, a U.S. Senator from Missouri 4
Negroponte, Hon. John D., Director of National Intelligence 6
Hayden, General Michael V., Director, Central Intelligence Agency 13
Fort, Hon. Randall M., Assistant Secretary of State for Intelligence and Research 17
Mueller, Hon. Robert S., III, Director, Federal Bureau of Investigation 19
Maples, Lieutenant General Michael D., Director, Defense Intelligence Agency 23
Supplemental Materials:
Statement for the Record of the Director of National Intelligence John D. Negroponte 58
Statement for the Record of Michael V. Hayden, Director of the Central Intelligence Agency 72
Statement for the Record of Randall M. Fort, Assistant Secretary of State 77
Statement for the Record of Robert S. Mueller III, Director, Federal Bureau of Investigation 82
Statement for the Record of Lieutenant General Michael D. Maples, Director of the Defense Intelligence Agency 91
Letter dated March 30, 2007 to Director Michael V. Hayden, Central Intelligence Agency, from Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond 121
Letter dated March 30, 2007 to Director J. M. McConnell, Office of the Director of National Intelligence, from Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond 127
Letter dated September 12, 2007 to Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond from Kathleen Turner, Director of Legislative Affairs 138
Letter dated March 30, 2007 to Director Robert S. Mueller III, Federal Bureau of Investigation, from Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond 146
Letter dated February 4, 2008 to Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond to Brian A. Benczkowski, U.S. Department of Justice 147
Letter dated March 30, 2007 to Lieutenant General Michael D. Maples, Director, Defense Intelligence Agency, from Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond 156
Letter dated March 30, 2007 to Randall Fort, Department of State, from Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond 176
Letter dated May 2, 2007 to Chairman John D. Rockefeller IV from Jeffrey T. Bergner, Department of State 177

CURRENT AND PROJECTED NATIONAL SECURITY THREATS TO THE UNITED STATES

THURSDAY, JANUARY 11, 2007

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The hearing convened, pursuant to notice, at 2:50 p.m., in room SH–216, Hart Senate Office Building, the Honorable Jay Rockefeller (Chairman of the Committee) presiding.

Present: Senators Rockefeller, Feinstein, Wyden, Bayh, Mikulski, Feingold, Nelson of Florida, Whitehouse, Bond, Warner, Hagel, Chambliss, Hatch, Snowe, and Burr.

OPENING STATEMENT OF HON. JOHN D. ROCKEFELLER, IV, CHAIRMAN, A U.S. SENATOR FROM WEST VIRGINIA

Chairman ROCKEFELLER. This hearing will come to order. I welcome all of our witnesses in what is I think one of the most important public meetings of the year. This one will be open, and then we'll have a closed one, and I think between the two we can get a lot accomplished.

Today the Senate Select Committee on Intelligence embarks on an ambitious agenda of hearings and Committee reviews that will restore meaningful congressional oversight of the activities of the U.S. intelligence community.

I think it's fitting that the Committee's first hearing of 2007 is on the worldwide threat. It's important not only that the Congress, but the American people understand that threats facing our country both inside our borders and abroad are significant. This is why the Committee is conducting this session openly.

I am extremely concerned—and I'll just be frank about it from this Senator's point of view—that the misguided policies of the Administration have increased the threat facing our Nation and hampered our ability to isolate and defeat al-Qa'ida and other terrorists that seek to strike against the United States. I believe our actions in Iraq have placed our Nation more at risk to terrorist attack than before the invasion.

Based on the findings of the Committee's Iraq investigation, I have concluded that the Administration promoted nonexistent links between Iraq and al-Qa'ida in an effort to, so to speak, sell the war that was fundamentally, in fact, about regime change, not about an imminent threat to America.

The sobering consequences of our actions are well known. Over 3,000 Americans have died in Iraq, many thousands more are gravely wounded. Our military and intelligence efforts in fighting

and capturing the Taliban and al-Qa'ida in Afghanistan were diverted at a very critical juncture to support the invasion of Iraq.

Now these agents of extremism and violence have reestablished themselves in a safe haven that threatens not only America but also the governments in Kabul and Islamabad. Al-Qa'ida and foreign jihadists have used our occupation as an opportunity to strike against Americans and as a propaganda tool to spread its influence in Iraq and throughout the region—throughout the world.

I also believe that this portrayal of our actions in Iraq has fueled the spread of the terrorist message and increased the number of self-radicalized terrorist cells in other parts of the world such as Asia and Europe.

The ongoing war in Iraq has demanded enormous funding and personnel resources, which have strained our efforts in the global war on terrorism. And I have seen nothing in my service on the Intelligence Committee or any in other forum that suggests that sending an additional 21,500 American troops to Iraq will bring about greater security on the ground or lead to a more successful outcome.

The overwhelming advice from our senior military commanders suggests that there's little reason to believe that the diplomatic, political and economic objectives will be any more successful with 153,000 troops than with the current 132,000 troops. And that's really the crux, to me, of the President's new strategy—more troops.

It is an approach that tinkers at the margins of a grave and deteriorating situation. It is not grounded in the realities that we face in Iraq and in the region, and it is an unacceptable gamble with additional soldiers' lives. The President must understand that even as the Congress continues to support and fund the brave work of our servicemen and servicewomen who are now serving in Iraq, we will push back on an ill-conceived plan to put more soldiers in harm's way.

I also am troubled by what I see as an Administration counterterrorism policy, which in certain respects may be complicating, if not worsening our ability to win the war on terrorism.

To be specific, I have serious misgivings about the soundness and effectiveness of the CIA's secret detention program, the NSA's warrantless surveillance program, both publicly acknowledged by the President of the United States. I'm concerned that the very existence of a separate CIA prison program established to interrogate high-value detainees under a different set of rules than those outlined in the Army Field Manual and repudiated, in fact, by the FBI, has undermined our moral standing in the eyes of the world.

How many millions of moderate Arabs and Muslims around the world having seen the photos of Abu Ghraib, having heard stories about abuses at Guantanamo and who are now aware that the CIA operates a secret prison, believe that America tortures detainees?

How does this perception help foster extremism around the world, and how do we weigh this fact, combined with lasting damage done to America's image, against the putative intelligence benefits of operating a separate CIA program in lieu of a single Pentagon program that is subject to greater scrutiny?

With respect to the NSA surveillance program, I believe the Administration's policy has unnecessarily alienated an essential ally in combating the terrorist threat—the U.S. Congress. In the aftermath of 9/11, our Nation stood unified to defeat the terrorists; that was the hallmark. The Administration decision to go it alone and work outside the legal parameters of the Foreign Intelligence Surveillance Act was, in my judgment, a serious miscalculation and undercut the strength of our unity of purpose.

This approach also created serious doubts in the minds of Americans, whose support is essential in any kind of effort of this sort, as to how far the Administration would go, in fact, in unilaterally carrying out secret programs seeking to identify potential terrorists inside our borders, inside America.

The Administration has still not convincingly demonstrated to me that the ends justifies the means, in other words, that the NSA program has produced the sort of unique, timely and actionable intelligence to justify the surveillance of American phone calls and e-mail messages without a court warrant.

As we hear from our witnesses today, I hope they can address these concerns about the effectiveness of our counterterrorism programs and whether the situation in Iraq has worsened the threats facing America's security.

In the coming weeks and months, this Committee will receive testimony from intelligence officials and outside witnesses on critical questions at the heart of our national security policies.

For your information, next week the Committee will hold a closed hearing on Iraq's regional neighbors and their influence on the war, including—in the light of the Iraq Study Group recommendations—the intelligence community's assessment on the receptivity of Syria, Iran and other nations to a regional diplomatic initiative and the consequences of changes in the U.S. military presence in Iraq.

The Committee will then turn its attention to an examination of current, emerging and future terrorist safe havens. Our focus will not only be on current operations, such as in Somalia, to deny terrorist sanctuary where they can plot and carry out attacks, but also on the soundness and foresight of our counterterrorism policy to identify those places where the terrorists' virulent messages of violence may take root and preemptively try to stop it.

In 2 weeks the Committee will hold a pair of open hearings on the state of the intelligence community reform 2 years after the passage of landmark legislation establishing an empowered Director of National Intelligence to manage and coordinate our intelligence programs.

The focus of our next open hearing will be on the intelligence activities of the Federal Bureau of Investigation and the Department of Homeland Security. We will be interested in evaluating the pace of transformation at the FBI and the effectiveness of the newly created Joint Terrorist Task Forces and state and local fusion centers in carrying out counterterrorism investigations that do not run afoul of privacy rights and civil liberties.

The Committee's workload will continue to be heavy beyond January. In addition to a number of closed hearings on developments in Afghanistan, Pakistan, Iran and North Korea, the Committee

will hold monthly hearings on the situation in Iraq, including a hearing on the intelligence community's new Iraq National Intelligence Estimate once it is completed.

Our first act of Committee business will be to re-pass the fiscal year 2007 intelligence authorization bill. The Committee unanimously reported this bill out last May, but it was never received with approval by the Senate.

We must also complete the Committee's 2½-year investigation of prewar intelligence on Iraq in a prompt, but thorough and objective manner. We should have and we could have completed this years ago.

There is other unfinished business before the Committee in the area of counterterrorism. For 4 years the Administration kept the very existence of the National Security Agency's warrantless surveillance program and the Central Intelligence Agency's detention, interrogation and rendition program from the full membership of this Committee. Through the over-restriction of Member and Committee staff access to the NSA and CIA programs and the denial of requested documents, the White House has prevented this Committee from completely understanding these programs and thoroughly evaluating their legal soundness and their operational effectiveness.

The Senate will rightfully expect our Committee to have informed judgment on both the NSA and CIA programs and to be prepared, if this Committee so decides, to propose legislative language on each by the time we report out our fiscal 2008 authorization bill this spring.

The Administration can no longer stonewall the Committee's legitimate requests with respect to those two programs. It needs to understand the fundamental precept that congressional oversight is a constructive and necessary part of governance.

Our Committee stands ready to work with the Administration, and we do, but we also want to be treated equally. We want to know what is our right under the National Security Act of 1947, to have the intelligence which gives the basis for policymaking, or perhaps which does not. But we cannot responsibly do our work so long as we are deprived of critical information that we do need, in fact, to do our job..

Before introducing the witnesses, I now turn to Vice Chairman Bond for his opening remarks.

OPENING STATEMENT OF HON. CHRISTOPHER S. BOND, VICE CHAIRMAN, A U.S. SENATOR FROM MISSOURI

Vice Chaiman BOND. Thank you very much, Mr. Chairman, and welcome to our witnesses. It's a great honor for me to serve as Vice Chairman, and I look forward to working with you, Mr. Chairman, and the Members of the Committee.

I'm very pleased that we worked on the agenda for the Committee this year. It is an aggressive one because there's much work that has to be done, work that we postponed as we continue to look backward over the last 4 years. But we are going to pass the 2007 authorization bill, find out about the intelligence that is supporting our troops in Iraq—a very important thing to me and others.

We want to take a look at how we're doing in the battle of ideology, because an insurgency, an ideological war, is 20 percent kinetic and 80 percent ideological. And I would look forward to your views and members of the panel on how we're doing in that area.

We also need to take a look at the other areas where radical Islamists pose a threat to responsible democratic governments, to Americans, and even to the United States. I believe that we must look at the intel reform bill because I believe we gave the Director of National Intelligence lots of responsibility, but not enough authority to get the job done. And that's a legislative problem.

Also, I think we ought to consider whether we can work with the agencies to develop a legislative framework for counterterrorism. There will be a change in the Administration in January 2009 and I think that we ought to have an established legislative framework for that extremely important work.

And finally, I hope we can do a better job working with the community to get a handle on finances, get Intelligence Committee input into the appropriations process, and take a look at some of the very costly activities in the intelligence community.

We have much work to do in the 110th Congress. This was supposed to be a hearing on the worldwide threat. As everybody knows with the President's announcement, most people are going to be focusing on Iraq, and I will as well. And I believe the Chair and I have been invited to serve on a consultation group with the President and other Committee heads to continue to oversee and comment on this program.

But I have a slightly different view. I believe that there is something different between what we have been doing with the forces that were there. Adding more forces to the existing scenario would not have been of any help. But I believe now that Prime Minister al-Maliki has agreed to take ownership and put the Iraqis out front, that—he's asked us for additional support to support his troops as they take over security in Iraq—is probably the only available option for concluding our efforts in Iraq successfully, and I'm going to ask questions about that.

But I believe that participation and full ownership by the elected government of Iraq is the critical ingredient. It's time for Iraqis to step up to the plate or we will obviously consider other options.

America has sacrificed greatly to give the Iraqis this historic opportunity. They must seize day. Our commitment to Iraq is firm, but not in perpetuity. And Prime Minister al-Maliki can either be the father to a modern Iraq, as George Washington was to the United States, if you will, or a forgotten footnote in the history of whatever remains of the territory that formerly was called Iraq.

There are steps that the President has taken to recognize the burdens on our military, our National Guard, our reservists; I think those are important.

But as I said, Iraq's not our only concern. North Korea continues the development of both nuclear weapons and advanced delivery systems. Iran apparently has rejected international sanctions and forges ahead with nuclear developments. Radical Islamists are festering the potential for terrorist attacks in areas of Southeast Asia, Pakistan, parts of Iraq, potentially endangering the United States as well.

We also too often neglect some of the concerns in South America as well as other areas that could become terrorist safe havens.

The preeminent conflict of the last generation was with a monolithic superpower, the Soviet Union. Today we face a myriad of enemies united by a militant ideology infested with hatred for America and the freedoms, hopes and opportunities we represent. We have a different battle.

And I would say parenthetically, with respect to the access by this Committee to information, the leaders of this Committee and the leaders on both sides in the Senate and the House were briefed on the President's terrorist surveillance program. I was not. I really think I should have been. But I can say that, now that I have been read into the program and studied it carefully and the underlying law, I believe not only is it within the guidelines of the law and strongly and carefully enforced to make sure it stays there, but I believe it's been very effective, and I'm sure that there are witnesses here who can comment on the effectiveness of the programs.

So with that, Mr. Chairman, I thank you and look forward to hearing the witnesses.

Chairman ROCKEFELLER. Thank you, Vice Chairman Bond, for what was an excellent statement.

And obviously we welcome you very genuinely. This is kind of the beginning of a new era, I think. We are serious; the Vice Chairman and myself, and Members of this Committee are serious about getting intelligence, of working with you together. If there's ever any time that we need to do that, it certainly is now. Disagreements on policy do not mean something is political; it means that there can be honest differences that can only be worked out if people are willing to talk to each other in open fashion. All of you have that nature.

And so let me just say, in order to allow maximum time for Senators to ask questions of our witnesses, I ask that their full written statements be made a part of the record, without objection. And I've asked that each of our witnesses briefly summarize their statements.

Now, obviously, as the head of the intelligence community, Director John Negroponte will begin, and we have asked the Director to try to keep his remarks to 20 minutes. And then after that, we would hope that the other equally important witnesses would try to keep within 10 minutes.

And for the Members of the Intelligence Committee, we will be restricted to 5-minute questions in as many rounds as we can do.

STATEMENT OF HON. JOHN D. NEGROPONTE, DIRECTOR OF NATIONAL INTELLIGENCE

Director NEGROPONTE. Thank you.

Mr. Chairman, Vice Chairman Bond, Members of the Committee, thank you for the invitation to offer the intelligence community's assessment of threats to our Nation.

I'm privileged to be accompanied by General Michael Hayden, Director of the CIA; General Michael Maples, Director of the Defense Intelligence Agency; Mr. Robert Mueller, Director of the FBI; and Mr. Randall Fort, Assistant Secretary of State for Intelligence and Research.

Judgments I will offer the Committee are based on the efforts of thousands of patriotic, highly skilled professionals, many of whom serve in harm's way.

The U.S. intelligence community is the best in the world, and I'm pleased to report that it is even better than it was last year as a result of reforms mandated by the President and the Congress. These reforms promote better information sharing, the highest standards of analytic rigor, the most innovative techniques of acquiring information, and a stronger sense of community across our 16 agencies.

The Nation requires more from our intelligence community than ever before because America confronts a greater diversity of threats and challenges than ever before.

This afternoon, in the interest of brevity, I will address only a few of these threats and challenges, providing more comprehensive assessments in my unclassified and classified statements for the record.

My comments will focus on: Our efforts to defeat international terrorist organizations, especially al-Qa'ida, which is seeking to strengthen its global network of relationships with other violent extremists; the challenges Iraq and Afghanistan confront in forging national institutions in the face of inter-sectarian insurgent and terrorist violence; the two states most determined to develop weapons of mass destruction, Iran and North Korea; the shadow that Iran has begun to cast over the Middle East; turmoil in Africa; democratization in Latin America; China's economic and military modernization; and energy security and the foreign policy benefits which high prices offer states that are hostile to U.S. interests.

First, terrorism. Terrorism remains the preeminent threat to the homeland, to our national security interests, and to our allies. In the last year, we have developed a deeper understanding of the enemy we face. Al-Qa'ida is the terrorist organization that poses the greatest threat. We have captured or killed numerous senior al-Qa'ida operatives, but al-Qa'ida's core elements are resilient. They continue to plot attacks against our homeland and other targets, with the objective of inflicting mass casualties. And they are cultivating stronger operational connections and relationships that radiate outward from their leaders' secure hideout in Pakistan to affiliates throughout the Middle East, North Africa and Europe.

Use of conventional explosives continues to be the most probable al-Qa'ida attack scenario. Nevertheless, we receive reports indicating that al-Qa'ida and other terrorist groups are attempting to acquire chemical, biological, radiological and nuclear weapons or materials. Their objective, as I have said, is to inflict mass casualties. They will employ any means at their disposal to achieve that objective.

In addition to al-Qa'ida—its networks and affiliates—I would highlight the terrorist threat from Hizballah, backed by Iran and Syria. As a result of last summer's hostilities, Hizballah's self-confidence and hostility toward the United States as a supporter of Israel could cause the group to increase its contingency planning against U.S. interests.

We know from experience since 9/11 that countering terrorism depends on effective international cooperation. Our successes so far

against al-Qa'ida and other jihadists and our ability to prevent attacks abroad and at home have been aided considerably by the cooperation of foreign governments, among them Iraq, the United Kingdom, Saudi Arabia, Turkey, Pakistan, Afghanistan and many others.

It is important to note our shared successes, not to take credit but to demonstrate results. The longer we fight this war, the better we get at inflicting serious setbacks to our adversaries.

For example, in Iraq we eliminated al-Qa'ida in Iraq's murderous leader, Abu Musab al-Zarqawi. Also in Iraq, we have severely damaged Ansar al-Sunna's leadership and operational capacity.

In the United Kingdom, a plot to perpetrate the worst terrorist slaughter of innocent civilians since 9/11 was detected and disrupted.

And in Pakistan, last April, Abdel al-Rahman al-Muhajir and Abu Bakr al-Suri, two of al-Qa'ida's top bomb-makers, were killed.

Again, I emphasize that we do not and could not accomplish our counterterrorism mission unilaterally. Our role varies from situation to situation. But what does not vary is our requirement for good intelligence and committed partners, which we have in all parts of the world.

Now turning to Iran and Afghanistan—the two countries where the U.S. military is engaged in combat—Iraq and Afghanistan face challenges that are exacerbated by terrorism, but not exclusively attributable to it.

In Iraq, sectarian divisions are widening, but the multiparty government of Nouri al-Maliki continues to seek ways to bridge the divisions and restore commitment to a unified country. The effort to create a so-called moderate front of major parties from the country's three major ethno-sectarian groups to back the Prime Minister has underscored moderates' interest in bridging the gaps between Iraq's communities.

Iraqi security forces have become more numerous and capable since my last threat briefing. Six division headquarters, 30 brigades and more than 90 battalions have taken the lead in their operational areas, have battled insurgents on their own and have stood up to the militias in some cases.

Nonetheless, Iraq is at a precarious juncture. The various parties have not yet shown the ability to compromise effectively on the thorny issues of de-Ba'athification, constitutional reforms, federalism, and central versus regional control over hydrocarbon revenues. Provision of essential public services is inadequate. Oil output remains below prewar levels. Hours of electric power available have declined and remain far below demand, and inflationary pressures have grown since last year.

Increasingly, the Iraqis resort to violence. Their conflict over national identity and the distribution of power has eclipsed attacks against the coalition forces as the greatest impediment to Iraq's future as a peaceful, democratic and unified state.

Prospects for increasing stability in Iraq over the next year will depend on several factors—among them, the extent to which the Iraqi government and political leaders can establish effective national institutions that transcend sectarian or ethnic interests, and within this context the willingness of Iraqi security forces to pursue

extremist elements of all kinds; the extent to which extremists, most notably al-Qa'ida in Iraq, can be defeated in their attempt to foment inter-sectarian struggle between Shi'a and Sunnis; and last, the extent to which Iraq's neighbors, especially Iran and Syria, can be persuaded to stop the flow of militants and munitions across their borders.

As in Iraq, 2007 will be a pivotal year for Afghanistan. The ability of the Karzai government, NATO and the United States to arrest the resurgence of the Taliban will determine the country's future. At present the insurgency probably does not directly threaten the government, but it is deterring economic development and undermining popular support for President Karzai.

Afghan leaders must build central and provincial government capacity and confront pervasive drug cultivation and trafficking. Neither task will be easy. The country faces a chronic shortage of resources and of qualified and motivated government officials. The drug trade contributes to endemic corruption at all levels of government and undercuts public confidence. And a dangerous nexus exists between drugs and the insurgents and warlords who derive funds from cultivation and trafficking.

Turning now to states of concern with regard to proliferation of weapons of mass destruction, after terrorism, the efforts of nation-states and non-state actors, including terrorists, to develop and/or acquire dangerous weapons and delivery systems constitute the second major threat to the safety of our Nation, to our deployed troops, and to our friends and interests abroad.

Dual-use technologies circulate easily in our global economy; so do the scientific personnel who design and use them. That makes it more difficult for us to track efforts to acquire these widely available components and production technologies and to adapt them to nefarious purposes.

Iran and North Korea are the states of most concern to us today because their regimes are pursuing nuclear programs in defiance of United Nations Security Council restrictions.

Our assessment is that Tehran is determined to develop nuclear weapons. It is continuing to pursue uranium enrichment and has shown more interest in protracting negotiations than in reaching an acceptable diplomatic solution.

Iranian nuclear weapons could prompt dangerous and destabilizing counter-moves by other states in a volatile region that is critical to the global economy.

By pressing forward with its nuclear weapons and missile programs, North Korea also threatens to destabilize a volatile and vital region, a region that has known several great-power conflicts over the last century and now comprises some of the world's largest economies.

As you know, North Korea flight tested missiles in July and tested a nuclear device in October. Pyongyang has threatened to test its nuclear weapons and missiles again. Indeed, it already has sold ballistic missiles to several Middle Eastern countries.

Turning now to regional conflicts, instability, reconfigurations of power and influence, first, the Middle East, an emboldened Iran.

In the Middle East, Iran's influence is rising in ways that go beyond the menace of its nuclear program. The fall of the Taliban

and Saddam, increased oil revenues, Hamas's electoral victory, and Hizballah's perceived recent successes in fighting against Israel all extend Iran's shadow in the region. This disturbs our Arab allies who are concerned about worsening tensions between Shi'a and Sunni Islam, and face heightened domestic criticism for maintaining their partnerships with Washington.

Iran's growing influence has coincided with a generational change in Tehran's leadership. Iranian President Ahmadinejad's administration, staffed in large part by second-generation hardliners imbued with revolutionary ideology and deeply distrustful of the United States, has stepped up the use of more assertive and offensive tactics to achieve Iran's long-standing goals.

Under the Ahmadinejad government, Iran is enhancing its ability to project its military power, primarily with ballistic missiles and naval power, with the goal of dominating the Gulf region and deterring potential adversaries.

Iran seeks a capacity to disrupt the operations and reinforcement of U.S. forces based in the region, thereby raising the political, financial and human costs of our presence to the United States and our allies. Tehran views its growing inventory of ballistic missiles as an integral part of its strategy to deter and, if necessary, retaliate against forces in the region, including U.S. forces.

Another key element of Iran's national security strategy is its ability to conduct terrorist operations abroad. It believes this capability helps safeguard the regime by deterring United States or Israeli attacks, distracting and weakening Israel, enhancing Iran's regional influence through intimidation, and helping to drive the United States from the region.

Lebanese Hizballah lies at the center of Iran's terrorism strategy. Hizballah is focused on its agenda in Lebanon and supporting anti-Israeli Palestinian terrorists. But as I indicated earlier, it could decide to conduct attacks against U.S. interests in the event it feels its survival or that of Iran is threatened.

Why would it serve Iran in this way? Because Lebanese Hizballah sees itself as Tehran's partner, sharing Tehran's world view and relying on Tehran for a substantial part of its annual budget, military equipment and specialized training.

Syria has also strengthened ties with Iran while growing more confident about its regional policies. This is due primarily to what it sees as vindication of its support to Hizballah and Hamas and its perceptions of success in overcoming international attempts to isolate the regime.

Damascus has failed to cutoff militant infiltration into Iraq and continues to meddle in Lebanon. As a result, Lebanon remains in a politically dangerous situation, while Damascus, Hizballah and other pro-Syrian groups attempt to topple the government of Prime Minister Siniora.

In the Palestinian territories, inter-factional violence has intensified in the Gaza Strip and the West Bank since the establishment of the Hamas-led Palestinian Authority government in March. Absent success in forming a national unity government, this violence threatens to escalate further.

Talks have stalled over disputes about the political platform and control of key Cabinet positions. Hamas rejects Quartet and Israeli

demands for explicit recognition of Israel, renunciation of armed resistance to Israeli occupation, and acceptance of previous PLO and international agreements.

Turmoil in Africa. The Darfur conflict is the world's fastest growing humanitarian crisis, with more than 200,000 people killed, 2 million internally displaced, and another 234,000 refugees in neighboring Chad.

Rebel groups continue to fight against the government because the existing peace agreement fails to satisfy their security concerns and their demands for power sharing and compensation. The Sudanese military has been unable to force the rebels to sign the peace accord, and with assistance form local militias, it is attacking civilian villages suspected of harboring the rebels.

In addition, Chadian and Central African Republic rebel groups have become entangled in the Darfur crisis. The spillover of violence in the past 10 months threatens to destabilize already weak regimes in both countries.

The rapid collapse of the Council of Islamic Courts and the arrival of the transitional Federal Government, the TFG, in Mogadishu has altered the political dynamics of southern Somalia. The TFG faces many of the same obstacles that have kept any single group from establishing a viable government in Somalia since the country collapsed in 1991.

Somali society is divided into numerous clans and sub-clans that resist seeing one group rise above the others. To win the confidence and support of the population and to have any chance of restoring order, the TFG will need to be more inclusive and demonstrate effective governance.

More turmoil could enable extremists to regain their footing, absent mechanisms to replace the temporary Ethiopian presence with an internationally supported Somali solution. Al-Qa'ida remains determined to exploit turmoil in Somalia.

Democracy in Latin America. Gradual consolidation of democracy has remained the prevailing tendency in Latin America, although some commentators have spoken of a lurch to the left in the region.

This year's numerous elections point to no dominant ideological trend. Moderate leftists who promote macroeconomic stability, poverty alleviation, and the building of democratic institutions fared well, as did able, right-of-center leaders. At the same time, individuals who are critical of free-market economics won the presidency in two of Latin America's poorest countries, Ecuador and Nicaragua.

In Venezuela, Chavez reacted to his sweeping victory on December 3 by promising to deepen his self-described Bolivarian Revolution and to intensify the struggle against U.S. imperialism.

He is among the most stridently anti-American leaders anywhere in the world and will continue to try to undercut U.S. influence in Venezuela, in the rest of Latin America, and elsewhere internationally. As he does so, he must confront the fact that in Cuba—his close ally—the transition to a post-Castro regime has now begun.

In Mexico, President Felipe Calderon of the ruling National Party was inaugurated on December 1 after a razor-thin majority margin of victory over his close opponent, leftist populist Andres Manuel Lopez Obrador of the Party of the Democratic Revolution.

The July election illustrated the country's polarization along socio-economic lines. The new government has initiated steps to address problems in northern Mexico that affect both Mexican and U.S. security concerns, including drug smuggling, human trafficking, and associated violence.

The rise of China. In 2006 Chinese leaders moved to align Beijing's foreign policy with the needs of domestic development, identifying opportunities to strengthen economic growth, gain access to new sources of energy, and mitigate what they see as potential external threats to social stability.

At the same time, China places a priority on positive relations with the United States while strengthening ties to the other major powers, especially the European Union and Russia.

PRC leaders continue to emphasize development of friendly relations with the states on China's periphery to assure peaceful borders and to avoid perceived containment by other powers. In the past year, China achieved notable success in improving relations with Japan under newly elected Prime Minister Abe, and prospects for cross-strait conflict with Taiwan diminished. In addition——

Chairman ROCKEFELLER. I need to point out with full respect that your time is up.

Director NEGROPONTE. I have 2 more minutes, sir—2 or 3.

Chairman ROCKEFELLER. You're close to 25, but you're welcome to them. So if you can complete in that time, that's excellent. And I thank you.

Director NEGROPONTE. Thank you very much.

Beijing continues its rapid rate of military modernization initiated in 1999. We assess that China's aspirations for great-power status and its security strategy would drive this modernization effort even if the Taiwan problem were resolved.

The Chinese are developing more capable long-range conventional strike systems and short- and medium-range ballistic missiles with terminally guided maneuverable warheads able to attack U.S. carriers and airbases.

We have entered a new era in which energy security will become an increasing priority for the United States, the West and fast-developing major energy consumers like China and India. Oil prices have fallen by more than 25 percent since their peak last July and spare production capacity has grown to more than 2 million barrels per day.

But escalating demand for oil and gas has resulted in windfall profits for some producer nations that are openly hostile to our interests. Iran and Venezuela fall into this category. Russia now sees itself as an energy superpower, a status with broad ramifications that include strong-arm tactics in its relations with neighboring states.

Conclusion. Each of the national security challenges I have addressed today is affected by the accelerating technological change and transnational interplay that are the hallmarks of 21st century globalization. Globalization is not a threat in and of itself; it has more positive characteristics than negative. But globalization does facilitate terrorist operations, raises the dangers of WMD proliferation, stimulates regional reconfigurations of power and influence,

especially through competition for energy, and exposes the United States to mounting counterintelligence challenges.

In this maelstrom of change, many nation-states are unable to provide good governance and sustain the rule of law within their borders. This enables non-state actors and hostile states to assault these fundamental building blocks of the international order, creating failed states, hijacked states and ungoverned regions that endanger the international community and its citizens.

More to the point, it also threatens our own national security and support for freedom and democracy, notably in Iraq and Afghanistan where our troops and those of our allies are helping defend freely elected governments and sovereign peoples.

In the 21st century, the fact is that events anywhere can and often do affect us. This does not mean that all threats and challenges are equally important. At any given point in time, we must pay greater attention to those that are most dangerous.

In our national intelligence enterprise, the military, foreign, counterintelligence and domestic dimensions must be seamlessly integrated to provide our policymakers, warfighters, and first responders with the time and insight they need to make decisions that will keep Americans safe.

Thank you, Mr. Chairman. I appreciate your indulgence.

[The prepared statement of Ambassador Negroponte is on p. 58.]

Chairman ROCKEFELLER. Director Negroponte, I thank you very much. I didn't mean to interrupt, but we have to sort of keep on schedule.

I'm very proud to present once again to the Intelligence Committee General Michael Hayden, Director of the Central Intelligence Agency. We look forward to your comments, sir.

STATEMENT OF GENERAL MICHAEL V. HAYDEN, DIRECTOR, CENTRAL INTELLIGENCE AGENCY

General HAYDEN. Thank you, Mr. Chairman, Vice Chairman Bond, and Members of the Committee.

The CIA is at the forefront of our national response to the challenges that Ambassador Negroponte has just presented to the Committee. The men and women of the Central Intelligence Agency are indeed central to our Nation's ability to detect, analyze, and warn of the risks and opportunities we face in this kind of global environment.

What I'd like to share with you today in open session, and frankly more comprehensively in the classified statement for the record, are some of the steps that CIA has taken to build on our unique strengths and to help ensure that the United States is able to meet the challenges that the DNI has just described.

The Strategic Intent—an intent I've discussed with the CIA workforce in recent weeks and which the Committee has copies of—is our road map to building a more effective organization in fulfilling our paramount mission, and that's simply protecting the American people.

The central theme of our Strategic Intent is integration, operating as a team within our agency, and as a team within the larger intelligence community.

We're made up of many parts. CIA has to have world-class analysts who are experts in their fields and who employ rigorous analytic tradecraft in the assessments they provide policymakers, including the Members of this Committee.

We have to have core collectors who are conversant in the languages and cultures of the countries in which they work and who can collect decisive intelligence against tough targets from a variety of collection platforms.

Our support specialists—and I know many of you have traveled to our bases and stations around the world and have witnessed this firsthand—our support specialists have to have the agility and proficiency to facilitate our work anywhere in the world, and frequently they have to do it on very short notice. Our S&T officers—science and technology—must always give our operators a decisive edge that our adversaries can't match.

Let me talk for a few minutes about collection.

As the national human intelligence, HUMINT, manager, CIA is working to build an integrated national HUMINT service and working to enhance the entire community's relationships with liaison foreign intelligence services. Our focus remains on collecting information that will tell us the plans, the intentions and the capabilities of our adversaries and that provide the basis for decision and action. It's crucial we develop and deploy innovative ways to penetrate tough targets.

From the perspective of CIA 's collection, globalization is—as Ambassador Negroponte has just stated—the defining characteristic of our age. It requires us to find new ways to collect key intelligence on targets, whether they be terrorists, weapons of mass destruction proliferators, or simply daily business in volatile regions of the world.

We're waging a global, high-stakes war against al-Qa'ida and other terrorists that threaten the United States, and that's a fundamental part of our mission. We work on our own; we work with other U.S. Government agencies; and we work with foreign liaison partners to target terrorist leaders, terrorist cells, disrupt their plots, sever their financial and logistic links, and roil their safe havens.

Our war on terror is conducted from our Counterterrorism Center, or CTC, and is carried out, for the most part, from our stations and bases overseas. CTC has both an operational and an analytic component, and the fusion of those two—ops and analysis—is critical to its success. Moreover, CTC works very closely with NCTC, Ambassador Negroponte's National Counterterrorism Center, to assure protection of the homeland.

CIA's collection on terrorist targets—particularly collecting through human source—has been steadily improving in both quantity and quality since 9/11. Penetrating secretive terrorist organizations is our greatest challenge. We have made significant strides in this regard, although I am extremely concerned by the damage done to our efforts by rampant leaks in recent years. Leaks can and have led to grave consequences for our efforts.

I think the Committee knows very well that terrorist plots and groups aren't broken up by a single report or a single eureka moment or a single source. No detainee, for example, knows every-

thing there is to know about the compartment activities, even of their own group. We do this via painstaking, all-source analysis, and that drives and supports our operations.

The work of CTC has been crucial to identify and target those who would do us harm.

With regard to WMD, CIA also dedicates significant resources to countering the threats posed by weapons of mass destruction and associated delivery systems. As the Ambassador pointed out, we focus on North Korea and Iran, two states with WMD programs that threaten regional balances, threaten U.S. interests, and threaten nonproliferation regimes.

We also focus on the WMD and missile programs of Russia and China, programs that are large enough to threaten U.S. survival if the political leaderships of those countries decided to reverse themselves and assume a hostile stance.

We watch also for other states or non-state actors, early signs that they may be taking steps toward acquiring nuclear, biological or chemical weapons.

In both Iraq and Afghanistan, we work to gather critical information on terrorism, insurgency, stabilization, nation building, security, foreign relations, infrastructure, and we do all that on both the strategic and tactical level.

A priority in our efforts in both those locations is the collection of force protection intelligence to support warfighting and counterterrorism activities of U.S. and allied forces.

In Iraq, the insurgency, sectarian violence, and the role of external actors acting against coalition goals and coalition forces remain key features of the unstable situation there and a major focus of our collection.

In Afghanistan we are working to counter al-Qa'ida, Taliban, and anti-coalition militants who threaten the stability of the Afghan state.

In all these operations we maintain a very close relationship with the U.S. military on many levels. We provide liaison officers dedicated to senior U.S. commanders, as well as operating in several working-level fusion cells with our military partners.

Let me spend a minute talking about a relatively new discipline that's showing both great promise and great production, and that's open source intelligence. To meet the challenge of global coverage that Ambassador Negroponte has outlined, we're playing a leading role in exploiting readily available information—open source information.

We are the executive agent for the DNI's Open Source Center, and we've elevated both the organizational status of the center and the visibility of the open source discipline inside CIA and inside our community. We recognize its unique and growing contributions to integrated collection and analysis.

Let me spend a few minutes talking about analysis, which of course, is a very challenging activity for us.

The ongoing successes of this collection activity and other efforts by the men and women of CIA are the foundation for that equally important analytic mission. Producing timely analysis that gives insight, warning and opportunity—not analysis for its own sake, but providing the underpinning for insight, warning and oppor-

tunity—to the President, to other decisionmakers, to yourselves is the foundation of our analytic effort.

As the DNI has made clear, we operate in a very unstable and dangerous world. Our adversaries in the long war on terrorism are dispersed across the planet. They're resilient, they're ruthless, they're patient, and they're committed to the mass murder of our countrymen.

The possession and proliferation of weapons of mass destruction threatens both international stability and our homeland. The rise of China and India and the emergence of new economic centers are transforming the economic and geopolitical landscape. As I already pointed out, weak governments, lagging economies, and competition for energy will create crises in many regions that we have to foreshadow and predict for decisionmakers.

The complexity and interdependence of these issues demands the very best analysis. To achieve this we are continuing to enhance our tradecraft, our ability to analyze and expanding our analytic outreach.

Let me talk for a minute about this: We're making major investments in analytic training. We've got a 16-week course for all incoming analysts with a dozen modules in it built around things like the analytic thinking process. It includes sessions on assumptions, sessions on framing questions, analytic tools, alternative analysis, and how to weigh information.

The Sherman Kent School has 22 courses of advanced analysis and it's designed to meet the tradecraft needs of experienced analyst—required courses on critical thinking, writing, briefing, and collection.

These tradecraft efforts, as well as our Red Cell, continue to produce alternative analytic papers designed to challenge conventional wisdom, lay out plausible alternative scenarios, and re-examine working assumptions.

We're also routinely engaging academics and outside experts to critique and strengthen our analysis.

In November, we launched an innovative online presentation of our core, our flagship daily intelligence publication; it's called the World Intelligence Review, or the WIRe. The WIRe online leverages the best of modern Web technology.

Mr. Chairman and other Members of the Committee, in closing, let me affirm that we're pursuing our strategic goals and positioning ourselves to meet the threats outlined here today, but will do so in a way that is true to our core values of service, integrity and excellence. They are the constants that reflect the best of our agency's unique history and the best of our previous accomplishments. They are the values that have served us well and will continue to guide us.

Thank you, Mr. Chairman.

[The prepared statement of General Hayden is on p. 72.]

Chairman ROCKEFELLER. Thank you very much, General Hayden.

I might just point out to everybody that I think there's a vote, a single vote at 4:15. Vice Chairman Bond and I will just switch off, moving swiftly in order to keep this going.

So, according to the protocol, the Assistant Secretary of State for Intelligence and Research, Randall Fort, we very much welcome you, sir.

STATEMENT OF HON. RANDALL M. FORT, ASSISTANT SECRETARY OF STATE FOR INTELLIGENCE AND RESEARCH

Mr. FORT. Thank you, Mr. Chairman, Mr. Vice Chairman, Members of the Committee. I am pleased to have the opportunity today to present the views of the State Department's Bureau of Intelligence and Research on the current and projected threats to the United States.

As Ambassador Negroponte has noted, the intelligence community is acutely aware of, and there is broad intelligence community consensus about, the dynamic nature of threats to U.S. interests. And INR generally shares the judgments presented by the DNI and to be presented by my colleagues.

Therefore, rather than revisit the assessments already stated, I would like to explain how INR, as the State Department's in-house intelligence unit, supports the Secretary of State and department principals by acting as what I would call an intelligence "force multiplier," identifying, assessing, and explaining the significance and the relevance of threats that could jeopardize U.S. diplomatic and foreign policy interests.

As the DNI stated, it is essential that the community have in-depth, comprehensive global coverage to identify and understand the threats we face. At the same time, the difficulties inherent in anticipating rapid and unexpected changes within global financial markets and the technology sector, for example, pose potential challenges to our defense and foreign policy establishments.

In recognition of the urgency of these new challenges, Secretary of State Rice has established "transformational diplomacy" as one of the fundamental engines of our foreign policy. The aim of this new approach is to re-fashion traditional diplomatic institutions and practices to serve new diplomatic purposes. Changing the world, not merely reporting on it, is the operative essence of Transformational Diplomacy.

The Secretary's new initiative underscores the pivotal role diplomacy plays in anticipating, understanding, and countering real and potential threats to vital U.S. interests. INR's mandate is to provide the timely, accurate and actionable intelligence analysis necessary to enable U.S. diplomacy to confront and address those threats and challenges, and we are uniquely placed to do so.

It is critical that our diplomats receive intelligence and analytic support that both informs current operations and looks beyond the horizon at broader strategic dynamics, such as the effects of our democratization efforts—a key element in Transformational Diplomacy—on regional political stability. INR seeks to identify threats, challenges and opportunities at an early stage to provide policymakers time to take appropriate action. I think an ounce of diplomacy is worth a pound of kinetic solution.

In sum, the complexities of the world in which we live have blurred traditionally discrete lines among security interests, development efforts, economic objectives, and other traditional areas of diplomatic and analytic endeavor. Consequently, INR and the De-

partment of State are repositioning resources to focus on and support Transformational Diplomacy.

For example, the Department aims both to increase U.S. diplomatic presence in more remote locations and prepare to react to a wide variety of humanitarian crises, including refugee flows, pandemics and natural disasters. Naturally, INR must be ready to respond at a moment's notice and provide the intelligence support necessary to address those challenges.

Yet in an era of almost instant global awareness, the impact of our actions in one area can now be felt, or at least perceived, almost immediately elsewhere. Thus, analytical intelligence support is critical to an accurate understanding of the environment in which diplomatic initiatives are undertaken. INR is working within the Department and with our embassies and other posts abroad to help policymakers both anticipate emergent crises and understand their long-term repercussions.

INR's Humanitarian Information Unit, or HIU, for example, shares broadly unclassified information via a Web-based platform to facilitate coordination between U.S. Government civilian and military resources and private sector humanitarian response groups and NGOs. The HIU is an excellent example of an open source intelligence force multiplier.

An informed understanding of the perceptions of U.S. policies and actions on the part of foreign publics and governments is prerequisite both to deciphering and comprehending the nature of the global environment, including potential and actual threats. Such knowledge is also critical to anticipating potential reactions to our policy initiatives and receptivity to offers of assistance generally and in crisis situations.

To that end, INR conducts public opinion polling and focus group surveys throughout the world in order to gauge how U.S. policies are perceived, as well as how individuals in key countries perceive the role and behavior of their own governments. The sharper our understanding of the forces that drive those perceptions, the better prepared we will be to anticipate emergent threats.

The crosscutting nature of the threats and challenges we face—especially from terrorism and weapons of mass destruction—requires a fresh emphasis on understanding the intentions and managing the behavior of a variety of groups and transnational actors. Regional cooperation is a key element of our counterterrorism strategy. Yet there are times when economic, political, and cultural barriers complicate or impede the cooperation we seek.

Comprehensive, accurate intelligence analysis is needed to support policymakers in this regard, not only by identifying the threats but also by ensuring a full understanding of the strengths, weaknesses and perceptions of partners or potential partners so that policy is devised with the best information available.

Even as we seek to understand the terrorist threats faced by our allies, we must also remain vigilant to emerging trends, not only to identify threats, but to assist in identifying new potential partners as well as their strengths and weaknesses. The threats posed by failed states points to the critical intersections of diplomacy, democracy promotion, economic reconstruction and military security. And INR analysts routinely monitor local and regional political dy-

namics, economic and financial developments, and shifts in military operations, doctrine and training. Deep analytic expertise is required to confidently tease apart and make sense of seemingly unrelated trends and anomalies in these areas, even if our policy colleagues might not wish to hear about them.

To focus our perspectives and encourage analysts to look beyond immediately recognizable trends, INR publishes a quarterly report on global hot spots designed to alert the Secretary of State and other interested policymakers to potentially troublesome trends that we have detected.

Our focus is on areas that may have received only limited policy attention but where significant threats may emerge in the future. The aim is to identify areas where diplomatic action could make a difference, either by shifting the direction of a trend to forestall a threat from manifesting, or by enabling actions that could mitigate the impact of a crisis.

In our first report, published in early November last year, the issues raised ranged from repercussions of electoral fallout in Mexico to concerns about political violence in Bangladesh and friction between Russia and Georgia. Policymakers were very pleased with the product.

In conclusion, I believe INR's abiding challenge will be not only to maintain our vigilant watch over those threats that we know present a clear danger to U.S. interests; going forward, we must also strive to think, analyze, and write strategically in order to identify the challenges and opportunities arising from the complex and dynamic global environment.

Thank you all very much.

[The prepared statement of Mr. Fort is on p. 77.]

Chairman ROCKEFELLER. Thank you very much, Assistant Secretary Fort.

And now, I guess our veteran is the Director of the FBI, whom we as a Committee very greatly welcome—Bob Mueller.

STATEMENT OF HON. ROBERT S. MUELLER, III, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Director MUELLER. Thank you, Mr. Chairman, and good afternoon, Mr. Chairman, Senator Bond, Members of the Committee.

As you've heard from my colleagues, successes in the war on terrorism in the past 12 months and the arrest of many key al-Qa'ida leaders and operatives have diminished the ability of that group to attack the U.S. homeland. But at the same time, the growing Sunni extremist movement that al-Qa'ida spearheaded has evolved from being directly led by al-Qa'ida to being a global movement that is able to conduct attacks independently.

And as a result, the United States faces two very different threats from international terrorism—first, the attack planning that continues to emanate from core al-Qa'ida overseas, and second, the threat posed by homegrown, self-radicalizing groups and individuals inspired, but not led by al-Qa'ida who are already living in the United States. And while they share a similar ideology, these two groups pose very different threats due to the differences in intent and their attack capability.

First, al-Qa'ida. Al-Qa'ida's strategy for conducting an attack inside the United States continues to include proven tactics and tradecraft with adaptations designed to address its losses and our enhanced security measures. For example, we believe that al-Qa'ida is still seeking to infiltrate operatives into the United States from overseas, those who have no known nexus to terrorism and using both legal and possibly illegal methods of entry.

We also believe, if it can, al-Qa'ida will obtain and use some form of chemical, biological, radiological, or nuclear material, if it can get it.

Al-Qa'ida's choice of targets and attack methods will most likely continue to focus on economic targets such as aviation, the energy and mass transit sectors, soft targets such as large public gatherings, and symbolic targets such as monuments and government buildings.

Second, the homegrown threat. In contrast to the threat from al-Qa'ida, it is critical to be aware of the differences in intent and capability in order to understand and counter the so-called homegrown threat. We have disrupted several unsophisticated, small-scale attack plans recently that reflect the broader problem homegrown extremists pose.

Just over a year ago, we disrupted a homegrown Sunni Islamic extremist group in California known as the JIS, or Assembly of Authentic Islam. This group was primarily operating in State prisons without apparent connections or direction from outside the United States and with no identifiable foreign nexus. Members of this group committed armed robberies in Los Angeles with the goal of financing terrorist attacks against the enemies of Islam, including the U.S. Government and supporters of Israel.

Last year, the FBI along with other Federal agencies and our foreign partners, dismantled a global network of extremists operating primarily in Canada and on the Internet and independently of any known terrorist organization. The associates of this group who were in Atlanta, Georgia had long-term goals of creating a network of extremists in preparation for conducting attacks, possibly inside the United States.

The diversity of homegrown extremists and the direct knowledge they have of the United States makes the threat they pose potentially very serious. As well, the radicalization of some U.S. Muslim converts is of particular concern to us as we look at this threat.

The threat from other terrorist groups inside the United States. While al-Qa'ida, its affiliates, and independent Islamic jihadist groups remain the primary threat to the U.S. homeland, other groups such as Iranian-supported Lebanese Hizballah warrant attention due to their ongoing fundraising, recruitment, procurement and capability to launch terrorist attacks inside the United States.

As seen in the summer 2006 conflict with Israel, Hizballah has a well-trained guerilla force that is proficient in military tactics and weaponry and capable of striking U.S. interests. To date, Hizballah has not conducted an attack within the U.S. homeland. Instead, Hizballah associates and sympathizers primarily engage in a wide range of fundraising avenues to include criminal activities such as money laundering, credit card, immigration, food stamp

and bank fraud, as well as narcotics trafficking in order to provide support to Hizballah.

Our efforts to stem the flow of material and monetary support to Hizballah over the past few years has led to numerous Federal indictments resulting in the arrests of suspected Hizballah supporters and approximately $5 million in property seizure and court ordered restitution.

I would say also that Iran continues to present a particular concern due to its continued role as a state sponsor of terrorism, its development of its nuclear program, and commitment—its commitment to promoting an Iranian-inspired extreme version of Shi'a Islam within the United States.

Iran is known to support terrorist groups such as Hizballah, Iraqi Shi'a insurgency groups, and non-Shi'a Palestinian terrorist organizations.

Additionally, the ongoing factional in-fighting between Hamas and Fatah elements in the Palestinian territories has for now—for now—consumed the attention of most of the Palestinian organizations. But the primary focus of U.S.-based Palestinian groups remains fundraising and proselytizing.

Let me turn for a moment, if I might, Mr. Chairman, to the threat posed by domestic terrorist groups. While much of the national attention is focused on the substantial threat posed by international terrorists, we must also contend with an ongoing threat posed by domestic terrorists based and operating strictly within the United States.

Domestic terrorists, motivated by a number of political or social issues, continue to use violence and criminal activity to further their agendas. Despite the fragmentation of white supremacist groups resulting from the deaths or the arrests of prominent leaders, violence from this element remains an ongoing threat to government targets, to Jewish individuals and establishments, and to non-white ethnic groups.

The militia movement similarly continues to present a threat to law enforcement and the judiciary. Members of these movements will continue to intimidate and sometimes threaten judges, prosecutors, and other officers of the court.

Lastly here, animal rights extremism and eco-terrorism continue to pose a threat. Extremists within these movements generally operate in small, autonomous cells and employ strict operational security tactics making detection and infiltration difficult. And these extremists utilize a variety of tactics, including arson, vandalism, and the use of explosive devices. They continue to remain a threat.

Let me turn for a second, if I might, to a subject discussed by my colleagues, and that's the WMD acquisition by terrorist groups. It continues—particularly the acquisition by terrorist groups—to be a growing concern. Transnational and domestic terrorists and state sponsors of terrorism continue to demonstrate an interest in acquiring and using chemical, biological, radiological, and nuclear weapons commonly called CBRN. And these weapons are advantageous to them because the use of one causes mass casualties, mass panic, and economic disruption.

And while one could say that terrorist groups may not now—now—have the capacity or the capability to produce complex bio-

logical and chemical agents needed for a mass-casualty attack, their capability will improve as they pursue enhancing their scientific knowledge base, including recruiting scientists to assist them. Currently, terrorist groups have access to relatively—and I'd say relatively—simple chemical and biological agent recipes through the Internet and through publications such as "The Anarchist Cookbook."

In addition to the acquisition of weapons of mass destruction by terrorists—which is a concern I just described—we are also concerned about WMD proliferation.

The U.S. Government has identified 21 countries of which Iran, North Korea, and China are of great concern—identified them as having the capability either to develop WMD systems or acquire export-controlled WMD and dual-use items and sensitive technologies.

From an operational perspective, the Bureau and our counterparts at DHS and the Department of Commerce have had success in conducting joint investigations leading to the arrests of individuals for violations of U.S. export laws, and we have also together produced intelligence in support of national intelligence collection requirements in this arena. And this resulting information has enabled the community together to better understand the threat to national security from foreign government exploitation of international commerce.

While preventing another terrorist act on U.S. soil is the FBI's primary mission, protecting the United States from espionage and foreign intelligence operations is also of vital importance.

Recent investigative successes highlight the fact that foreign governments continue to target the United States for sensitive and classified information and technology. In 2006, the Bureau arrested 20 individuals on espionage-related charges, and also disrupted foreign intelligence operations.

The recent arrests of a U.S. defense contractor and his co-conspirators for passing sensitive weapons technology to the People's Republic of China confirms that foreign states are using nontraditional actors and methods to collect classified, sensitive, and commercially valuable proprietary information and technology.

Other FBI investigations revealed trusted insiders compromising classified or sensitive information to a wide range of U.S. allies.

Finally, Mr. Chairman—I am getting to the end—finally, Mr. Chairman, the Bureau is concerned by cybersecurity threats which may come from a vast array of groups and individuals with different skills, motives, and targets. The Nation's security, economy, and emergency services rely on the uninterrupted use of the Internet and telecommunications to ensure the continuity of military operations, financial services, transportation and the energy infrastructure.

Terrorists increasingly use the Internet to communicate, conduct operational planning, proselytize, recruit, train, and to obtain logistical and financial support. That is a growing and increasing concern for us, Mr. Chairman.

Let me close by saying that we're working closely with our partners in the intelligence, military, diplomatic, law enforcement communities, and our primary responsibility remains the neutraliza-

tion of terrorist cells and operatives here in the United States and the dismantlement of terrorist networks worldwide. And while this is our first priority, we remain committed to the defense of America against foreign intelligence threats, as well as to the enforcement of Federal criminal laws, all while respecting and defending the Constitution.

Thank you, Mr. Chairman, for the opportunity to present these remarks today, and I'd be happy to answer any questions you might have.

[The prepared statement of Director Mueller is on p. 82.]

Chairman ROCKEFELLER. Thank you, Mr. Director, very much.

Let me just explain that a vote just went off, and it's going to be our first real test of bipartisanship here because Majority Leader Reid has now reduced votes to 15 minutes, so we'll see how things are going. If Kit Bond gets back in 8 minutes, you'll know that I'm done. [Laughter.]

Chairman ROCKEFELLER. Mr. Director, thank you very much, and I want to proceed now to the Director of the Defense Intelligence Agency, Lieutenant General Michael Maples. We welcome your testimony, sir. And I apologize for the ways of the Senate.

STATEMENT OF LIEUTENANT GENERAL MICHAEL D. MAPLES, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

General MAPLES. Chairman, I understand.

Chairman Rockefeller, I do appreciate this opportunity to appear before the Committee to testify and to thank you for your continued support to the dedicated men and women of the Defense Intelligence Agency.

My testimony—which I have submitted for the record—outlines our assessment of the states of the insurgencies in Iraq and Afghanistan, the current threat from global terrorism, and proliferation of weapons of mass destruction. It also addresses defense-related developments in states and regions of concern and other transnational issues. As you requested, I will summarize a few of these issues.

In Iraq, we have seen some recent developments that give hope for progress. These include the continued development and increased capability of the Iraq security forces, efforts to address problems associated with de-Ba'athification, and increased cooperation between Sunni Arab tribes and the government in al-Anbar province.

Additionally, Prime Minister Maliki has made gestures to the Sunni minority such as offers to reinstall some Saddam-era military leaders and the issuance of arrest warrants for Ministry of Interior personnel accused of abuses. Some rogue elements from Muqtada al-Sadr's movement have also been expelled from his organization.

Despite these developments, significant challenges to U.S. and coalition forces remain. Violence in Iraq, as measured over the past year, continued to increase in scope, complexity, and lethality with the Sunni Arab-based insurgency gaining strength and capacity. The conflict remains a sectarian struggle for power and the right to define Iraq's future identity.

We have noted a change in the character and the dynamics of the conflict. The perception of unchecked violence is creating an atmosphere of fear, hardening sectarianism, empowering militias and vigilante groups, and undermining confidence in government and security forces.

Conflict in Iraq is in a self-sustaining cycle in which violent acts increasingly generate retaliation. Insecurity rationalizes and justifies militias, in particular Shi'a militias which increase fears in the Sunni Arab community. The result is additional support, or at least acquiescence, to insurgents and terrorists such as al-Qa'ida in Iraq.

Shi'a militants, most notably Jaish al-Mahdi, are also responsible for increases in violence.

Attacks by terrorist groups account for only a fraction of insurgent violence, yet the high-profile nature of their operations and the tactics they employ have a disproportionate impact. Al-Qa'ida in Iraq is the largest and the most active of the Iraq-based terrorist groups.

DIA judges that continued coalition presence is the primary counter to a breakdown in central authority. Such a breakdown would have grave consequences for the people of Iraq, stability in the region, and U.S. strategic interests.

No major political figure in Iraq has endorsed the notion of civil war or partition, and most political and religious leaders continue to restrain their communities. Moreover, DIA judges that Iraqi Arabs retain a strong sense of national identity and most Iraqis recall a past in which sectarian identity did not have the significance that it does today.

Intelligence support to our forces engaged in combat in Iraq is our highest priority. We have more than 300 analysts dedicated to the complexities of Iraq, including a cadre of 49 analysts who are focused exclusively on the insurgency. Many of our human intelligence collectors in Iraq have made multiple deployments and are experienced in contingency operations.

As the complexity of the situation is increasing—and it is changing—we are likewise increasing the resources devoted to our support.

In Afghanistan, the Taliban-led insurgency is a capable and resilient threat to stability, particularly in the Pashtun south and east. Despite absorbing heavy combat losses in 2006, the insurgency has strengthened its military capabilities and influence with its core base of rural Pashtuns. Overall, attacks doubled in 2006 from the previous year. And suicide attacks quadrupled from 2005 levels, and large-scale operations increased significantly as well. DIA assesses the Taliban-led insurgency will remain a threat in 2007, and its attacks will increase this spring.

Al-Qa'ida remains the most dominant terrorist organization and the most significant threat to U.S. interests worldwide. Al-Qa'ida's increasing cooperation with like-minded groups has improved its ability to facilitate, support, and direct its objectives.

Al-Qa'ida in Iraq is the largest and most deadly of the Iraq-based terrorist groups. It conducts the most provocative anti-Shi'a attacks in Iraq, a hallmark of its strategy since 2003. It has instigated cycles of sectarian violence by characterizing its operations as defending Sunni interests.

Al-Qa'ida, in Iraq, poses a regional threat and aspires to become a global threat.

Pakistan's direct assistance has led to the eradication or capture of numerous al-Qa'ida terrorists. Nevertheless, Pakistan's border region with Afghanistan remains a haven for al-Qa'ida's leadership and other extremists.

After global terrorism, the proliferation of weapons of mass destruction remains the most significant threat to our homeland, deployed forces, allies and interests. Increased availability of information together with technical advances have the potential to allow additional countries to develop nuclear, biological and chemical weapons. This is an area of increasing concern.

North Korea's October 2006 detonation of a nuclear device marked its first nuclear test and an attempt to win international recognition as a nuclear state after a decades-long program to develop these weapons.

Iran also continues to develop its WMD capabilities. Although Iran claims its program is focused on producing commercial capabilities, DIA assesses with high confidence that Iran remains determined to develop nuclear weapons.

DIA expects China's nuclear weapons stockpile to grow over the next 10 years.

Chairman ROCKEFELLER. General.

General MAPLES. Yes, sir.

Chairman ROCKEFELLER. I ask you to rescue me from a delicate situation.

The votes last for 15 minutes; there are only 5½ minutes left in this one. So people will be back immediately. We then go into questions. And we want to be able to do that, and I apologize for the inconvenience; I truly do.

So we're in recess for the moment.

[The prepared statement of General Maples is on p. 91.]

[A brief recess was taken.]

Vice Chaiman BOND [presiding]. My apologies to the General for missing his testimony. I will look forward to reading it in full. The Chairman has graciously suggested that since we have a long afternoon and he has now had to go over to vote that I will begin my questions and see if I can get 5 minutes on the timing machine.

Let me ask a quick question for a short answer. We have in the past been myopic in view of the threats prior to 9/11. We look at other terrorist-affiliated organizations beyond al-Qa'ida. You've talked about Hizballah, Sunni insurgents in Iraq, about Jemaah Islamiyah from Southeast Asia.

What are your assessments of the threat that the groups pose to the U.S. homeland? And what do you feel you're able to do to build on that and to have your analysts challenge the assumptions that you're making—exploring the possibilities to change tactics against strikes on the U.S. soil?

Director Mueller has talked about what they're doing. What are the others of you doing to feed into that process?

General HAYDEN. Senator, I'll start. As you know, our CTC—as I described in my remarks—is a large center. I've been very impressed in my time at the agency with their deep expertise. Many of the leaders of that center have been involved in this now well

before 9/11. They do try—and I don't want to overstate this, but I think they do try to be very imaginative in terms of are we looking at the right things. Are there other things out there we're not aware of?

Vice Chaiman BOND. You're fully integrating that with the FBI's information? Is that fully integrated?

General HAYDEN. That's right, Senator. When I meet with those folks, we have FBI people in the room because they are permanently on the staff.

Vice Chaiman BOND. And Homeland Security?

General HAYDEN. Yes, sir. And NCTC, as well.

Vice Chaiman BOND. All right.

You have an excellent operation, and we appreciate having knowing what you're doing there.

Let me ask a broader question. I have heard a lot of comments about—and there will be legitimate questions raised about the policy that the President has announced in going forward with the commitment by the Prime Minister, al-Maliki to take control of Iraq. And I think we will want to hear your assessments of that—of the intelligence assessments of the success of that.

At the same time, what concerns me is what are the options? The one option that I have heard most frequently and strongly supported is to withdraw—to withdraw now essentially, or very shortly, regardless of the security situation in Iraq.

What in your judgment would happen? I'll start with you, Director Negroponte. What would happen if we pulled out now from Iraq?

Director NEGROPONTE. Well, we've looked at that question, and we've tried to assess it, Senator. And I think the view pretty much across the community is that a precipitous withdrawal could lead to a collapse of the government of that country and a collapse of their security forces because we simply don't think that they are ready to take over, to assume full control of their security responsibilities.

We think that that is a goal that can be achieved on a gradual basis and on a well-planned basis, but to simply withdraw now, I think could have catastrophic effects. And I think that's a quite widely held view inside of Iraq itself.

Vice Chaiman BOND. I want to know what the impact of that is. Does that affect just the Middle East? Does it affect us? And I'd like to hear from General Maples and General Hayden on that as well.

Director NEGROPONTE. If I could just add one point before ceding to them, I think in terms of al-Qa'ida's own planning, if you look at the letter that Zawahiri wrote to Zarqawi last year about establishing in Iraq sort of a beachhead for the expansion of al-Qa'ida's ideology throughout the Islamic world, establishing the caliphate, it would be the very sanctuary for international terrorism that we are seeking to avoid.

Vice Chaiman BOND. General Maples.

General MAPLES. Sir, I'd follow up on that statement by the Ambassador because I truly believe that a failure in Iraq would empower the jihadist movement. It would give that base of operations from which the jihadist movement would expand. And it's con-

sistent with the goals of al-Qa'ida in Iraq to establish that Islamic state and then to expand it into the caliphate.

I also think that there, of course, will be very significant regional impacts, both in terms of stability and to other countries in the region; there will be economic impacts with respect to, in particular, hydrocarbons and the effect that that could have, particularly if those resources were in the hands of jihadists.

Vice Chaiman BOND. In other words, they could get the profit off of the high price of oil.

General MAPLES. Absolutely. And then I would follow with one last—and that is the empowerment, further empowerment of Iran within the region.

Vice Chaiman BOND. General Hayden.

General HAYDEN. Yes, sir, Senator. When I went before the Iraq Study Group, I prefaced my remarks by saying: I think I'm going to be giving a rather somber assessment of the situation in Iraq, but before I do that, I said, let me tell you, if we leave under the current circumstances, everything gets worse.

Vice Chaiman BOND. You have a masterful way of understating it.

General HAYDEN. Three very quick areas: More Iraqis die from the disorder inside Iraq; Iraq becomes a safe haven, perhaps more dangerous than the one al-Qa'ida had in Afghanistan; and finally, the conflict in Iraq bleeds over into the neighborhood and threatens serious regional instability.

Vice Chaiman BOND. Any threat, do you see—what threat to the U.S. homeland?

General HAYDEN. The immediate threat comes from providing al-Qa'ida that which they are attempting to seek in several locations right now, be it Somalia, the tribal area of Pakistan, or Anbar province—a safe haven to rival that which they had in Afghanistan.

Vice Chaiman BOND. All right. My time is up, and now turn to the Senator from Oregon.

Senator WYDEN. Thank you very much, Mr. Chairman.

The President said last night, Director Negroponte, that a major part of his plan for Iraq involves relying on Iraqi national police brigades. Can you tell us how many of these Iraqi national police units are capable of functioning independently today?

Director NEGROPONTE. I can't give you those exact numbers. Perhaps General Maples has them. But what I would say as a general proposition is that the army of Iraq is better equipped to deal with these situations than the police, although there are some police units that have acquitted themselves well. And I think that's going to take time to develop.

But that's one of the reasons that at the same time the President talked about strengthening our advisory effort and strengthening the effort to embed American units within Iraqi security units.

So it's a package, if you will Senator, so as to deal with some of the training and experience shortcomings that these units have. But I think over time, I think that the plan has a reasonable chance of succeeding.

Senator WYDEN. When we go to closed session, either tonight or in the future, I'm going to ask you some more about that. But put

me down as saying I think you have, once again, confirmed the rosy-scenario analysis with respect to that last comment.

Now this morning, Secretary Rice outlined a plan to increase the number of provincial reconstruction teams that operate in Iraq. Now, Senator Snowe and I visited one of these teams last year, and as far as I could tell, it was made up of very dedicated, intelligent people who so far haven't been able to accomplish a whole lot. Have we seen, based on your analysis, any reduction in attacks in areas where these provincial teams are in operation?

Director NEGROPONTE. I don't know the answer to that question, Senator. But what I would say is that it is important in terms of restoring and holding areas that have been cleared, where forces have gone that there be something other than just the security element as well.

So what the PRT concept is designed to address is the need for follow-up once a situation has been stabilized from a security point of view. So I think it's a very sound concept.

Senator WYDEN. Director, tell me if you would, how can there be confidence, as Members of this Committee look at this, when you can't give me information about how it's worked in the past? And Senator Snowe and I go on a visit, we're impressed by the people's intelligence and dedication, but it doesn't look like they're accomplishing much.

Director NEGROPONTE. To be honest with you, I'd have to defer to the Department of State and those responsible for directing the PRTs. We worry about the threat situation, the terrorism, al-Qa'ida, Ansar al-Sunna and so forth. So we haven't done that particular assessment that you mentioned.

Senator WYDEN. I think I have time for one other area. I'm very troubled about the Iranian links with Iraq. And I've recently been getting some very troubling reports from active duty military personnel who believe that Iran is supplying Iraqis with explosive devices that are now killing our courageous troops. They're of course known as these EFPs, the explosively formed projectiles. And the concern from the soldiers is that the sophisticated nature of the devices, as well as the fact that they are mainly used in Shi'a areas of Iraq, suggests that they're coming in from Iran.

Do you and perhaps General Hayden have any views with respect to this?

Director NEGROPONTE. I think that what you have just said is generally true, Senator.

General HAYDEN. That's very consistent, Senator, with our analysis. We believe that to be true. The EFPs are coming from Iran. They are being used against our forces. They are capable of defeating some of our heaviest armor, and incident-for-incident, cause significantly more casualties than any other improvised explosive devices do. They are provided to Shi'a militia. That's all correct.

Senator WYDEN. I'm going to see if I can get one other question in, Director Negroponte.

In your view, Director, does the Iranian government want to see a full-blown civil war in Iraq?

Director NEGROPONTE. Sir, I think this is a question where I don't think we really fully understand. The judgment of the community in the past has been that Iran wants an Iraq that is not

a threat to it; they want to support a Shi'a-dominated Iraq, and that they want a stable Iraq. They don't want it to fall apart. They don't want a country that's on its borders just to fall apart into various parts. That's been the view.

But one has to wonder why it is that they have increased their supply of these kinds of lethal weapons to extremist Shi'a groups in Iraq, provoking violence, attacks on coalition forces, and others. And one wonders if their policy toward Iraq may not have shifted to a more aggressive posture than it has been in the past.

Senator WYDEN. Thank you, Mr. Chairman.

Chairman ROCKEFELLER [presiding]. Thank you, Senator.

I'd like to ask four questions of each of you, and I would hope that your answers would be short, because I think they're the kinds of questions that should elicit that. And they're very direct.

Starting with you, Director Negroponte, is the presence of al-Qa'ida and affiliated terrorists greater in Iraq today than prior to the war?

Director NEGROPONTE. Prior to the war?

Chairman ROCKEFELLER. Prior to the war.

Director NEGROPONTE. Yes. I would say that would be the case.

General HAYDEN. Yes, sir.

Randy.

Mr. FORT. Yes.

Director MUELLER. Yes.

Chairman ROCKEFELLER. OK. Is it your assessment that al-Qa'ida and other extremist groups have used our invasion and continued military presence in Iraq as an effective recruiting tool to grow their ranks?

Director NEGROPONTE. I don't know whether that is as much of a recruiting tool for al-Qa'ida, as maybe some of the insurgent forces inside of Iraq; in other words, I don't think that——

Chairman ROCKEFELLER. I'm asking about al-Qa'ida.

Director NEGROPONTE. I'm not certain.

Chairman ROCKEFELLER. General.

General HAYDEN. Our NIE, Senator, talked about Iraq being a cause celebre for global jihadism. They certainly use and misuse the images from Iraq. I would add, though, that as the war goes on, even al-Qa'ida in Iraq is taking on an increasingly Iraqi identity.

Chairman ROCKEFELLER. Mr. Fort.

Mr. FORT. I would associate myself with General Hayden's comments.

Chairman ROCKEFELLER. Director Mueller.

Director MUELLER. Yes.

General MAPLES. I would say an increase in jihadists and extremists; it has grown.

Chairman ROCKEFELLER. Thank you, gentlemen.

The third question is, is it your assessment that our actions in Iraq have contributed to the spread of Islamic extremism and the growth of self-radicalized terrorist groups and cells?

Director NEGROPONTE. You mean outside of Iraq?

Chairman ROCKEFELLER. In or out.

Director NEGROPONTE. I think, as the General said, it's become a cause celebre. But I'm not sure that if you look at other parts of

the world, I don't see a dramatic growth in al-Qa'ida's capabilities. I think they've managed to dig in. I think they've managed to sustain themselves. But I wouldn't say that there's been a widespread growth of Islamic extremism beyond Iraq; I really wouldn't.

I think the threat's still there.

Chairman ROCKEFELLER. If one were to go beyond al-Qa'ida to affiliated types of groups, not strictly al-Qa'ida——

Director NEGROPONTE. Yeah. It's not clear to me that Iraq is what necessarily motivates it. For example, the London—the July 7 incident of about a year ago, July of 2005—I'm not sure that Iraq had particular influence on those homegrown extremists who'd gone back to Pakistan and then come back to England to carry out terrorist activity.

I think that there's a diversity, a complexity of motives. It's a rejection of globalization; it's anger and frustration with the West. It's a whole number of things—the lack of responsiveness of Middle Eastern and Islamic governments to the aspirations and needs of their peoples. It's not exclusively Iraq-based, in my opinion.

Chairman ROCKEFELLER. Thank you, Mr. Director. Careful answer.

General Hayden.

General HAYDEN. Sir, I think I'm in the same place as the Ambassador. It is used. Clearly it's used. If you go to jihadist Websites, you can see the themes. But there are a variety of themes that they use, whether it's the Palestinian territories, whether it's Hizballah and the Israelis in Lebanon, whether it's the nature of Arab states. So it all contributes to their recruitment effort. It's hard to connect the dots as to what contributes to specific radicalization.

Chairman ROCKEFELLER. OK. I'm surprised.

Mr. Fort.

Mr. FORT. Echoing some of the comments, I think it's a key thread in the tapestry, but it is a tapestry of all of the factors that my colleagues have mentioned, plus Afghanistan, plus perceived U.S. hegemony in any number of areas.

I think you have to look at individual groups and grievances. The Salafists in Algeria, are they really being driven by what's going in Iraq? Is the CIC in Somalia really being driven by what's going on in Iraq? There are any number of local conditions and regional conditions that may drive individual groups, but clearly it is having a factor.

But you know, just to say off the top of my head, it would be very difficult to ascribe solely to that one particular factor—that being, you know, the exacerbent of choice. I think we'd have to really sort of try to disaggregate the groups and their particular issues to come up with a really thoughtful answer to that question.

Chairman ROCKEFELLER. Hamburg would be included in your response?

Mr. FORT. In what sense, Senator? I'm sorry.

Chairman ROCKEFELLER. Well, that they were not in some way influenced by what was going on in Iraq.

Mr. FORT. When you say Hamburg, I'm not sure what you're referring to.

Chairman ROCKEFELLER. Forget it.

Mr. Mueller.

Director MUELLER. I like the tapestry analogy. I think this is a more difficult question in terms of contributions. And certainly al-Qa'ida makes use of the fact that we are in Iraq, but it does not escape us that we were neither in Afghanistan, nor in Iraq at the time of 1993 attempted bombings—the Cole bombings, the East African bombings, the September 11 bombings.

And so yes, while it is used as a recruitment tool now, we can't forget that this philosophy, this ideology pre-dated our going into either Afghanistan or Iraq.

Chairman ROCKEFELLER. Thank you, sir.

General Maples.

General MAPLES. Sir, I believe that the jihadist movement is growing both in numbers and in dispersion around the world. There are a variety of factors that lend to that—governance, societal, cultural, youth in Islam, opportunity, certainly presence in Iraq, Afghanistan; U.S. actions probably contribute in some way to that. But I think there are a wide number of factors that are affecting the jihadist movement.

Chairman ROCKEFELLER. All right.

I don't actually have the time to do my second questions, so that would be, then, Senator Bond.

Vice Chaiman BOND. Thank you, Mr. Chairman.

One of the things I have been a firm believer in is the value of HUMINT. And I think that when we gutted our HUMINT capability in the mid-1990s we reaped a whirlwind. We did not have good HUMINT when we went into Iraq, and it takes a long time to catch up to employ, field, train, and utilize collectors.

I'd like to know from, I guess, the Director and the General primarily, how do you judge the state of our HUMINT collection in Iraq and against the hard targets like Iran and North Korea? What are you doing to improve on it? Are you making an effort to bring into the agencies greater numbers of ethnically diverse officers from areas to which we seek access who could speak the language and relate to the people in those areas?

Director NEGROPONTE. Just to tee it up for General Hayden, sir, first of all—and limited by what we can say in an unclassified setting——

Vice Chaiman BOND. Yes, yes. I don't ask the names and addresses, you know.

Director NEGROPONTE. The President gave us an order in 2004 to increase our HUMINT capabilities by 50 percent, and we're, I think, well on our way to achieving that. So that would be the first point.

Secondly, I think that in addition to building capabilities in the Central Intelligence Agency, as part of our intelligence reform, I designated General Hayden to be the HUMINT manager for the entire intelligence community so that we're now starting to build common analytic and tradecraft and recruitment and other standards, source evaluation standards and so forth, not only for the CIA, but for the other HUMINT players in the community—the Defense HUMINT service, the FBI, and so forth.

So I think we're really making a lot of progress in this area. But if I could turn it over to General Hayden——

General HAYDEN. Senator, I look forward in some future closed session to talking about some of the initiatives, and I think you'll be heartened by what's going on. I'm certain you'll be heartened by the trajectory, by the direction in which we're heading and things that are being improved.

You'll probably be a bit impatient, like all of us are at the table, with some of the velocity. But even there I think we're gaining speed. That's in terms of diversity and penetration of very hard targets, and again, I look forward to briefing the Committee on that.

On the other matter the Ambassador brought up, I think it's very important that we have this national HUMINT manager role. I fulfill that for the Ambassador.

Just one quick example. In our tradecraft courses that have traditionally been only for CIA case officers, General Maples will have more than a couple of dozen folks inside each one of those courses. Director Mueller will have some number of folks inside each one of those courses, as well. I think that just sets the groundwork for future improvements.

Vice Chaiman BOND. We'll follow up later on that. I also note, Mr. Ambassador, that when you talked about worldwide threats, it seemed that an area I've spent some time in—Southeast Asia—with its Jemaah Islamiyah, ASG, MILF, and the training areas in the southern Philippines, Indonesia, Malaysia, Thailand are no longer a threat. So I was just a little concerned that that dropped out.

Director NEGROPONTE. Well, as I mentioned in my comments, I just didn't have time to hit all of my points in 20 minutes.

Vice Chaiman BOND. I understand. But it would be helpful to have a written report on such, if you think it is still a threat, which I believe it is.

Director NEGROPONTE. Yes, and we do do that. We believe it.

Vice Chaiman BOND. I want to give General Maples an opportunity. The Iraq Study Group made several surprising, shocking comments, and it said that fewer than 10 analysts at DIA have more than 2 years experience; the IC is under-reporting violence in Iraq. The study group even suggested you may be cooking the books; it says good policy is difficult to make when information is systematically collected in a way that minimizes its discrepancy with policy goals.

I'd like to ask you if you would clarify that, and maybe General Hayden would have a thought on it, because I think that one warrants a response on the record.

General MAPLES. Thank you, sir. I appreciate that opportunity.

In my comments I did remark that right now the Defense Intelligence Agency has well over 300 analysts who are focused on Iraq, to include 49 who are dedicated to the insurgency itself. So the number was wrong, and I know how it came about in terms of the reporting.

But the number is not the issue for me—it is an issue—but the real issue is, what kind of capability and capacity do we really need to have in the community in order to do what needs to be done with respect to our analysis and our support in Iraq?

And I think we need to increase that capability. We need to increase that capacity, and particularly with the changes that are going on right now, the complexities that we have in Iraq, and a change in direction in terms of counterinsurgency, we need to increase intelligence capabilities, and we're working that right now with both Multinational Forces Iraq, CENTCOM, and the intelligence community. We've all gathered together to try to focus our analytic effort on the changed conditions.

So the answer to the question is that the specific number was wrong, but the conclusion about increasing the capacity and our focus on the complexities in Iraq I do believe we need to do.

General HAYDEN. Senator, like any commander, you have to decide what your main effort is and where you have economy of force. It's the same in intelligence collection, and of course it applies to Iraq as well.

I can give you a real brief summary of how it has evolved. The first effort was against al-Qa'ida and the Sunni rejectionists and the insurgency. I think we have actually done very well in that and understand it very well. The success of our forces in Anbar is a reflection of that.

And then we had to shift our weight to better understand what's happened in the past 15 months, which is this growth of factional fighting, not Sunni rejectionists but Sunni, Shi'a and sometimes intramural between Sunnis and between Shi'a.

And then finally, Senator Wyden, we clearly have to shift our weight to the issue that you raised earlier—what are the Iranians doing, how are they doing it, and what is it we can do to stop it?

So that's been kind of the sequence for us in terms of how we dealt with Iraq as a target, Senator.

Chairman ROCKEFELLER. Senator Feingold, you have a question, sir.

Senator FEINGOLD. Thank you, Mr. Chairman.

Our military involvement in this war in Iraq will end. It will end because it is preventing us from confronting urgent threats around the world, including places like Afghanistan and Somalia and the global expansion of terrorist organizations. It will end because our continued occupation of Iraq is making conditions worse. It will end because our military cannot sustain this commitment. And it will end because in a democracy like ours a war cannot go on indefinitely without the support of the people. So I think we need to discuss how to end our involvement in this war.

Now this is not in the spirit of a precipitous withdrawal, and I know Mr. Negroponte referred to the problems that would be attendant to a precipitous withdrawal. But my questions are in the spirit of how do we avoid a precipitous withdrawal. How do we in the near term successfully do a redeployment? That's what I would like to hear from you about.

What would our strategy be as we re-deploy our forces? What are the most—I'd like each of you to answer—what are our most pressing priorities in terms of U.S. national security interests? Is it counterterrorism? Is it the stability of our allies and partners in the region, refugee flows?

Give me some sense with your expertise of what our strategy would be for dealing with these challenges. And how do we use all

the tools available to us—intelligence, diplomatic, economic, and in a much more limited sense, military—to confront these challenges in a post-occupation environment?

I would add, you know, obviously I want this to happen in the near term, but we're going to have to face this in any event, these kinds of questions. So I'm looking genuinely for some guidance.

Mr. Negroponte.

Director NEGROPONTE. Senator, I'm not trying to cop out here, but I think you're asking me very much of a policy question. But maybe I can come at it this way.

In my remarks earlier I said that the prospects for increasing stability in Iraq over the next year will depend on several factors, and then I mentioned the degree to which Iraqi government and political leaders can establish effective national institutions that transcend sectarian or ethnic interests. That was one of my points.

The other was the extent to which extremists, most notably al-Qa'ida, can be defeated in their attempts to foment inter-sectarian struggle between Sunni and Shi'a; and last, the extent to which Iraq's neighbors, especially Iran and Syria, can be persuaded to stop the flow, stop the flow of militants and munitions across their borders.

So these are the kinds of factors that I think could contribute to an improvement in the trends, in the adverse trends that we describe for you in what I think is a fairly somber assessment of the situation in Iraq.

But if I had to—wearing my hat now as the ex-U.S. Ambassador to Iraq—if I had to characterize the approach that's been outlined by the President in his speech yesterday, it's to make available now some additional resources to assist the Iraqis so that we can hasten the day that they will be able to assume responsibility for security and for the affairs of their country in their entirety, sooner rather than later.

So this is a proposal designed—and I know I'm straying into the policy lane here, but you asked a policy question.

Senator FEINGOLD. Thank you. And I understand that answer.

What I'm really getting at is assuming a policy decision is made to re-deploy these troops—let me turn to General Hayden for this part—what are some of the practical challenges that you would think of first that we should be thinking about of how we would do this?

General HAYDEN. Again Senator, using your premise—assuming the policy decision is made, and I want to share Ambassador Negroponte's remarks—I actually think what the President discussed last night is creating the pre-conditions for what you describe.

Assuming a policy decision is made before that takes place or other circumstances, two or three things must happen. Number one, this can't be a safe haven for al-Qa'ida. Number two, Iraq has to be a barrier to Iranian expansionism, not a bridge for Iranian expansionism. And number three, it cannot be allowed on a geopolitical, on a regional, or a human basis to descend into the human carnage of inter-sectarian violence.

Senator FEINGOLD. Those are the goals. What do we practically do? What are our priorities as we're re-deploying to achieve those goals?

General HAYDEN. Senator, again, no disrespect intended, those were the very thought processes in the small group meetings over the past several months that we were considering. What the President talked about last night was what we believed to be the best choices available to us to achieve the kinds of things I just described—no safe haven, no bridge for expansionism, and again, finally, the inter-sectarian question inside Iraq.

Senator FEINGOLD. General Maples.

General MAPLES. Sir, I would also understand this question as based on the premise of a policy decision. Our number one priority would still remain the threat of terrorism to our nation and to counter that terrorism wherever it may be in the world.

I think regionally we would continue to look at the effect this would have on Iran and Iranian influence throughout the region and the impact that that would have on other nations and countries in the region, which would be significant to us as well.

And then I would probably add a third one there, and that is the rising conventional and asymmetric capabilities of other nations in the world—particularly in the area of ballistic missiles—that continue to pose a threat to us.

Senator FEINGOLD. Let me follow on and say that if the decision were made, over a period of time, as was done with Somalia in the 1990s, to say that at a certain point the funding for the mission would no longer be there, what provisions would you ask us to put in such legislation in order to protect the troops?

Director NEGROPONTE. Sir, I just think that that's really taking us very far afield from our responsibilities.

First of all, it's a hypothetical, I mean it's a very hypothetical question, I believe, in terms of the policy framework in which we're operating right now. I'd be most reluctant to attempt an answer to that question at this time.

Senator FEINGOLD. Well, I understand your feeling of constraint, but I think it's the reality that may well be faced sooner rather than later. And I would suggest that since we did not have a plan, in my view, when we went into Iraq, we better darn well have a plan for how to disengage from Iraq that looks like it looked ahead to some of these questions, because the American people have had it with this. We are going to have to re-deploy these troops, I think sooner rather than later. And I think it's incumbent on all of us to actually think about this as something other than a hypothetical. I think it's a reality that's coming.

Thank you, Mr. Chairman.

Chairman ROCKEFELLER. Thank you.

Senator Mikulski.

Senator MIKULSKI. Mr. Chairman and the panelists, first of all, I know as we've listened to your testimony and interacted with most of you at the table, I think we have to say that something really has been working, and something has been really working right over the fact that since 9/11 there has been no attack on the American homeland. So I think you should be thanked for that, and I think you should be congratulated for that.

I visited the agencies—like NSA and NGA and Office of Naval Intelligence.

Ambassador Negroponte, I know you helped set up the National Counterterrorism Center. And I'd note that Admiral Redd is there. We were there; saw the brilliant and wonderful way it's working.

So we do believe that many things are working well. And of course, as the appropriator for the FBI, I have the honor of interacting with Director Mueller many times. So we believe that there are many things working.

But I think where we find ourselves today at this hearing, rather than going through some of the other threats that you raised or how we can discuss the need for resources, how to sharpen what the reforms were, et cetera, I think we are focused on the issue of Iraq. And there is indeed a credibility problem.

We're very far from the "slam dunk" that your predecessor's—predecessor, General Hayden, promised the President. We're very far from the "mission accomplished" that the President promised us. And now we wonder where are we going, and what is the best way to go? Essentially, what are the plans? What are the intentions? And what are the capabilities?

So that's where I'd like to focus my questions, and then in the second round come back to the FBI.

I'd like my first question to go to General Maples. I'm so sorry I missed your testimony, General. But perhaps either you or someone else at the table could talk to me about the military plans that the President outlined yesterday in terms of going into the neighborhoods of Baghdad.

Could you tell me, number one, in terms of achievability and sustainability, what would those troops do? Who is the enemy? In other words, who is the enemy our great military's going after?

And if we're talking about disarming, who's going to disarm the militias or the insurgents, and how are we going to keep them disarmed? And who is going to keep them disarmed? Is it going to be the U.S. military? Is it going to be this Iraqi force that's been in training for now almost 4 years? We've been training for 4 years, longer than we were in World War II.

Can you answer that? And I don't mean it in a pugnacious way. If these guys are going to be in neighborhoods going door to door, who's the enemy? And how are we going to deal with that?

General MAPLES. Ma'am, I can't answer your question as it has been expressed, because those are operational decisions that will be made by the commanders on the ground and the chain of command.

Senator MIKULSKI. So you mean when they go into Baghdad, and we say, "Guys, you're into these nine neighborhoods" that we heard about; you're going door to door. They won't know who the enemy is?

General MAPLES. I think that our intelligence assessments and what we have provided and what we continue to work with, the forces in Iraq will provide them the intelligence to conduct the operations.

Senator MIKULSKI. But what is the intelligence? In other words, what is it that you're going to say to the commanders? This is what you're going to be facing. This is who we think the enemy's going

to be. This is what your job is. We're not talking about the day-to-day tactical. What is it?

General MAPLES. I believe what has been expressed is that the primary focus of the forces, both the Iraqi and the U.S. forces there, will be to provide security to the population.

Senator MIKULSKI. But provide security means that there's going to be somebody there facing you with a gun or a bomb. And what are we going to do? Are we going to say well, no, we only do Shi 'ites? Or no, we only do Sunnis? What are we going to do?

Director NEGROPONTE. I think, Senator, one of the thoughts—and it certainly came up, as the General mentioned, that we had a number of discussions in the run-up to all of this interagency discussion under the leadership of the NSC—is that presence matters, effective security presence. And I think there was a feeling that it was not sufficient in Baghdad and it was going to have to be increased.

And I think another point I'd make here is that I would emphasize the idea is for the Iraqis to take the lead as much as possible and for us to be in a supporting role. And the plan is for——

Senator MIKULSKI. What does that mean? What is the supporting role?

Director NEGROPONTE. What it does mean is that in each of the nine districts of Baghdad there are going to be two Iraqi brigades; that's the plan—a total, I think, of 18 brigades, mixed police and army.

Senator MIKULSKI. But what are we going to do, stand behind and say, "This is a gun; shoot it?"

Director NEGROPONTE. We are going embed forces within those Iraqi units that will play a support and training and advisory role. That is going to be one of the main things we do.

Senator MIKULSKI. I'm not going to—Mr. Ambassador, I so respect you. I'm not going to keep on this line of questions. But try to envision this.

So what does "embed" mean? OK, here goes the Iraqi military; then what we going to do, have like three Iraqis, one Marine, three Iraqis, one Marine, three Iraqis, one Marine? We're going to knock on doors? We're going to look for people with guns?

But even if you disarm them, who's going to keep them disarmed, this Iraqi force? Is that what we're looking for? Who's going to be the sustainable factor in this?

Director NEGROPONTE. The sustainable factors must be the Iraqis, and I think that's the idea, is to try to beef up their presence so that they can really have a more decisive and a greater impact on the kind of disorderly situation that they've been confronting up until now by expanding and increasing their presence.

Senator MIKULSKI. Well, let's go then to your conditions, because I just can't envision this. And I make no bones about the fact I've never faced warfare the way the men and women in the military have, but I really don't get this. I don't get the feasibility; I don't get the achievability, and I don't get the sustainability.

Well, let's then go to the so-called benchmarks. Now, what have you been able to advise the President about the capabilities of the Maliki government to be able to achieve any of the items that you talk about on page four?

Let's go to something simple like oil—not even power-sharing with sectarian violence.

What's your view on the corruption in Iraq? Do you feel that they're ready to deal with the corruption in Iraq and then really get the oil flowing? And why hasn't the oil flowed so far? Four years, no oil, and they don't seem to have the will. Am I wrong or harsh in this? What about the corruption?

Director NEGROPONTE. I'll let the General follow up.

Corruption is a problem. I cite it right in my remarks. But I would point out that they are producing a certain amount of oil, 1½, there are a couple million barrels a day; they're exporting 1.5 million, and they've actually got some fairly respectable reserves developed as a result.

But these are the kinds of issues that we are encouraging them to make progress on, and we think that the fact that this kind of package approach is what's going to encourage them to move their performance in the right direction.

But maybe I'll defer to the General here. You wanted to add something?

General HAYDEN. Yes, ma'am. In both questions you raise—let me start with the hydrocarbon law. As the Ambassador points out, they are producing oil. It's somewhat below prewar numbers. But they are producing; they are selling. In fact, they have a budget surplus in terms of monies available because of the export——

Senator MIKULSKI. Then why are we giving them a billion bucks?

General HAYDEN. Well, one of the reasons, ma'am, is that we want to use it in a targeted way with our forces so that when we're operating at the local level, we can have an impact. But the President talked about the Iraqi——

Senator MIKULSKI. Talk to me about corruption. Talk to me about corruption, and talk to me about a government that will have to establish security services and be something that the Iraqi people can have confidence in.

Chairman ROCKEFELLER. Senator Mikulski, I regret to say, you're at 9 minutes. And we have four Senators waiting to ask their first round of questions. I'll obviously come back to you.

Senator MIKULSKI. Could we finish the corruption point?

Chairman ROCKEFELLER. You could do it in——

Senator MIKULSKI. I'm not the one answering it.

General HAYDEN. All I was going to say, Senator, is that in the President's remarks last night he pointed out the condition, the requirement for the Iraqis to spend $10 billion in the reconstruction effort.

And just to quickly revisit the question with regard to the forces, you're going to have nine sectors, nine army brigades and then, added on that, national police brigades, an American battalion embedded in each.

It has been our experience that when there are embedded American units with Iraqi units, the even-handed behavior of that unit increases and the professional performance of that unit increases. So the presence of the American battalion there—we have a clear track record—should improve the performance of the Iraqi brigade.

In addition, the Iraqi army is largely a strictly infantry force now. With the American battalion there, all the supporting ele-

ments—logistics, indirect fires, air support, communication—are more readily available to the Iraqi brigade.

You asked about the commitment of the Iraqi government, and that, ma'am, is quite clearly the critical point and why I think the President spent so much time on it yesterday.

Senator MIKULSKI. Well, I'm going to ask you this in the classified hearing.

Chairman ROCKEFELLER. Senator, thank you.

I'm going to call now in order on Senator Warner, Senator Burr, then Senator Whitehouse and Senator Chambliss.

Senator Warner, we welcome you, sir.

Senator WARNER. Thank you, Mr. Chairman.

Mr. Chairman, I wish to comment on my colleague from Maryland's inquiry, because I share concerns—and I've expressed this in our meetings with the President and others—about the American GI facing the conflict between the Sunni and the Shi'a—conflicts and antagonisms and killing that goes back over a thousand years. And I somehow feel that that's not the job of the U.S. GI or the coalition GI to solve. That must be borne by the Iraqis.

I just had the privilege of spending about 20 minutes with General Petraeus—that's why I was absent for a few moments here—and I pressed that question on him, as I did on the Chairman of the Joint Chiefs the other night, or the other afternoon when we were together.

We've got to make it clear that the primary responsibility of that sectarian violence and the resolving of it, has got to fall upon the Iraqi component of this jointness that we have and to take the point and to take the responsibility. They are far better qualified by virtue of language and culture and everything else to understand what drives two people, the Sunni and Shi'a, to the point of trying to take one another's life over, you know, a religious dispute that originated, I think, in 650 A.D. as to who was going to succeed Muhammad.

I respect their religion and respect the divisions, but when it comes to warfare and the security of our people, that's very important, that we call upon the Iraqis to take the point.

First, I'd like to say, Ambassador Negroponte, again, you've fulfilled another distinguished chapter in your career. You've laid a wonderful foundation for your successor. And I happen to have been privileged to know your successor . We worked together some 30–plus years ago in the Pentagon—a very able individual.

But my first question to you is, in the course of the deliberations in the Armed Services Committee, working up to the bill that was passed this year for the annual authorization, we put in a request to the Administration to perform a National Intelligence Estimate on Iraq, an NIE. And that is now under way.

First, Mr. Ambassador, could you give us an estimate of when that might be released?

Director NEGROPONTE. Yes, Senator. Probably by the end of this month, which has been pretty much the target that we had all along. As you know, these estimates take several months to prepare.

Senator WARNER. Oh, yes.

Director NEGROPONTE. And it's just been circulated now for sort of final coordination between the intel agencies and then we will have several meetings on them, and so I expect by the end of the month.

But in the meanwhile, I would like to point out that this hasn't impeded us from contributing to all the deliberations within the Administration about this new policy initiative that was announced by the President yesterday. So that proposal has had the benefit of the latest intelligence from Iraq, just as we have been periodically briefing the Congress on what's going on in Iraq.

So the fact that the NIE has not yet been produced does not mean that we have been holding back useful information for policymakers with respect to that country.

Senator WARNER. Well, early on in October when I came back from Iraq, I expressed my grave concern that the situation was drifting sideways, and the rest is history. And some others joined in my concern at that time. And I commend the Administration for the manner in which they really have come together, worked very conscientiously, listened to a lot of different perspectives, and that has culminated in what the President presented to the Nation and the Congress last night. And I think it was a credible job and it's worthy of the most intense study by the Congress.

And that's the process this Senator is in now, is not only a study of the President's release last night, but the manner in which it was put together. And that's why I asked the NIE question because, I say to my colleagues most respectfully, that NIE will, I think, bring into sharp focus some issues which bear upon some of the conclusions and the objectives that the President stated in his document last night.

And I for one, am going to withhold final judgment on exactly where and how I'm going to hopefully join in a bipartisan way to come up with some revised strategy that we can all agree on. But I think it's important that Members examine that.

And Mr. Chairman, my understanding, when I was Vice Chairman of this Committee many years ago, is that the Committee makes that NIE available to all U.S. Senators in our spaces for examination. Would that be correct? And therefore, once released, I urge my colleagues to look at that all-important document.

I also commend you, Ambassador Negroponte, on the very forthright presentation in your statement today. And I urge that colleagues have the opportunity—all Senators—to read that, because it brings into a clarity of focus the very key issues that are before us now, as we try and work with our President on the new strategy.

And I want to once again return to your phrases, which were quite clear. Iraq is in a precarious juncture. And you recite the problems. You have prospects for increasing stability over the next year will depend on a number of issues, and you very clearly set forth; there are seven of these issues in here. Indeed the friends in our region are concerned about the consequence of the growing instability in Iraq.

Now, given that, I think, clear and factual and accurate portrayal of the situation, we've got to get a better understanding of what it is that the President feels we can accomplish in this mission. And

so much of it is dependent upon Prime Minister Maliki and his government in delivering.

The President mentioned benchmarks.

Now, but my specific question to you, can you give us any further definition here in open session—we'll continue to pursue it in closed—of your estimate as to how solid the Maliki administration is in place, how likely that it will continue? It's got to continue, it seems to me, for at least—Maliki in that office—for another year. And we have these somewhat disturbing statements about how he didn't really want the job and one thing and another.

But I put that aside and I want to rest on your evaluation of Maliki as an individual, his strength of will, his strength of purpose to live up to the commitments that apparently he has made to the President of the United States, who in turn, as President, has now formulated a plan which presumably tracks some of Maliki's requests to our President to go forward and really put in harm's way another 10,000, 15,000, 20,000, 25,000 of our forces.

Director NEGROPONTE. Well, he certainly made a strong speech the other day, Saturday night, on the occasion of the anniversary of the Iraqi armed forces about his willingness and the government's readiness to go after unlawful elements of any type and extremists on both sides.

I think it's important that they're prepared to commit resources, their own resources, these $10 billion that the General was referring to, as a way of following up these clear-and-hold operations.

I think he's got a tough row to hoe, Senator, in the sense that his government was put together—it was sort of a negotiated proposition with the elements from across the political spectrum.

Senator WARNER. I'm fully aware of that, but I'm just talking about the man himself; the gravitas that he has or doesn't have.

Director NEGROPONTE. I think he's been making a very noble effort under very, very challenging circumstances.

But are these conditions going to be met? Are the benchmarks going to be met? I think we've got to wait and see. But I certainly feel that he ought to be encouraged by this affirmation of American commitment and desire to work with him to reach a satisfactory outcome. And I would have thought that that would give impetus to his efforts and be helpful.

Senator WARNER. All right. Now, I don't want to get into detail on the exact military——

Chairman ROCKEFELLER. Senator Warner, could you make this the last part, sir?

Senator WARNER. I will, Mr. Chairman; I'd be glad to do that.

Chairman ROCKEFELLER. You're approaching 10 minutes.

Senator WARNER. I will not get into the military planning, which I have some knowledge about it, but basically, it's going to take time to marshal the additional forces of the United States and sequence them into that area of operation—namely Iraq—to stage and then move into place in the nine different parts of Baghdad.

Just my judgment: It's probably going to be the March-April timeframe before the real center of gravity of this movement will begin to move forward.

So my last question to you: What are some of the benchmarks that he can achieve, Maliki as Prime Minister, between now and

when the full momentum of this buildup; should it go forward, take place to show to the American people it is truly a partnership and that this time the Iraqis are going to perform, unlike they did in a previous iteration of last summer when we staged that operation in Baghdad to try and straighten it out? And they failed to show up, the Iraqi troops.

Director NEGROPONTE. Well, for example, naming this commander for the entire jurisdiction of Baghdad, I think is an important step; starting to mobilize and get these forces ready for their move into Baghdad; and of course, starting to identify those funds, out of those $10 billion and start getting ready to deploy them to affect the situation. Those, for example would be some of the things.

In the parliament, I think it would be trying to move some of the legislation that has been pending for a long time, such as the oil-distribution legislation which hasn't yet been passed.

Senator WARNER. Thank you.

Could the other two witnesses, General Hayden and General Maples, add to that question, if they so desire?

General HAYDEN. Sure, Senator. I think an early indicator will be the degree of independence of the Iraqi commander for Baghdad—that he's free of political considerations and has the ability, the freedom, to restore order in the capital. That means going after everyone who is outside the law, regardless of religious affiliation, and going into whatever neighborhoods he needs to go into operationally to effect that result. I think that would be an early and a very good indicator.

Senator WARNER. General Maples.

General MAPLES. Sir, the only other thing I would add is the Prime Minister's ability to influence Sadr at this point, which I think will be very significant also.

Senator WARNER. All right. I thank the Chair.

Chairman ROCKEFELLER. Senator Burr.

Senator BURR. Thank you, Mr. Chairman.

Gentlemen, welcome. Thank you for your commitment. Thank you for your patience. Thank you for your knowledge you bring to this hearing.

Ambassador, have the objectives of al-Qa'ida 2001—and when I say objectives, economic impact—changed? And that goes to the heart of a comment you had in your testimony about mass casualty. My curiosity—I remember the talk of the attack, post-9/11 and the economic impact of the significance of the twin towers.

Are we now at a point—Director Mueller talked about aircraft, and I was trying to separate in my mind, is this a delivery system or are we now—destruction of one aircraft which is mass casualty. Have we seen that transition?

Director NEGROPONTE. I personally believe, but I'd be interested in what the others feel, that they pretty much have the same kinds of objectives as they did then—i.e., both mass casualties and harming economic infrastructure and symbols of capitalist society.

To give an example, last August, the plot against the airliners that were going to go from the United Kingdom to the United States; it wasn't just one airliner; it was nine airliners that they wanted to see simultaneously blown up. So that would have caused

thousands of casualties. So it would have been on a par, or something similar to 9/11.

Senator BURR. And one would believe that that was to achieve maximum loss of life versus economic disruption and the impact that it caused in airline travel?

Director NEGROPONTE. Well, probably both. But I'd be interested in what——

Senator BURR. Director Mueller.

Director MUELLER. I think, clearly, there are a number of objectives. One, mass casualties; just the killing of Americans is number one. Second would be the adverse impact on the economy of the Unites States by taking down an aircraft. Third, the publicity. All of those are objectives that I think al-Qa'ida tries to attain as it develops these continuing plots.

Senator BURR. Ambassador, you also said in your testimony, and I quote, "We must understand the enemy, his intentions and his capabilities." Now, I'm going to ask you a very simple question: How much have we learned?

Director NEGROPONTE. Well, I think certainly, as in any kind of war, as time goes on you learn more about your adversary, your enemy. And I think that's been true in this situation vis-a-vis al-Qa'ida, and I think it's demonstrated by some of the successes we've had in putting some of their operatives out of commission, like Mr. Zarqawi or some of the people who are close to bin Laden in the third tier of their leadership. We've pretty much eliminated, as you know, almost everybody who was in the third tier of the original team, if you will, of Usama bin Ladin. I'm sure there is more to be learned, but we're in a much better position than we were before.

And the other point I would make in that regard is, we are devoting an enormously greater amount of both collection and analytic effort to this challenge than we were 6 years ago.

Senator BURR. General Hayden, would you like to comment at all about this, how much we've learned?

General HAYDEN. Sure, Senator.

First of all, stating very clearly, you're never good enough and you always have to get better. I think it would be a very instructive pair of case studies to look at what happened and didn't happen in July and August of 2001 and what did and didn't happen in July and August of 2006 with the two plots, the 9/11 plot and the airline plot. There is a remarkable difference in the performance of our community between those two events.

Senator BURR. Several of you, I think, alluded to energy in your statement. I think in the United States domestically we control about 6 percent of the reserves in the world. That's either here or through U.S. companies. The majority of the reserves in the world are held by Iran, Iraq, Saudi Arabia, and Russia.

My question is, how concerned are we about energy security? Are we doing enough? And Ambassador, for you, who is the lead agency for our national security as it relates to energy?

Director NEGROPONTE. Well, from the point of view of analysis, I mean, the intelligence community pays a great deal of attention to the energy situation, energy politics, energy reserves. General

Hayden's agency does an awful lot of work on that subject, has some very fine capabilities.

As far as the policy work is concerned, I would say that is really something that comes under the National Security Council, with inputs from the Department of State and the Energy Department, would be the two that I would mention.

Senator BURR. Well, my time is up, Mr. Chairman. I would like to make the point that I'm sure I don't need to make, that if our eye is not closely on this one, just with the players that control the lion's share, we could find ourselves in a mess in a very short order. And I know this is something that DOD is greatly concerned about and tremendous effort is being put on.

My hope is that we can make an even stronger effort to understand where it is we need to position in the future and what we need to do here to position differently than we are today.

Again, I thank each one of you.

Thank you, Mr. Chairman.

Chairman ROCKEFELLER. Thank you, Senator Burr.

Our order now is Senator Whitehouse, Senator Chambliss, and then Senator Nelson.

Senator WHITEHOUSE. Thank you, Mr. Chairman.

Good afternoon, Ambassador, nice to see you.

The President indicated last night an intention to disrupt networks in Iran and Syria that were delivering arms into Iraq and fueling the conflict. I presume that he did not intend that statement to express any intention to engage militarily on Iranian or Syrian soil in pursuit of that objective. But if that were the case, and if we were found to have engaged militarily on Iranian or Syrian soil in pursuit of that or other objectives, what would you estimate the political, diplomatic and other consequences would be of that on our efforts to bring peace, tranquility and security to Iraq?

Director NEGROPONTE. Senator, let me say this, first of all. From an analytic point of view, the behavior, as I said in my statement—my prepared statement—both the behavior of Syria and Iran with respect to Iraq is of great concern. We estimate that something on the order of 40 to 70, maybe even more, foreign fighters come in across the Syrian border into Iraq every month and many, if not most, of those are suicide bombers.

And then earlier in our session here we had a discussion about what the Iranians are doing in terms of supporting Shi'a extremist elements with explosively formed devices and other types of lethal assistance. So I think those kinds of behaviors are very troublesome.

In terms of disruption and interdiction, I really do think it would be better to discuss that in closed rather than in open session.

Senator WHITEHOUSE. Including the hypothetical question, if that were to happen and if we were to be found to have done an incursion into Syrian or Iranian sovereign territory, what would be the political and diplomatic consequences vis-a-vis our efforts to bring peace to the region?

Director NEGROPONTE. I just think the question of how to go about disrupting these activities is just generally something that might be better discussed in closed session.

Senator WHITEHOUSE. You are responsible for the execution of these things, and I will defer to your judgment on that.

Let me ask a slightly more complex question, and it's one that I think, at least from my point of view, is the beginning of a discussion. I'm new here, as you know. But clearly, I think we all understand that the success of the President's new strategy to escalate the conflict with additional troops is not at this point guaranteed. This leaves open the prospect that it is not successful, which raises the question, then what?

And particularly if the commitment, as the President said last night, is not open ended, then obviously at some point it will end.

My question is whether it is not in our national interest, in terms of the reactions of the multiple players engaged in this conflict and surrounding this conflict, but at the point when we decide when it's not in our national interest to pursue the present strategy, does it not make sense to make a clear statement of our intention to deploy our troops elsewhere and take advantage aggressively and diplomatically of the window I would suggest that that might create to engage more aggressively with the Iraqi government factions, with the neighboring Arab countries and with the larger world community, all of whom, to one degree or another, have a disincentive from engaging helpfully in this conflict as a result of our presence?

Director NEGROPONTE. I just don't know whether, at this point, when we're talking about plan A, whether it's the time to be talking about plan B.

Senator WHITEHOUSE. It is the intelligence function, is it not, to prepare for plan B?

Director NEGROPONTE. It's a policy function. I think our function in this particular exercise has been, first of all, to lay out for the policy community the situation in Iraq as we see it, and then we participated also in the dialog that took place as they developed the specific steps that have been put forth.

And as the General said earlier, and I agree with him, I think that if the different elements that I had mentioned earlier are carried out and come to pass—the question of the Iraqi government and political leaders establishing effective national institutions, the extremists being defeated, and so forth—we think this initiative has a chance to succeed. I think I'd be reluctant to go into the what-if's.

Senator WHITEHOUSE. Yes. Well, it's clearly a very broad question, and as I said, it's sort of introductory; I'll continue to pursue it with you.

Director NEGROPONTE. I think the other point, too, that one has to think about is the impact on the neighboring countries. I think there's a lot of concern in the region about what is happening in Iraq and a lot of concern that the situation be stabilized.

Senator WHITEHOUSE. Concern can be motivating.

A specific example of the point might be the reaction that press reports have indicated the Iraqi population has to our presence, in which polls have apparently said that a majority of Iraqis not only don't want us there but believe that it's OK to kill coalition forces, presumably because we're viewed as an army of occupation. Would a stronger indication that our position there is not open-ended, and

indeed that redeployment is in the future, would that not quell some of that sentiment? First of all, do you think that information is accurate, and would that not quell some of that sentiment?

Director NEGROPONTE. I think there is some truth to it, and I also think that the fact that, for example, as the President announced yesterday, the Iraqis will be assuming the lead for security throughout the country by the end of the year I think is a nod toward that concern.

The point is, how do we get from here to there in such a way that the Iraqis will have adequate capabilities, capacity to acquit their responsibilities? And the way forward that we've described is the way, the best way we can think of to getting there.

Senator WHITEHOUSE. I'll follow up further in the classified session. I appreciate your testimony, and it's good to see you again.

Director NEGROPONTE. Thank you.

Chairman ROCKEFELLER. Thank you, Senator.

Our order now is Senator Chambliss and then Senator Nelson, then Senator Snowe.

Senator Chambliss you go ahead.

Senator CHAMBLISS. Mr. Chairman, what is the Chair's intention relative to a closed session?

Chairman ROCKEFELLER. I'm sorry?

Senator CHAMBLISS. What is the Chair's intention relative to a closed session with these gentlemen?

Chairman ROCKEFELLER. The Chair's intention is to be responsive to the membership of the Committee, and the Vice Chairman's view is that. We discussed that. And it is late; there are questions that still have to be answered, but this was laid out as both an open and then a closed session.

If the Senator has a question which he only feels he wants to ask in closed session, then there will be a closed session. Senator Wyden, I think shares that view somewhat and others may. So be assured that that will be available to you if you wish it to be.

Senator CHAMBLISS. I just have one question.

General Maples, there are fresh reports today relative to the military entering an Iranian facility in Irbil. And it looks like we detained six individuals who are believed to be IRGC associates. What can you tell us about that situation, both relative to the individuals detained and what type of individuals they may be? And what about other assets that might have been picked up or information picked up?

General MAPLES. Sir, the information we have about that operation is very limited, and you have the basics of that, although there was material that was taken as a part of the operation that can be exploited.

Senator CHAMBLISS. OK.

Thank you, Mr. Chairman.

Chairman ROCKEFELLER. Thank you, Senator.

Senator Nelson.

Senator NELSON. Thank you, Mr. Chairman.

Mr. Fort, let me ask you. Here is a track of all of the suspect tracks of narcotics from Central America and South America in the year 2003. This is what it is in 2006. And as you can see, just simply by the amount of red lines, a lot of it is originating in Ven-

ezuela and it's going to Haiti or the Dominican Republic, and then of course, it's coming on up through the Caribbean.

I'm going to Haiti tomorrow, and I'd like to know what, in your opinion, does this increase of traffic mean for stability in the region?

Mr. FORT. Well, Senator, I must confess, I've not seen those charts, and my own expertise in terms of flows of narcotics coming up from Latin America is very limited. And if we wanted to have an in-depth conversation, I'd need a little bit more preparation.

In a general response to your question, though, the implications are simply not very good. I mean, as we know from many years—from decades actually—of narcotics trafficking flows from Latin America and elsewhere, there are a variety of impacts on the local economies of the countries of production, on the law enforcement, on the social fabric, and so on and so forth.

Senator NELSON. Let's visit privately about it so we can get into specifics.

Mr. FORT. Certainly.

Senator NELSON. And this is under the umbrella that DOD was trying to take away helicopters from the region, specifically in the Bahamas, that were trying to interdict some of this traffic. And I think we've got that turned around now. But I will look forward to visiting with you on that.

Mr. FORT. Certainly, Senator. Thank you.

Senator NELSON. Let me ask General Hayden—and thank you all for your public service—there's a widely circulating opinion poll that indicates that 61 percent of Iraqis believe attacks against American forces are justified. Do you think that's accurate, and how would you characterize the Iraqi views toward U.S. forces in Iraq?

General HAYDEN. Senator, I don't know the details of the poll that you're quoting, but I think, as the Ambassador said a few minutes ago, there is probably some element of truth in there in terms of betraying kind of intuitive Iraqi reactions to foreign occupation. I think that's understandable, particularly since this has been some period since the beginning of our move into Iraq 3 years ago, and, I'd also suggest, the failure of ourselves and our coalition allies and the Iraqi government to provide security. I think those are two important factors in the results of the poll. Again, I don't know how scientific it is, but there are elements of truth to that. That, I think, we're confident about.

Again, as the Ambassador suggested a bit earlier, that's why success in Iraq will—must—have an Iraqi face on it. And that's why in terms of what the President announced last night, the fact that we're using Iraqi brigades on point in Baghdad is very important.

Senator NELSON. I have, as you know, talked to your officers in almost all of those countries. And I'd like your opinion on—do you think that the Sunnis and the Shi'ites can come together on a compromise government?

General HAYDEN. Senator, that's obviously the $64 question and will largely determine how successful we can be in creating a pluralistic, even democratic government in Iraq. This is a very complex question. I don't mean to dodge it, but if you could just give me maybe ½ minute or 45 seconds.

Because of the events, most of them generated by merciless, almost satanic al-Qa'ida attacks on the Shi'a population, which remained very quiet for about 2 years until about the Samarra mosque bombing, the dividing lines in Iraq right now are between Sunni and Shi'a. The objective of our strategy is to make the dividing lines in Iraq between radicals and moderates. The definition there are those who are or are not willing to kill their neighbors. That's the objective we have laid out for ourselves.

I think we can only get to that kind of dialog by providing some minimal level of security for the population that doesn't exist right now. Without that minimal level of security, I'd offer the view, Senator, that even good people will be doing bad things, just simply out of raw fear.

Senator NELSON. Ambassador Negroponte, there are a lot of people that are quite expectant what might happen in Havana. What do you expect to happen on the island after Castro's death?

Director NEGROPONTE. Senator, obviously we don't know for sure. I think clearly the transition has already begun. Fidel Castro's days seem to be—or months—seem to be numbered. But what is not known is whether people are holding back and maybe we're not seeing the kind of the ferment yet that one might expect to see once Mr. Castro has definitively departed the scene. So there is that question of whether his actual passing might trigger some kind of a new political situation.

Clearly, what Castro and his brother have in mind is to try to create some kind of a soft landing for the regime, whereby they transition from Castro to his brother in some kind of very smooth way. That is clearly their plan, but I think from the point of the U.S. policy, we don't want to see that happen. We want to see the prospects for freedom in that country enhanced as a result of the transition post-Fidel Castro.

Senator NELSON. So we really don't know at this point what to expect.

Director NEGROPONTE. We don't know in large measure because it is a repressive society. They've repressed their opposition so severely over all these years, so people aren't exactly speaking up yet.

Chairman ROCKEFELLER. Senator Nelson, I'm going to have to intervene here. We're at 7½ minutes with you. Everybody's meant to be at five. That's primarily my fault. But Senator Snowe has a question that she wants to ask.

Senator NELSON. All right. I have just one further question at your pleasure.

Chairman ROCKEFELLER. All right. And then Senator Wyden, and then Senator Rockefeller actually has a question.

Senator Snowe.

Senator SNOWE. Thank you, Mr. Chairman.

I wanted to follow up on the question of national reconciliation because obviously this is the essence of the President's proposal in terms of buttressing his proposal to provide for a surge in troops in Iraq.

General Hayden, you mentioned the bombing of the golden mosque in Samarra, and Senator Wyden and I were in Iraq, you

know, days after that occurred, and that was obviously the event that unleashed the sectarian violence.

It seems to me in your descriptions before the Senate Armed Services Committee last December—November—and General Maples, and now Director Negroponte with respect to the ability or the capacity of the Iraqi government to reconcile these differences and to bridge this political divide.

And it seems to me—and in reading this description, Director Negroponte, when you're saying that Prime Minister Maliki's national reconciliation agenda is still at its initial stages, the various parties have not yet shown the ability to compromise effectively on the thorny issues of de-Ba'athification, the oil revenue, provincial elections, and so on, you're describing something that very much was present when we were there back in early March. The Maliki government was assembled in May. It is now January.

And General Hayden, back in November, you described the situation that the Shi'a now focus on assuring that Iraq's new government reflects the will of the majority, that the Sunnis view the Shi'a as Iranian-controlled and the current government as predatory, and that the Kurds, for their part, want to keep and strengthen their substantial autonomy they've exercised since 1991, and that all reject the coalition presence and the constitutional regime.

General Maples, you said last November in your testimony before the Senate Armed Services Committee, that although a significant breakdown of central authority has not occurred, Iraq's moved closer to this possibility primarily because of weak governance, increasing security challenges, and no agreement on a national compact.

I mean, if you talk about this whole description in terms of the political will that obviously doesn't exist within the government to take the risk for national reconciliation, I mean, is national reconciliation even possible?

And how is that 20,000 troops going make a difference if the Iraqi government isn't willing to take the risk for those political concessions and compromises, doing what they should be doing for themselves and what we would expect them to be doing?

So Director Negroponte, I'd like to have you respond, as well as General Hayden and General Maples.

Director NEGROPONTE. First of all, I agree with the thrust of your question in the sense that it's a very difficult and grave situation.

But I think, to your question of what difference would an increase in our troop presence and involvement make, I think it can only be viewed as a package in conjunction with additional effort on the part of the Iraqi government itself, both in the political area, the legislative area—trying to get those laws changed that we were talking about, the de-Ba'athification and the oil revenues, and the assistance effort, the question of getting more money into these areas that are cleared.

The question is, the situation is difficult, but I don't think it's hopeless. And I think that through a combination of measures, it can be addressed, although time will only tell whether these measures are going to be successful or not.

Senator SNOWE. General Hayden.

General HAYDEN. Yes, ma'am. Again, to kind of review where we've been, the Iraqis have had a chance to effect these grand com-

promises since about the beginning of 2006. Prior to that, I think through a process that was quite heroic on both our part and theirs, we built up step by step to get a democratically elected Iraqi government in place.

That was done in the face of what I mentioned earlier, this tremendous effort on the part of al-Qa'ida to inflict just raw human suffering on the Shi'a population. With as you suggest, the Samarra mosque bombing, all hell breaks loose from the Shi'a side. And every bit of evidence we had, that's not a pre-planned move waiting for a provocation, it is a visceral response—the final provocation coming from al-Qa'ida.

There are really deep-seated historical problems to overcome. And as you know—you visited—if you talk to the Sunnis, they think the current government is Iranian, if not Iranian-controlled. If you talk to the Shi'a, they think if Saddam's not coming back still, the Ba'athists are coming back. So you've got these really deep-seated fears that have to be dealt with.

A very important aspect of General Maples' testimony and mine in November is that we described the sectarian violence there for the first time to be self-sustaining. It no longer needed external stimuli to cause these two communities to go after each other in the way they've been going after each other.

During long deliberations in November and December—the Ambassador referred to these small-group meetings under NSC auspices. The fundamental question was: Can they make these political compromises in the current security environment? Our judgment was they could not and that we had to somehow intervene to bring the security to a certain level that then allowed—and this is very important, ma'am—the possibility that the Iraqis would make these compromises. I agree with you, this is an Iraqi responsibility to make these kinds of very hard decisions.

Senator SNOWE. I just don't see where the security question is going to overcome the fundamental problem and the root causes in Iraq. I just don't see it because there hasn't been any attempt to avert the initial stages; the political reconciliation stalled, there's nothing to prevent them from doing that. There's nothing.

If they had the political resoluteness, and I—that's my concern. I mean, if it's taken this long—I mean, the oil revenues, for example, are at pre-Saddam levels in terms of revenues and exports currently. That's what it was in March and obviously still is today. And when you talk about the fundamental divisions that exist within Iraq, I don't see how the security question is going to affect that in the final analysis.

Director NEGROPONTE. The reason we believe it should and it might, Senator, is that it's the insecurity that precipitated a lot of this negative behavior in the first place. I mean, these divisions and these differences might have existed previously, but they have been now exacerbated and aggravated first by the al-Qa'ida and by the reactions that the General was describing, so that then you get this kind of a downward spiral where, as the General said earlier, even good people end up doing bad things.

So I think by restoring security I think you can also help restore some civility to the political dialog.

Senator SNOWE. I thank you.

Thank you.

Chairman ROCKEFELLER. Let me just announce for all the following. I'm going to ask a couple questions, then Senator Wyden, Senator Mikulski, Senator Nelson. I know it's late, and I'm sorry, but that's the way this usually works. And we have an obligation to Senators who want to ask questions in closed session, and I absolutely will honor that.

That will require a 10-minute break, which could be useful for other purposes, to simply rewire; that's all it takes. We'll do it right here. We'll go into closed session. So that's what we're going to do. I hope that you will all stay for that, regardless of the length of all of this.

Remember, the great music—the greatest music ever written was the St. Matthew Passion; it took 3½ hours—by Johann Sebastian Bach. So we have a ways to go still.

Vice Chairman BOND. I don't think this is going to rival that. [Laughter.]

Chairman ROCKEFELLER. You don't. OK.

At the beginning of the war, Ambassador, I think the Shi'a objection to our being in Iraq in that posture was about 13 percent. And I think it's now up to 71 percent.

Could you just think out loud a moment for me, quickly, about the effect of that in relation to our ability to deal with the insurgency?

Director NEGROPONTE. I think, first of all, you've got to address the question or you've got to ask yourself the question about how reliable these polls are, because if you talk to the——

Chairman ROCKEFELLER. Let's say they're partly reliable; they're ballpark figures, and you understand that.

Director NEGROPONTE. And then you have to sort of wonder what they actually mean. Does it mean that simply people are fed up with the absence of security? I would submit to you that a lot of this has to do with, well, we just haven't had security, and well——

Chairman ROCKEFELLER. Ambassador, you can argue with my figures, but they are approximately correct and they have to do with the presence of American troops. So it's that that I wish you to deal with with respect to its effect on tamping down the insurgency.

Director NEGROPONTE. Well, I don't believe that that necessarily has an adverse effect on the conduct of our counterinsurgency efforts. But maybe you can help me by elaborating on your question or maybe one of my colleagues can help me here.

Chairman ROCKEFELLER. Nobody has an answer to that. All right.

Director Hayden, in my opening statement I expressed my concern about the existence of a separate CIA detention program that's been publicly acknowledged by the President, as I indicated. To me, it's a matter of some lasting damage in our standing with the moderate Islam community across the rest of the world. And it's that which is my focus, this moderate population which is not yet involved in jihadism and the madrassa schools which don't teach that kind of thing.

In your estimation, what are we doing with respect to the feelings of the moderate community as they listen on Al-Jazeera and

others about the possibility of detention and, as might be interpreted, torture, and CIA? CIA is not watched as carefully as DOD.

General HAYDEN. I'm sorry, Senator.

Chairman ROCKEFELLER. The CIA is not watched as carefully as DOD; that has to be part of the point.

General HAYDEN. Actually, that's not true, but I understand you're not saying it's true; you're talking about the image that's portrayed and how people might use or misuse the fact that there exists a separate CIA interrogation program.

What it is we do is lawful. It's lawful according to U.S. law; it's lawful according to international law. In closed session I'll elaborate a bit more as to why we're very confident about that, about those judgments and how other people view it.

It has a tremendous return on investment in terms of intelligence value. So even accepting the premise that it has some negative effect with regard to a public diplomacy campaign, that has to be balanced against the quality and quantity of the intelligence that it provides to protect the homeland.

I think all those are very, very important factors, Senator.

Chairman ROCKEFELLER. OK, we'll do that in the next session.

A final very quick question: At our opening hearing on the threat 2 years ago I asked then-Director Porter Goss about unaccounted-for Russian fissile materials and whether he could assure us that the materials had not been stolen and found their way into the hands of terrorists. And of course, he said that he couldn't assure us of that. Are we any farther along a chain of having more of a grasp on that?

General HAYDEN. Senator, two reasons I prefer closed session—one is for details, but two, to make sure I get all the facts right.

I would agree with Director Goss's statement, though. We don't have a total handle on it even still. But let me go ahead and do some homework to give you an answer to see what, if any, improvements have been made.

Chairman ROCKEFELLER. OK.

Senator Wyden.

Senator WYDEN. General Hayden, in Iraq, what proof is there that Prime Minister Maliki is prepared to confront al-Sadr and the Shi'a militias directly? And the reason I ask this is that my sense is that Prime Minister Maliki has given some speeches about this, has sort of paid lip service to the question of taking on these Shi'a militias, but is sort of hoping to suck us into this, which would open up a whole new front of our involvement.

And what I'd like to know is what hard proof can you point to that would indicate that Prime Minister Maliki is prepared to confront al-Sadr directly?

General HAYDEN. Senator, again, I can give a more elaborate answer in closed session. But in the current session, when we took both the policy the President announced last night and the speech he used to announce the policy to CIA analysts, and we sat down with a large room full of analysts on Tuesday to go through the speech, we have been using the analytical work of these people to shape our discussions, but I wanted them to see the speech, that was a critical concern.

Everyone understood that the success of this plan fundamentally, unarguably, unavoidably depended on the performance of the current government.

I need to be careful here, too. Maliki clearly is a very important player as the Prime Minister. But success is going to be created by a larger group, and we have to include others we would at least give the opportunity to be moderates, like President Talabani and Abdul Aziz al-Hakim, and Tariq al-Hashimi, who represent various groups inside there.

But the success or failure of the plan will depend on their being able to make the right decisions with regard to security. As I suggested earlier, that means going against anybody outside the law, going into any neighborhoods in Baghdad.

Senator, I'll be very candid with you because the President was very candid last night. The track record of the current government with regard to this isn't something that would naturally give you great confidence. That's why there's that language in the President's speech that makes the success of this very conditional on the performance of Prime Minister Maliki and his government.

Senator WYDEN. I understand what the President is hoping for. I'm still looking for some hard proof—maybe you want to talk more about this in secret, in the closed session—that he is actually willing to do this, because that's the ballgame. If you don't take on the Shi'a militias directly, and somebody's got to do it, then I don't see how this can possibly come together.

General HAYDEN. Absolutely correct, Senator. Taking on the Shi'a militia does things internally to Iraq in terms of creating the social contract with all parts of the population—in this case the Sunni population. It creates powerful and positive effects externally that this is a government of all Iraqis and not a Shi'ite faction in control, and that is a very beneficent effect in the larger neighborhood, which is largely Sunni. It's very critical.

Senator WYDEN. Mr. Chairman, I think Senator Bond wants to get to the "Closed Session Symphony."

Chairman ROCKEFELLER. Well, we have two more people, Senator Mikulski and Senator Nelson.

So Senator Mikulski.

Senator MIKULSKI. Mr. Chairman, let me get right to the point of it.

First, though, to Ambassador Negroponte, I meant what I said about things working right, and I think you are to be congratulated for implementing the intel reform legislation. You were given a very difficult job to stand up a whole new agency and a whole new framework, and quite frankly, many of us are disappointed that you are going over to State because I think you did not only try to follow the letter of what the law was on reform but the spirit of it.

And I would say to my colleagues, a perfect example of this is to go visit the NCTC that Admiral Redd, who is here this evening, operates, because you then see that they both identify the dots and connect the dots, and I would really recommend that.

But this past year—and this goes to a question both for you, Mr. Ambassador, and the Director of the FBI. It goes to FISA. And my

question very simply is this. Should FISA be reformed, based now on your whole experience standing up this?

And Director Mueller, you know you're the domestic person here that gets all the gathering around the world and have to deal with it in the United States. Do you think that FISA needs to be reformed? And No. 2, if so, does the Administration have a plan to submit a FISA reform package to the Congress?

Director NEGROPONTE. Senator, I think the answer is in two parts. First of all, there are things about FISA that could be modernized that take into account changes in technology and communication and so forth. But whatever changes take place, if they do take place, we think as far as the terrorist surveillance program is concerned, have got to preserve the intelligence utility of that program—that is to say the agility of the program, the speed with which it can operate, and the protection of sources and methods.

Director MUELLER. As to the second part of the question, Senator, on legislation, I know there are periodic discussions about changes to FISA, but I do not believe there is a particular package waiting to be presented to Congress.

As to the first part—should it be reformed, given the advances of technology and the speed of the technology and the evolution of technology advancements—yes, I do think we ought to continuously look at ways that we can update FISA to take into account the new technologies that come on monthly, if not weekly, now.

Senator MIKULSKI. Mr. Chairman, in the interest of time, I'm not going to go on with other questions. I'll be talking to the Director of the FBI.

But the other thing is, remember, after 9/11, we decided not to create our own domestic surveillance agency, and they've been doing two jobs—fighting crime as well as fighting the global war against terrorism, and maintaining a pretty significant ops tempo. And I think at another time, I'd like the Committee really to focus on the FBI. And also, I think we need to pick up on FISA.

But I think enough said for tonight.

Chairman ROCKEFELLER. Senator Mikulski, we're going to have a hearing precisely on that.

Senator Nelson.

Senator NELSON. Mr. Chairman, I'll be very brief. I just want to pick up where Senator Mikulski left off, Mr. Ambassador, and say that I too am disappointed that you're going to State. You've had a long and distinguished career, and obviously there's the tie-in with Iraq, you having been the Ambassador there. But there's nothing more important than intelligence. And you stood up this organization and I would have expected at least another 2 years in your term, and I hate to see the disruption from the head leaving. Do you have any comments?

Director NEGROPONTE. First of all, I regret leaving, Senator, for the reasons that you mentioned, and also because I believe I brought together a very good team of people, and I sincerely hope that as many as possible of them continue their service to the Office of the Director of National Intelligence.

On the other hand, I'm sure that you can also understand that for somebody who started his career as a junior Foreign Service Of-

ficer in the State Department in October 1960, to be asked to be Deputy Secretary of State is also a very important opportunity.

Senator NELSON. Clearly, I understand from your personal standpoint. But what's more important to the country?

Director NEGROPONTE. But I was going to say, the third part of my remark, Senator, was going to be that while I indicated I was available to be the Deputy Secretary of State, if that was what the President wished me to do, that the decision was entirely up to him. I would serve in either capacity. I would do what the President wanted me to do, and this is what the President has asked me to do.

Senator NELSON. Mr. Chairman, just a final comment, back to what Senator Wyden said and the skepticism that he expressed, Senator Coleman and I were just blown away when we were talking to the national security adviser, Dr. Rubai, when he said—and this is a quote—this is not a sectarian war. And he went on to talk about well, it was the Ba'athists that want to retain power, and so forth and so on.

Now, you know, if the top levels of the government, the national security adviser to the Prime Minister, is saying that, that indicates a certain mindset. And I don't have any more optimism about this thing having reconciliation than the comments expressed by Senator Wyden, Senator Snowe and a whole host of Senators this morning in the Senate Foreign Relations Committee talking to Secretary Rice.

That's my comment.

Chairman ROCKEFELLER. All right. Thank you.

Now, what we will do is go into a 10-minute recess. And I hope those who are prepared to, No. 1, to clear the room in an appropriate fashion in accordance with classification, and second, to do whatever rewiring is necessary, will get at it.

So we take a 10-minute recess.

[Whereupon, at 6:14 p.m., the Committee recessed, to reconvene immediately in closed session.]

SUPPLEMENTAL MATERIALS

Annual Threat Assessment of the Director of National Intelligence

January 11, 2007

John D. Negroponte

Director of National Intelligence

Unclassified Statement for the Record
Annual Threat Assessment
Senate Select Committee on Intelligence
Director of National Intelligence John D. Negroponte
11 January 2007

Chairman Rockefeller, Vice-Chairman Bond, Members of the Committee, thank you for the invitation to offer my assessment of threats to our nation.

I am pleased to be accompanied by General Michael Hayden, Director of CIA, Lt. General Michael Maples, Director of DIA, Mr. Robert Mueller, Director of the FBI, and Mr. Randall Fort, Assistant Secretary of State for Intelligence and Research.

Introduction

The judgments I will offer the Committee are based on the efforts of thousands of patriotic, highly skilled professionals, many of whom serve in harm's way. I am proud to lead the world's best Intelligence Community and pleased to report that it is even better than it was last year as a result of reforms mandated by the President and the Congress. These reforms promote better information sharing, the highest standards of analytic rigor, the most innovative techniques of acquiring information, and a stronger sense of community across our sixteen agencies.

We know that the nation requires more from our Intelligence Community than ever before because America confronts a greater diversity of threats and challenges than ever before. Globalization, the defining characteristic of our age, mandates global intelligence coverage. Globalization is not a "threat" in and of itself; it has more positive than negative characteristics. But globalization does facilitate the terrorist threat, heightens the danger of WMD proliferation, and contributes to regional instability and reconfigurations of power and influence—especially through competition for energy. Globalization also exposes the United States to mounting counterintelligence challenges. Our comparative advantage in some areas of technical intelligence, where we have been dominant in the past, is being eroded. Several nonstate actors, including international terrorist groups, conduct intelligence activities as effectively as capable state intelligence services. A significant number of states also conduct economic espionage. China and Russia's foreign intelligence services are among the most aggressive in collecting against sensitive and protected US targets.

This array of challenges to our national security is shaped by dramatic advances in telecommunications, technology, new centers of economic growth, and the consequences of crises within traditional cultures.

As a result of these and other challenges exacerbated by globalization, many nation states are unable to provide good governance and sustain the rule of law within their borders. This enables non-state actors and hostile states to assault these fundamental building blocks of international order, creating failed states, proxy states, terrorist safehavens, and ungoverned regions that endanger the international community and its citizens. More to the point, it threatens our national security and support for freedom and democracy, notably in Iraq and Afghanistan,

where our troops and those of our allies are helping to defend freely elected governments and sovereign peoples against determined insurgents and terrorists.

Terrorism

Terrorist threats to the Homeland, to our national security interests, and to our allies remain the pre-eminent challenge to the Intelligence Community, operationally and analytically. Working closely with our international partners, we have scored remarkable successes and disrupted terrorist plots aimed at murdering thousands of US and allied citizens. Despite these successes, we must maintain maximum vigilance, flexibility, and operational aggressiveness to counter the constant evolution and adaptive capability of our enemies. To support these efforts, we must understand the enemy, his intentions, and his capabilities. Much of what we have learned this past year underscores the judgments that I shared with the Committee last year, but we now have a deeper understanding of the enemy we face.

Al-Qa'ida is the terrorist organization that poses the greatest threat to US interests, including to the Homeland. We have captured or killed numerous senior al-Qa'ida operatives, but we also have seen that al-Qa'ida's core elements are resilient. They continue to plot attacks against our Homeland and other targets with the objective of inflicting mass casualties. And they continue to maintain active connections and relationships that radiate outward from their leaders' secure hideout in Pakistan to affiliates throughout the Middle East, northern Africa, and Europe.

Use of a conventional explosive continues to be the most probable al-Qa'ida attack scenario. The thwarted UK aviation plot last summer and the other major threat reports that we have been tracking all involve conventional bombs. Nevertheless, we receive reports indicating that al-Qa'ida and other groups are attempting to acquire chemical, biological, radiological, and nuclear weapons or materials.

In addition to al-Qa'ida, its networks and affiliates, I mention the terrorist threat from Hizballah, which is backed by Iran and Syria. As a result of last summer's hostilities, Hizballah's self-confidence and hostility toward the US as a supporter of Israel could cause the group to increase its contingency planning against US interests.

We know from experience since 9/11 that countering terrorism depends on unprecedented levels of international cooperation. Our successes so far against al-Qa'ida and other jihadists—and our ability to prevent attacks abroad and at home—have been aided considerably by the cooperation of foreign governments, among them Iraq, the U.K., Saudi Arabia, Turkey, Pakistan, Afghanistan, and many others. They, too, are targets of terror. As illustrated by al-Qa'ida's plots in the U.K., Kurdish separatist attacks in Turkey, and the recent airport bombing in Spain, terror is a worldwide scourge.

It is important to note our shared successes, with a focus, not on taking credit, but on demonstrating results. I will highlight four major accomplishments.

- We eliminated al Qa'ida in Iraq's murderous leader, Abu Musab al'Zarqawi.

- Also in Iraq, we have severely damaged Ansar al Sunna's leadership and operational capacity.
- In the U.K., as noted earlier, a plot to perpetrate the worst terrorist slaughter of innocent civilians since 9/11 was thwarted.
- And in Pakistan Abd al-Rahman al-Muhajir and Abu Bakr al-Suri, two of al-Qai'da's top bomb makers were killed last April.

Again, I emphasize that we, the United States, do not and could not accomplish our counterterrorism mission unilaterally. Our role varies from situation to situation. What does not vary is our requirement for good intelligence and committed partners, which we have in all parts of the world—because terrorists have killed far more non-Americans than Americans and far more Muslims than non-Muslims.

Iraq, Afghanistan, and Pakistan

The two countries where the United States military is engaged in combat—Iraq and Afghanistan—face challenges that are significantly exacerbated by terrorism but not exclusively attributable to it. And Pakistan, despite its ongoing efforts, continues to face terrorism's many challenges, while that country also raises other concerns for us.

In Iraq, sectarian divisions are widening but the multiparty government of Nuri al-Maliki continues to seek ways to bridge the divisions and restore commitment to a unified country. The effort to build a "moderate front" of major parties from the country's three ethno-sectarian groups has underscored moderates' interest in bridging the gaps between Iraq's communities by appealing to non-violent actors. Iraqi security forces have become more numerous and more capable since my last threat briefing. Six division headquarters, 30 brigades, and more than 90 battalions have taken the lead in their operational areas, have battled insurgents on their own, and have stood up to the militias in some cases.

Despite these positive developments, Iraq is at a precarious juncture. Communal violence—accelerated by AQI's attack on the Samarra mosque in February 2006—and scant common ground between Shias, Sunnis, and Kurds have polarized politics. Prime Minister Maliki's national reconciliation agenda is still at its initial stages. The various parties have not yet shown the ability to compromise effectively on the thorny issues of de-Ba'thification, constitutional reform, federalism, and central versus regional control over hydrocarbon revenues. Provision of essential public services is inadequate; oil output remains below pre-war levels; hours of electrical power available have declined and remain far below demand; and inflationary pressures have grown since last year.

With political reconciliation stalled, Iraqis increasingly resort to violence. The struggle among and within Iraqi communities over national identity and the distribution of power has eclipsed attacks by Iraqis against the Coalition Forces as the greatest impediment to Iraq's future as a peaceful, democratic, and unified state.

Prospects for increasing stability in Iraq over the next year will depend on how several issues evolve:

- Foremost is the ability of the Iraqi government to establish and nurture effective national institutions that are based on national rather than religious or ethnic interests; and within this context, the willingness of the security forces to pursue extremist elements of all kinds.

- The extent to which the Shia feel sufficiently secure in their political position: despite their recent electoral victories and overall political ascendancy, the Shia at present remain deeply insecure about their hold on power. This insecurity is manifested in the Shia's refusal to make real concessions to the Sunnis on a range of issues, such as easing of de-Ba'athification and clamping down on radical Shia militias.

- The extent to which Arab Sunnis develop trust and participate in the new political order: now, many remain unwilling to accept their minority status, continue to resist violently this new political order, and distrust the Shia-led government and its commitment to their security.

- The extent to divisions *within* the Shia and the Sunni are addressed: profound intra-group divisions among the Shia and Sunnis complicate the situation, because no single leader can speak for or exert control over these groups.

- The extent to which extremists—most notably al-Qa'ida in Iraq (AQI)—are suppressed: these groups continue to conduct high-profile, often mass casualty attacks that are effective accelerants for the self-sustaining inter-sectarian struggle between Shia and Sunnis.

- And lastly, the extent to which Iraq's neighbors can be persuaded to stop the flow of militants and munitions across their borders: Iran's lethal support for select groups of Iraqi Shia militants clearly exacerbates the conflict in Iraq, as does Syria's continued provision of safehaven for expatriate Iraqi Ba'thists and less-than-adequate measures to stop the flow of foreign jihadists into Iraq.

Indeed, our friends in the region are concerned about the consequences of growing instability in Iraq. Many are increasingly apprehensive about ethno-sectarian strife spilling out of Iraq and infecting their minority populations and all in the region are nervous about the growing role of radical Islamists.

As in Iraq, 2007 will be a pivotal year for Afghanistan. The ability of the Karzai government, NATO, and the United States to arrest—if not reverse—the resurgence of the Taliban will determine the country's future. The insurgency probably does not directly threaten the government, but it is deterring economic development and undermining popular support for President Karzai.

Afghan leaders also face critical challenges in building central and provincial government capacity and in confronting pervasive drug cultivation and trafficking. Neither task will be easy. The country faces a chronic shortage of resources and of qualified and motivated government officials at the national and local level. Further, the drug trade contributes to endemic corruption

at all levels of government, undercutting public confidence. A dangerous nexus exists between drugs and the insurgents and warlords who derive funds from cultivation and trafficking.

Many of our most important interests intersect in Pakistan, where the Taliban and al-Qa'ida maintain critical sanctuaries. As I noted earlier, Pakistan is our partner in the war on terror and has captured several al-Qa'ida leaders. However, it is also a major source of Islamic extremism.

Eliminating the safehaven that the Taliban and other extremists have found in Pakistan's tribal areas is not sufficient to end the insurgency in Afghanistan but it is necessary. We recognize that aggressive military action, however, has been costly for Pakistani security forces and appreciate concerns over the potential for sparking tribal rebellion and a backlash by sympathetic Islamic political parties. There is widespread opposition among these parties to the US military presence in Afghanistan and Iraq. With elections expected later this year, the situation will become even more challenging—for President Musharraf and for the US.

Proliferation: States of Key Concern

After terrorism, the ongoing efforts of nation-states and terrorists to develop and/or acquire dangerous weapons and delivery systems constitute the second major threat to the safety of our nation, our deployed troops, and our friends.

The time when only a few states had access to the most dangerous technologies has been over for many years. Dual-use technologies circulate easily in our globalized economy, as do the scientific personnel who design and use them. As a consequence, it is more difficult for us to track efforts to acquire, for nefarious purposes, these widely available components and production technologies.

Iran and North Korea are the states of most concern to us because their regimes disregard international opprobrium, flout UN Security Council restrictions on their nuclear programs, pervert the legitimate purposes of governance, and ignore the needs and rights of their citizens. The United States' concerns about Iran are shared by many nations, including Iran's neighbors. We assess that Tehran is determined to develop nuclear weapons—despite its international obligations and international pressure. It is continuing to pursue uranium enrichment and has shown more interest in protracting negotiations than reaching an acceptable diplomatic solution. This is a grave concern to the other countries in the region whose security would be threatened by Iranian nuclear weapons. Any such development could prompt dangerous and destabilizing countermoves in a volatile region that is, because of its energy reserves, critical to the global economy.

North Korea's threat to international security is also grave. Last year I highlighted that point. In the intervening twelve months, Pyongyang substantiated our concerns. In July it flight-tested missiles and in October it tested a nuclear device. We remain concerned it could proliferate these weapons abroad. Indeed, it already has sold ballistic missiles to several Middle Eastern countries. By pressing forward with its nuclear weapon and missile programs, North Korea threatens to destabilize a region that has known several great power conflicts over the last one hundred years and now comprises some of the world's largest economies. Other northeast Asian

states might decide to pursue nuclear weapons if their governments perceive increased regional threats as North Korea's nuclear program proceeds.

The advent of more nuclear powers in northeast Asia or the Middle East could unravel the global nonproliferation regime. We are watching several states for signs of nuclear weapons aspirations, in part because of reporting of past contact with A. Q. Khan and his network when it was active. We also are concerned about rogue or criminal elements willing to supply materials and technology—alone or with a network—without their government's knowledge.

Regional Conflicts, Instability, and Reconfigurations of Power and Influence

As I said at the outset of my statement, globalization is contributing to conflicts, instability, and reconfigurations of power and influence. These consequences of globalization manifest themselves most clearly at the regional level, although at times we can see the effects across regions. Again, the attempt by states or non-state actors to co-opt, dominate, turn into proxies, or destroy other nation states is our primary concern. This is the explicitly stated goal of al-Qa'ida's leadership vis-à-vis Iraq and the Levant, and it is an accurate appraisal of the foreign policy aims of states like Iran. However they occur, violent conflicts in a given state—as we see in Africa today—can swiftly lead to massive humanitarian tragedies and, potentially, regional wars.

The Middle East—An Emboldened Iran

In the Middle East, Iran and its neighbors see a strategic shift: Iran's influence is rising in ways that go beyond the menace of its nuclear program. The fall of the Taliban and Saddam, increased oil revenues, HAMAS's electoral victory, and Hizballah's perceived recent success in fighting against Israel all extend Iran's shadow in the region. Our Arab allies fear Iran's increasing influence, are concerned about worsening tensions between Shia and Sunni Islam, and face heightened domestic criticism for maintaining their decades-old strategic partnerships with Washington.

Iran's growing influence has coincided with a generational change in Tehran's leadership. Iranian President Ahmadi-Nejad's administration—staffed in large part by second-generation hardliners imbued with revolutionary ideology and deeply distrustful of the US—has stepped up the use of more assertive and offensive tactics to achieve Iran's longstanding goals.

However, Ahmadi-Nejad's supporters suffered setbacks in the recent Assembly of Experts and local council elections. Moreover, ethnic tensions in Iran's Baloch, Kurdish, and, to a lesser extent, Arab and Azeri areas continue to fester, creating concern in Tehran about the potential for broader ethnic unrest to generate large-scale anti-regime activity. While record oil revenues and manageable debt suggest that Iran is capable, for now, of weathering shocks to the economy, inflationary pressures, exacerbated by Ahmadi-Nejad's expansionary fiscal and monetary policies, are harming Iran's consumer and investment climates and causing employment opportunities to decline.

Regarding Tehran's regional policies, Iran continues to be active in Iraq, seeking to influence political, economic, religious, and cultural developments to ensure a non-threatening, cooperative, and Shia-dominated regime to its west.

- Iran uses radio, television, and print media to influence Iraqi public opinion and help promote pro-Iranian individuals in the Iraqi government at all levels. It has offered financial and other support to its political allies in the United Iraqi Alliance, but its electoral impact appears to have been marginal, given the likelihood that Shia voters would have voted for the unified Shia ticket anyway.

Iranian conventional military power threatens Persian Gulf states and challenges US interests. Iran is enhancing its ability to project its military power—primarily with ballistic missiles and naval power—with the goal of dominating the Gulf region and deterring potential adversaries. It seeks a capacity to disrupt the operations and reinforcement of US forces based in the region—potentially intimidating regional allies into withholding support for US policy—and raising the political, financial, and human costs to the US and our allies of our presence in Iraq. Tehran views its growing inventory of ballistic missiles (it already has the largest inventory of these missiles in the Middle East), as an integral part of its strategy to deter—and if necessary retaliate against—forces in the region, including US forces.

We assess that Iran regards its ability to conduct terrorist operations abroad as a key element of its national security strategy: it considers this capability as helping to safeguard the regime by deterring US or Israeli attacks, distracting and weakening Israel, enhancing Iran's regional influence through intimidation, and helping to drive the US from the region.

At the center of Iran's terrorism strategy is Lebanese Hizballah, which relies on Tehran for a substantial portion of its annual budget, military equipment, and specialized training. Hizballah is focused on its agenda in Lebanon and supporting anti-Israeli Palestinian terrorists, but, as I indicated earlier, it has in the past made contingency plans to conduct attacks against US interests in the event it feels its survival—or that of Iran—is threatened.

Syria has strengthened ties with Iran and grown more confident about its regional policies, largely due to what it sees as vindication of its support to Hizballah and HAMAS and its perceptions of its success in overcoming international attempts to isolate the regime. Damascus has failed to crack down consistently on militant infiltration into Iraq and continues to meddle in Lebanon. Lebanon remains in a politically dangerous situation as Damascus, Hizballah, and other pro-Syrian groups attempt to topple the government of Prime Minister Siniora.

In the Palestinian territories, inter-factional violence, which has intensified in the Gaza Strip and the West Bank since the establishment of the HAMAS-led Palestinian Authority (PA) government in March, threatens to escalate further absent success in forming a national unity government. Talks have stalled over disputes about the political platform and control of key cabinet positions. HAMAS has continued to reject Quartet and Israeli demands for explicit recognition of Israel, renunciation of armed resistance to Israeli occupation, and acceptance of previous PLO and international agreements.

Turmoil in Major African States

In sub-Saharan Africa, the picture is mixed. We see the consolidation of democracy in some countries and the persistence of political crises and violent conflict in others. Many of Africa's past and present crises have occurred in countries run by entrenched regimes with little to no real democratic foundations and weak control of areas outside the capital. Sudan and Somalia are cases in point. Turmoil and conflict threaten large portions of the sub-Saharan region, stretching from the Horn of Africa in the east to Nigeria in the west.

The Darfur conflict is the world's fastest-growing humanitarian crisis, with more than 200,000 people killed, 2 million internally displaced and another 234,000 refugees in neighboring Chad. Internally divided rebel groups continue to fight against the government because the existing peace agreement fails to provide security and power sharing. The Sudanese military has been unable to force the rebels to sign the peace accord and, with assistance from local militia, is conducting a dry season campaign against civilian villages suspected of harboring the rebels.

Already facing the prospect that its southern region will choose to secede in a referendum scheduled for 2011, the Sudanese government fears that additional concessions to the Darfur rebels and the deployment of UN peacekeepers to the region would lead to further disintegration of Sudan. Chadian and Central African Republic (CAR) rebel groups have become entangled in the Darfur crisis, and the spillover of violence in the past ten months threatens to destabilize already weak regimes in both countries.

The rapid collapse of the Council of Islamic Courts and arrival in Mogadishu of the Transitional Federal Government (TFG) has altered the political dynamics in southern Somalia. The TFG faces many of the same obstacles that have kept any single group from establishing a viable government in Somalia since the country collapsed in 1991. Somali society is divided into numerous clans and sub-clans that are reluctant to see one group rise above the others. To win the confidence and support of the population and have any chance of restoring order, the TFG will need to be more inclusive and demonstrate effective governance. More turmoil could enable extremists to regain their footing absent mechanisms to replace the temporary Ethiopian presence with an internationally-supported Somali solution. Al-Qa'ida remains determined to exploit turmoil in Somalia.

Nigeria's fragile democratic transition is in danger of collapsing in the coming months. The government's institutional foundations are hollow from decades of neglect and corruption and will continue to make the country susceptible to recurring crises in the coming years. Abuja has been unable to stem rising lawlessness and insecurity in its oil-producing region, and the Nigerian population is increasingly demoralized from worsening living conditions in the face of much publicized improvements in the country's macroeconomic indicators. Major political unrest in Nigeria would threaten other countries in the region.

Latin America

Gradual consolidation of democracy remained the prevailing tendency in Latin America over the election-packed year that just concluded, despite the challenge to core democratic tenets in a few countries. Although some commentators spoke of a "lurch to the left" in the region, the election

results point to no dominant ideological trend. Moderate leftists who promote macroeconomic stability, poverty alleviation, and the building of democratic institutions fared well, as did able right of center leaders. Indeed, the overall health of Latin American democracy is reflected in the results of a recent survey by a reputable Latin America polling organization: fifty-eight percent of the respondents said that democracy is the best system of government. This number is up five percentage points, compared to results from the same poll in 2005.

At the same time, individuals who are critical of free market economics and have friendly relations with Venezuela's President Chavez won the presidency in two of Latin America's poorest countries, Ecuador and Nicaragua—both after Evo Morales' victory in Bolivia in December 2005.

The strong showing of presidential candidates with leftist populist views in several other countries speaks to the growing impatience of national electorates with the failure of incumbent governments to improve the living standards of large elements of the population. Public dissatisfaction with the way democracy is working is especially troubling in the Andes, most notably in Ecuador and Peru.

Democracy is most at risk in Venezuela and Bolivia. In both countries, the elected presidents, Chavez and Morales, are taking advantage of their popularity to undercut the opposition and eliminate checks on their authority.

In Venezuela, Chavez reacted to his sweeping victory on 3 December by promising to deepen his self-described Bolivarian Revolution and to intensify the struggle against US "imperialism." In recent days he has announced plans to prevent a leading opposition television station from continuing to broadcast and begun action to nationalize the country's main telecommunications enterprise and largest private electric power company. Chavez is among the most stridently anti-American leaders anywhere in the world, and will continue to try to undercut US influence in Venezuela, in the rest of Latin America, and elsewhere internationally.

Chavez's effort to politicize the Venezuelan Armed Forces and to create a large and well-armed Territorial Guard and military reserves is another sign that he is breaking with the trend in the region toward more professional and apolitical militaries. His purchase of modern military equipment from Russia, including 24 SU-30 advanced fighter-bombers, and moves toward developing his own weapons production capability are increasingly worrisome to his neighbors. These weapons purchases could fuel an arms race in the region.

Fidel Castro's Cuba continues to be Venezuela's closest ally. Castro's apparent impending demise will deprive Chavez of a valued mentor and strategic adviser. The post-Castro transition in Cuba has begun. Key drivers in influencing events in post-Fidel Cuba will be how cohesive the governing elite will remain in the absence of Cuba's iconic leader, how astute Raul Castro proves to be as his brother's successor, and how much pressure the population will exert on the government in seeking economic and political reforms.

In Mexico, President Felipe Calderon of the ruling National Action Party (PAN) was inaugurated on 1 December after a razor-thin margin of victory over his closest opponent, leftist populist Andres Manuel Lopez Obrador of the Party of the Democratic Revolution (PRD). The July

election illustrated the country's polarization along socioeconomic lines. The new government has initiated steps to address problems in northern Mexico that affect both Mexican and US security concerns, including drug smuggling, human trafficking, and associated violence.

Crosscurrents in Asia

Northeast Asia

The rise of China and economic prosperity more generally—except for North Korea—are changing Northeast Asia in unprecedented ways. Trade and investment, driven by China's successful integration into the world economy through the World Trade Organization framework, is rapidly bringing the countries of this region closer together; but it still lacks mature, integrating security mechanisms, beyond the US security treaties with Japan and South Korea.

In 2006, Chinese leaders increasingly moved to align Beijing's foreign policy with the needs of domestic development, identifying opportunities to strengthen economic growth, gain access to new sources of energy, and mitigate what they see as potential external threats to social stability. At one and the same time, China places a priority on positive relations with the United States while strengthening ties to the other major powers, especially the EU and Russia.

PRC leaders continue to emphasize development of friendly relations with the states on China's periphery to assure peaceful borders. In the past year, China achieved notable success in improving relations with Japan under newly elected Prime Minister Abe and prospects for cross-straits conflict with Taiwan diminished. In addition to establishing strong bilateral ties, Beijing actively engages with many multilateral organizations, including ASEAN.

Beijing continues its rapid rate of military modernization, initiated in 1999. We assess that China's aspirations for great power status, threat perceptions, and security strategy would drive this modernization effort even if the Taiwan problem were resolved. The Chinese are developing more capable long-range conventional strike systems and short- and medium-range ballistic missiles with terminally guided maneuverable warheads able to attack US carriers and airbases.

Maintaining domestic social stability remains one of Beijing's top priorities. Rural discontent, which has erupted in an increasing number of local demonstrations and riots, could undermine continued rapid economic growth if not addressed. Hu Jintao's "harmonious society" program is an attempt to address these concerns by enhancing environmental protection, social service, and rule of law, while strengthening the Communist Party's position. The 11th Five-Year Plan enacted in 2006 seeks to put economic growth on a more secure footing by attempting to address rural complaints and extending economic prosperity to more disadvantaged segments of Chinese society. Implementation of this program would require a major shift of resources to the countryside, greater accountability of provincial leaders to Beijing, and stronger efforts to root out local corruption.

Lastly, some aspects of China's financial system are unhealthy, with state-owned banks maintaining large balances of non-performing loans. We nevertheless see a low risk of severe

financial crisis over the next five years; China is introducing market measures to the financial sector, and has massive foreign exchange reserves, current and capital account surpluses and low exposure to short-term foreign currency debt.

South Asia

We expect that India's growing confidence on the world stage as a result of its sustained high rates of economic growth will make New Delhi a more effective partner for the United States but also a more formidable interlocutor in areas of disagreement, particularly in the WTO.

New Delhi seeks to play a role in fostering democracy in the region, especially in Nepal and Bangladesh, and will continue to be a reliable ally against global terrorism, given the fact that India is a major target for jihadists in part because of the insurgency in Kashmir.

The three-year peace process between India and Pakistan has lessened tensions in the region and both sides appear committed to improving the bilateral relationship. New Delhi's threshold for responding militarily to terrorist attacks has apparently increased since the two countries last approached the brink of war in 2002. The Mumbai train bombings last year disrupted but ultimately did not derail the composite dialogue and a mechanism for exchanging information on terrorist attacks has been established. Yet, the prospect of renewed tensions between the two remains despite these improved relations, and we are mindful that Pakistan was a major source of nuclear proliferation until our efforts disrupted A.Q. Khan's network.

Nonetheless, New Delhi's concerns about Pakistan's tolerance, at a minimum, of terrorist attacks on Indian soil remains a dominant theme in relations, and risks derailing rapprochement. An attack on a high-profile target might lead New Delhi to take action to curtail militant capabilities in Pakistan or Pakistani Kashmir and punish Islamabad for its continued support to Pakistan-based militants. We remain concerned about the potential that such a conflict could escalate.

Although both New Delhi and Islamabad are fielding a more mature strategic nuclear capability, they do not appear to be engaged in a Cold War-style arms race based on a quest for numerical superiority.

For its part, as I noted previously, Pakistan is a frontline partner in the war on terror. Nevertheless, it remains a major source of Islamic extremism and the home for some top terrorist leaders. The prospect of renewed tensions with nuclear-armed India remains despite improved relations, and Pakistan had been a major source of nuclear proliferation until the disruption of the A.Q. Khan's network. Meanwhile, democracy has not been fully restored since the Army took power in 1999. With elections expected later this year, Musharraf continues to be criticized for remaining both the President and Chief of Army Staff, but there are no political leaders inside the country able to challenge his continued leadership. Musharraf's secular opponents are in disarray, and the main Islamic parties continue to suffer from internal divisions and an inability to expand their support base.

Eurasia in Flux

Eurasia in Flux

Fifteen years after the dissolution of the USSR, post-Soviet Eurasia remains in a state of flux—more so than even a year ago—but increasingly subject to Russian assertiveness.

Russia

As Russia moves toward a presidential election in March 2008, succession maneuvering has intensified and increasingly dominates Russian domestic and foreign policy. Against that backdrop, the last year has seen expanded Kremlin efforts to stifle political opposition and widen state control over strategic sectors of the economy. Those trends are likely to deepen as the succession draws closer.

Meanwhile, high energy prices and abundant oil and gas reserves continue to fan Kremlin aspirations for Russia to become an energy super-power. A flush economy and perceived policy successes at home and abroad have bolstered Russian confidence, enabled increased defense spending, and emboldened the Kremlin to pursue foreign policy goals that are not always consistent with those of Western institutions. Indeed, Russia is attempting to exploit the leverage that high energy prices has afforded it, increasingly using strong-arm tactics against neighboring countries.

Russian assertiveness will continue to inject elements of rivalry and antagonism into US dealings with Moscow, particularly our interactions in the former Soviet Union, and will dampen our ability to cooperate with Russia on issues ranging from counterterrorism and nonproliferation to energy and democracy promotion in the Middle East. As the recent Litvinenko murder demonstrates, the steady accumulation of problems and irritants threatens to harm Russia's relations with the West more broadly.

Other Eurasian States and Balkans

Ukraine's political situation is also unsettled. The power struggle between President Yushchenko and recently re-installed Prime Minister Yanukovych continues to buffet Ukrainian politics and national policy.

- Ukraine's Orange Revolution brought lasting changes, including greater media freedom and a strengthened role for civil society. Improvements to the political process resulted in free and fair parliamentary elections in March 2006. However, Yanukovych's re-emergence after his party won that election increased cynicism in the region about the promise of "colored" revolutions, bolstered Russia's position in the region and leaves Georgia isolated as virtually the only former Soviet republic fully-committed to Euro-Atlantic integration.

The future development of the Caucasus is likely to be intertwined with what may happen outside the region in Kosovo. If Kosovo gains independence this year—as seems likely—Russia has signaled that it might respond by recognizing breakaway regions in Georgia, a risky step.

American interests in Central Asia also face increasing challenges. Of the five countries in the region, three—Kazakhstan, Tajikistan, and especially Uzbekistan—are authoritarian; another, Kyrgyzstan, is semi-authoritarian and increasingly fearful of losing control; and the last,

Turkmenistan, is a dictatorship in the midst of a power struggle. All view our democratization agenda with suspicion. The repression, leadership stasis, and corruption that tend to characterize these regimes provide fertile soil for the development of radical Islamic sentiment and movements, and raise questions about the Central Asian states reliability as energy and counterterrorism partners.

- There is no guarantee that elite and societal turmoil across Central Asia will stay within the confines of existing autocratic systems. In the worst, but not implausible case, central authority in one or more of these states could evaporate as rival political factions, clans, or regions vie for power—opening the door to a dramatic expansion of terrorist and criminal activity along the lines of a failed state.

Energy Security and Competition for Supplies

Energy resources have long been a critical element of national security but globalization, unprecedented increases in demand, and the interactive effects of energy and other issues have both magnified and broadened the significance of developments in the global energy system. Oil prices have fallen by more than 25 percent since their peak last July and spare production capacity has grown to more than 2 million barrels per day. . Nevertheless we have entered a new era in which energy security has become an increasing priority not only for the US and the West, but also rapidly developing economies like China and India that are becoming major energy consumers.

This means that developments in the energy arena, narrowly defined, have significant and often multiple consequences in other areas. For example, high and escalating demand for oil and gas fueled by five years of unusually robust world economic growth have resulted in higher prices and windfall profits for producers. Producer nations benefiting from higher prices, and the potential political, economic, and even military advantages include several countries that are hostile to US interests.

Conclusion

Each of the national security challenges I have addressed today is affected by the accelerating change and transnational interplay that are the hallmarks of 21st century globalization. Globalization has transformed the way we communicate and conduct business, but it has also transformed the way we think about challenges and opportunities and in the way we define and confront our foes. Indeed, it is not too much of a stretch to say that events anywhere can—and often do—affect our interests and the security of our nation and our people. As a result, the Intelligence Community must maintain global coverage.

This does not mean that all places and problems are equally important. At any given point in time, we must and do accord greater attention to those that are most dangerous, most difficult, and most important to the policymakers, warfighters, and first responders who depend on information and insights from the Intelligence Community. The challenge we face is not catching up to globalization or getting ahead of globalization—it is recognizing the degree to which our national security is inextricably woven into the fabric of globalization.

In intelligence, our focus on the military, foreign, counterintelligence, and domestic dimensions of the threat must be all of a piece, seamlessly integrated to thwart attacks, prevent surprises, and provide policymakers with the time and insight they need to make decisions that will keep Americans safe. Thank you very much.

Unclassified Statement for the Record

Senate Select Committee on Intelligence

General Michael V. Hayden

Director, Central Intelligence Agency

11 January 2007

Thank you Mr. Chairman and members of the Committee.

The CIA is at the forefront of our nation's response to many of the challenges the DNI has just presented to the Committee. The men and women of the Central Intelligence Agency are indeed central to our nation's ability to detect, analyze, and warn of the risks and opportunities we face in an increasingly complex and fluid global environment.

Today, I will share with you briefly in open session—and more comprehensively in my classified Statement for the Record—some of the steps CIA is taking to build on our unique strengths and to help assure that the United States is able to meet the security challenges the DNI has described. This Strategic Intent—as I have discussed with the CIA workforce in recent weeks—is our roadmap to becoming a more effective organization in fulfilling our paramount mission: protecting the American people. Its central theme is integration—operating as a team within our Agency and with our Intelligence Community colleagues. We must combine our talents according to what the mission requires.

CIA must have world-class analysts who are experts in their fields and who employ rigorous analytic tradecraft in the assessments they provide policymakers—to include the US Congress. We must have core collectors who are conversant in the languages and cultures of the countries in which they serve and who can collect decisive intelligence against the hardest targets from a variety of platforms. Our support specialists must have the agility and proficiency to facilitate our Agency's work anywhere in the world, often on short notice. And our science and technology officers must always give our operations an edge our adversaries cannot match. The American people expect nothing less from us.

Collection

As the National HUMINT manager, CIA is working to build an integrated national HUMINT service and working to enhance relationships with foreign intelligence services while also coordinating the Intelligence Community's relationships with foreign partners.

Our focus remains on collecting information that reveals the plans, intentions and capabilities of our adversaries and provides the basis for decision and action. It is crucial

that we develop and deploy innovative ways to penetrate the toughest targets. From the perspective of CIA's collection, globalization is—as the DNI has stated—the defining characteristic of our age, requiring us to find new ways to collect key intelligence on the terrorist threat, emerging WMD proliferation, and volatile regional conflicts.

Counterterrorism

Waging a global, high-stakes war against al-Qa'ida and other terrorists that threaten the United States remains a fundamental part of CIA's mission. We work on our own, with other US Government agencies, and with foreign liaison partners to target terrorist leaders and cells, disrupt their plots, sever their financial and logistical links, and roil their safehavens.

- CIA's war on terror is coordinated and run from our Counterterrorism Center, or CTC, and carried out for the most part from our stations and bases overseas. CTC has both operational and analytic components, and the fusion of these two is key to success. CTC, moreover, works closely with the National Counterterrorism Center to assure protection of the homeland.

CIA's collection on terrorist targets—particularly human intelligence—has been steadily improving in both quantity and quality since 9/11.

- Access to information is a primary factor in an informant's value to us, and penetrating secretive terrorist organizations is among our greatest challenges.

- We have made significant strides in this regard—though I am extremely concerned about the damage done by rampant leaks in recent years. Besides setting back our efforts, leaks can and have led to grave consequences for our assets.

Terrorist plots and groups are not broken by single reports or sources, and no detainee knows everything about the compartmented activities of a group. Painstaking, all-source analysis is crucial to supporting and driving operations. The work of CTC has been crucial to identifying and targeting terrorists, vetting assets, and supporting overseas work.

WMD

CIA also dedicates significant resources to countering the threat posed by Weapons of Mass Destruction and associated delivery systems.

- We focus on North Korea and Iran, two states with WMD programs that threaten regional balances, US interests, and international arms control mechanisms like the Nonproliferation Treaty.

- We focus on the WMD and missile programs of Russia and China, which are large enough to threaten US survival if their political leaderships decided to reverse themselves and assume a hostile stance.

- We watch also for signs that other states or non-state actors may be taking early steps toward acquiring nuclear, biological, or chemical weapons.

- We also are trying to watch emerging technologies for any that might turn into the WMD of tomorrow.

Iraq and Afghanistan

In both Iraq and Afghanistan, we are working to gather critical information on terrorism, insurgency, stabilization, nation building, security issues, foreign relations, and infrastructure on both the strategic and tactical levels. A priority for our efforts is the collection of force protection intelligence to support the war fighting and counterterrorism activities of US and partner forces.

In Iraq, the insurgency, sectarian violence and the role of external actors acting against Coalition goals—such as Iran and Syria—remain key features of the unstable security situation and a major focus of our collection. In Afghanistan we are working to counter al-Qa'ida, Taliban, and other anti-coalition militants who threaten the stability of the Afghan state. We work closely with our military to enhance this collection in order to provide focused, significant intelligence to the policymaker.

- We maintain a very close relationship with the U.S. military on many levels, providing liaison officers dedicated to senior U.S. commanders as well as operating several working-level fusion cells to ensure all actionable intelligence is available immediately.

Open Source

To meet the challenge of global intelligence coverage that the DNI has outlined, the CIA is also playing a leading role in exploiting rapidly expanding open source information. As the executive agent for the DNI Open Source Center, CIA has elevated both the organizational status and visibility of the open source discipline, recognizing its unique and growing contributions to integrated collection and analysis within CIA and the Intelligence Community at large.

- The OSC collects from and analyzes a host of publicly available sources worldwide to alert against threats made against the United States and its citizens and to deliver the most reliable information possible to inform policymakers, warfighters, and all-source analysts throughout the government.

Analysis

Mr. Chairman, the ongoing successes of these collection and other efforts by the men and women of the CIA are also a foundation for our equally important analytic mission. Producing timely analysis that provides insight, warning and opportunity to the President and other decisionmakers is the foundation of CIA's analytic effort. As the DNI has made clear in his remarks today, we operate in an unstable and dangerous world where international terrorism, the rise of new powers, and the accelerating pace of economic and technological change are placing strains on the ability of states to govern and increasing the potential for strategic surprises.

- Our adversaries in the long war on terrorism are dispersed across the globe; they are resilient, ruthless, patient and committed to the mass murder of our citizens.
- The possession and proliferation of weapons of mass destruction threatens international stability and the safety of our homeland.
- The rise of China and India and the emergence of new economic "centers" will transform the geopolitical and economic landscape.
- Weak governments, lagging economies, and competition for energy resources will create crises in many regions.

The complexity and interdependence of these issues demands nothing less than the very best analysis. To achieve this we are pursuing a number of initiatives to continue to enhance analytic tradecraft, strengthen strategic analysis, and expand our analytic outreach.

We are making major investments in our analytic training. A 16-week course for all incoming analysts—the Career Analyst Program—has a dozen modules built around the analytic thinking process, including sessions on assumptions, framing questions, analytic tools, alternative analysis, and weighing information.

- The Sherman Kent School's 22-week Advanced Analyst Program is designed to meet the tradecraft needs of experienced analysts. Required courses focus on critical thinking, writing, briefing, and collection.

We have also established analytic tradecraft units in the analytic production offices to promote greater and consistent use of structured analytic techniques, including alternative analysis. We are developing a more consistent dialog about research programs with other IC members, with an eye toward some joint products that can draw on the comparative strengths of various IC members.

- These tradecraft cells, as well as the Red Cell, continue to produce alternative analytic papers designed to challenge conventional wisdom, lay out plausible

alternative scenarios, and re-examine working assumptions. They work with analysts and with the Sherman Kent School to help ensure that stretching the analytic spectrum is a routine part of CIA's analytic work.

CIA's analysts also routinely engage academics and outside experts to critique and strengthen our analysis. Analysts organize conferences to address strategic trends, host academics and other expert speakers, and attend conferences and other events sponsored by academic associations and think tanks.

In November, CIA launched an innovative online presentation of its daily intelligence publication—the World Intelligence Review (WIRe). The WIRe online leverages the best of modern web technology to ease access to CIA's intelligence, provides links to related content, and allows users to "tag" items in whatever fashion best supports their needs.

Mr. Chairman and Members of the Committee, in closing, I would like to affirm that as we pursue our strategic goals and position ourselves to meet the threats outlined here today, we will remain true to our core values of service, integrity, and excellence. They are the constants that reflect the best of our Agency's unique history and accomplishments. These are the values that have served us well and will continue to guide us.

Thank you.

Unclassified Statement for the Record

Senate Select Committee on Intelligence

Randall M. Fort

Assistant Secretary of State
Bureau of Intelligence and Research

11 January 2007

Unclassified Statement for the Record

Senate Select Committee on Intelligence

Randall M. Fort
Assistant Secretary of State
Bureau of Intelligence and Research

11 January 2007

Thank you, Mr. Chairman and members of the Committee.

I am pleased to have the opportunity today to present the views of the State Department's Bureau of Intelligence and Research on current and projected threats to the United States. As Ambassador Negroponte has noted, the Intelligence Community is acutely aware of, and there is a broad IC consensus about, the dynamic nature of threats to US interests. And INR generally shares the judgments presented by my IC colleagues.

Therefore, rather than revisit the assessments already stated, I would like to explain how INR, as the State Department's in-house intelligence unit, supports the Secretary of State and department principals by acting as what I would call an intelligence "force multiplier," identifying, assessing, and explaining the significance and relevance of threats that could jeopardize US diplomatic and foreign policy interests.

As the DNI stated, it is essential that the IC has in-depth, comprehensive global coverage to identify and understand the threats we face. At the same time, the difficulties inherent in anticipating rapid and unexpected changes within global financial markets and the technology sector, for example, pose potential challenges to our defense and foreign policy establishments.

In recognition of the urgency of these new challenges, Secretary of State Rice has established "Transformational Diplomacy" as one of the engines of our foreign policy. The aim of this new approach is to re-fashion traditional diplomatic institutions and practices to serve new diplomatic purposes. Changing the world, not merely reporting on it, is the operative essence of Transformational Diplomacy.

- The Secretary's new initiative underscores the pivotal role diplomacy plays in anticipating, understanding and countering real and potential threats to vital US interests. INR's mandate is to provide the timely, accurate and actionable intelligence analysis necessary to enable US diplomacy to

confront and address those threats and challenges, and we are uniquely placed to do so.

- It is critical that our diplomats receive intelligence and analytic support that both informs current operations and looks beyond the horizon at broader strategic dynamics, such as the effects of our democratization efforts – a key element in "Transformational Diplomacy" -- on regional political stability. INR seeks to identify threats, challenges, and opportunities at an early stage to provide policymakers time to take appropriate action.

In sum, the complexities of the world in which we live have blurred traditionally discrete lines among security interests, development efforts, economic objectives, and other traditional areas of diplomatic and analytic endeavor. Consequently, INR, and the Department of State are repositioning resources to focus on and support Transformational Diplomacy.

For example, the Department aims both to increase US diplomatic presence in more remote locations and prepare to react to a wide variety of humanitarian crises, including refugee flows, pandemics, and natural disasters. Naturally, INR must be ready to respond at a moment's notice and provide the intelligence support necessary to address those challenges.

Yet in an era of almost instant global awareness, the impact of our actions in one area can now be felt, or at least perceived, almost immediately elsewhere. Thus, analytical intelligence support is critical to an accurate understanding of the environment in which diplomatic initiatives are undertaken. INR is working within the Department and with our Embassies and smaller posts abroad to help policymakers both anticipate emergent crises and understand their long-term repercussions.

- INR's Humanitarian Information Unit (HIU), for example, shares broadly unclassified information via a web-based platform to facilitate coordination between US government civilian and military resources and private sector humanitarian response groups. The HIU is an excellent example of an open source intelligence "force multiplier."

An informed understanding of the perceptions of US policies and actions on the part of foreign publics and governments is prerequisite both to deciphering and comprehending the nature of the global environment, including potential and actual threats. Such knowledge is also critical to anticipating potential reactions to our policy initiatives and receptivity to offers of assistance generally and in crisis situations.

- To that end, INR conducts public opinion polling and focus group surveys throughout the world in order to gauge how US policies are perceived, as well as how individuals in key countries perceive the role and behavior of

their own governments. The sharper our understanding of the forces that drive those perceptions, the better prepared we will be to anticipate emergent threats.

The cross-cutting nature of the threats and challenges we face—especially from terrorism and weapons of mass destruction (WMD)—requires a fresh emphasis on understanding the intentions, and managing the behavior, of terror groups and related transnational actors. Regional cooperation is thus a key element of our counterterrorism strategy. Yet there are times when economic, political, and cultural barriers complicate or impede the cooperation we seek.

- Comprehensive, accurate intelligence analysis is needed to support policymakers in this regard, not only by identifying the threats, but also by ensuring a full understanding of the strengths, weaknesses, and perceptions of partners or potential partners so that policy is devised with the best information available.

Even as we seek to understand the terrorism threats faced by our allies, we must also remain vigilant to emerging trends, not only to identify threats, but to assist in identifying new potential partners and their strengths and weaknesses.

- INR prepares the annual all-source assessment of state sponsorship of terrorism that serves as the evidentiary base for the Secretary's determination regarding which states are publicly designated as state sponsors or as not-fully-cooperating with US Government counterterrorism measures. The "State Sponsor's" list thereby becomes a useful diplomatic tool for building and maintaining the counterterrorism coalition.

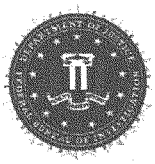
The threat posed by "failed states" points to the critical intersections of diplomacy, democracy promotion, economic reconstruction, and military security. And INR analysts routinely monitor local and regional political dynamics, economic and financial developments, and shifts in military operations, doctrine and thinking. Deep analytic expertise is required to confidently tease apart and make sense of seemingly unrelated trends and anomalies in these areas, even if our policy colleagues might not wish to hear about them.

- To focus our perspectives and encourage analysts to look beyond immediately recognizable trends, INR publishes a quarterly report on "global hotspots" designed to alert the Secretary of State and other interested policymakers to potentially troublesome trends that we have detected.

- Our focus is on areas that may have received only limited policy attention, but where significant threats may emerge in the future. The aim is to

identify areas where diplomatic action could make a difference, either by shifting the direction of a trend to forestall a threat from manifesting, or by enabling actions that could mitigate the impact of a crisis. In our first report published in early November 2006, the issues raised ranged from repercussions of electoral fallout in Mexico to concerns over political violence in Bangladesh and friction between Russia and Georgia. Policymakers were pleased with the product.

In conclusion, I believe INR's abiding challenge will be not only to maintain our vigilant watch over those threats that we know present a clear danger to US interests; going forward, we must also strive to think, analyze and write strategically in order to identify the challenges and opportunities arising from the complex and dynamic global environment. Thank you very much.



ROBERT S. MUELLER, III
DIRECTOR
FEDERAL BUREAU OF INVESTIGATION
BEFORE THE
SELECT COMMITTEE ON INTELLIGENCE OF THE
UNITED STATES SENATE

January 11, 2007

(U) In 2006, successes in the war on terrorism and the arrests of many key al-Qa'ida leaders and operatives have diminished the ability of the group to attack the United States Homeland. At the same time, the growing Sunni extremist movement that al-Qa'ida successfully spearheaded has evolved from being directly led by al-Qa'ida, to a global jihadi movement that is able to conduct attacks independently.

(U) As a result, the United States Homeland faces two very different threats from international terrorism – the attack planning that continues to emanate from core al-Qa'ida overseas and the threat posed by homegrown, self radicalizing groups and individuals – inspired, but not led by al-Qa'ida – who are already living in the US. While they share a similar ideology, these two groups pose vastly different threats due to their differences in intent and attack capability.

(U) Al-Qa'ida

(U) The United States has made significant headway in countering al-Qa'ida's ability to execute attacks worldwide, including the US Homeland, but the group continues to pose the most serious international terrorism threat we face.

(U) Despite the successes this year in depleting al-Qa'ida's senior ranks and disrupting ongoing attack planning, the group has been able to rebuild itself and remain viable – finding new staging grounds for attacks, promoting from within, and using the skills and abilities of its seasoned veterans to continue its worldwide attack planning.

(U) We assess al-Qa'ida's strategy for conducting an attack inside the United States continues to include proven tactics and tradecraft with adaptations designed to address its losses and our enhanced security measures.

For example, we believe:

- (U) Al-Qa'ida is still seeking to infiltrate operatives into the US from overseas who have no known nexus to terrorism using both legal and possibly illegal methods of entry.

- (U) We also believe, if it can, al-Qa'ida will obtain and use some form of chemical, biological, radiological or nuclear (CBRN) material.

- (U) Al-Qa'ida's choice of targets and attack methods will most likely continue to focus on economic targets, such as aviation, the energy sector and mass transit; soft targets such as large public gatherings and symbolic targets, such as monuments and Government buildings.

(U) Throughout 2006, al-Qa'ida made efforts to align itself with established regional terrorist groups, such as the **Salafist Group for Preaching and Combat or GSPC** that may expand the scope of the threat to the Homeland. In addition, al-Qa'ida is also finding it easy to attract individual members of these groups who align closer to Bin Ladin's ideology and crave a more global agenda. This strategy has been particularly successful in recruiting individuals from Pakistani and Kashmiri militant groups operating overseas as was evident in the recently disrupted al-Qa'ida related airline plot out of the United Kingdom.

(U) In a recent and rare public statement by the director of the British Security Service, Director Manningham-Buller outlined the terrorist threat the United Kingdom is currently facing and cited some sobering statistics that highlighted the continuing threat to US and its Allies.

- According to the BSS Director, the United Kingdom is tracking 1600 individuals who are part of at least 200 networks that are actively plotting terrorist attacks against British targets, as well as Western targets overseas. She added the United Kingdom is following at least 30 plots as of November 2006, many of which are linked to al-Qa'ida in Pakistan and using British born foot soldiers living in the United Kingdom in its attack planning.

(U) Due to the stark differences in the history, the population, and the immigrant assimilation in our two countries, it is difficult to directly compare our terrorism threat to theirs. While in general, the number of subjects we are monitoring is proportional to the number of subjects BSS is monitoring – based on gross national population – we see relatively fewer active "plots" involving physical

attacks within the United States, less defined networks of extremists, and less developed attack planning compared to those described by the BSS Director.

(U) It is also possible, however, that al-Qa'ida's strategy for attacking the US Homeland includes using the UK as a stepping stone for al-Qa'ida operatives to enter the United States. We are working closely with our partners in the United Kingdom to counter this possible threat and to identify any US connections to the UK networks currently being monitored.

(U) Homegrown Threat

(U) As I stated earlier, we face two different threats from international terrorism and when we look at the homegrown threat, in contrast to the threat from al-Qa'ida, it is critical to be aware of the differences in intent and capability in order to understand and counter the threat. This year, we disrupted several unsophisticated, small scale attack plans that reflect the broader problem homegrown extremists pose.

- (U) Last year, we disrupted a homegrown Sunni Islamic extremist group in California known as the **JIS, a.k.a. "Assembly of Authentic Islam,"** operating primarily in state prisons, without apparent connections or direction from outside the United States and no identifiable foreign nexus. Members of the JIS committed armed robberies in Los Angeles with the goal of financing terrorist attacks against the enemies of Islam, including the US Government and supporters of Israel.

- (U) This past summer, we arrested Narseal Batiste, the leader of a group with intentions to wage Jihad against the United States who were seeking to create their own army and government. Batiste also recognized his resource limitations, and sought to obtain material support or take direction from al-Qa'ida. The group was composed mostly of US Persons, many of them born in the United States, and their intentions were to attack inside this country.

- (U) Also in 2006, the FBI, along with other federal agencies and foreign partners, dismantled a global network of extremists operating primarily on the Internet and independently of any known terrorist organization. The leaders of this group, who were from Georgia, had long term goals of creating a large network of extremists in preparation for conducting attacks, possibly inside US.

(U) The diversity of homegrown extremists and the direct knowledge they have of the United States makes the threat they pose potentially very serious. The radicalization of US Muslim converts is of particular concern. While conversion to Islam, in itself, does not directly lead to radicalization, converts appear to be

more vulnerable and likely to be placed in situations that put them in a position to be influenced by Islamic extremists.

(U) Radicalization

(U) In 2006, al-Qa'ida and its sympathizers continued their attempts to make global jihad accessible to English-speaking Western Muslims by disseminating large amounts of violent Islamic extremist propaganda in English via media outlets and the Internet. Multiple Internet sites that are dedicated to the spread of radical Islamic propaganda, deftly exploited any and all terrorist and political events, including the war in Iraq.

(U) Al-Sahab, al-Qa'ida's official media component, released 48 videos last year, the most al-Qa'ida ever released in one year. This acceleration in production is likely intended to mobilize the global jihad movement and demonstrate that al-Qa'ida remains relevant and its main ideological driver.

(U) The Internet has facilitated the radicalization process, particularly in the United States, by providing access to a broad and constant stream of extremist Islamic propaganda, as well as experienced and possibly well connected operators via web forums and chat rooms.

(U) The Threat from other Terrorist Groups

(U) While al-Qa'ida, its affiliates and independent Islamic jihadist groups inspired by the global jihad remain the primary threat to the US Homeland, other groups, such as Iranian-supported Lebanese Hizballah, warrant attention due to their ongoing fundraising, recruitment, procurement, and capability to launch terrorist attacks inside the US.

(U) Shia Extremists

(U) As seen in the summer 2006 conflict with Israel, Hizballah has a well trained guerilla force that is proficient in military tactics and weaponry capable of striking US interests. To date, Hizballah has not conducted an attack within the US homeland. Rather, US Hizballah associates and sympathizers primarily engage in a wide range of fundraising avenues in order to provide support to Hizballah to include criminal activities such as money laundering, credit card, immigration, food stamp, and bank fraud, as well as narcotics trafficking.

- (U) Our efforts to stem the flow of material and monetary support to Hizballah over the past few years has led to numerous Federal indictments, including material support to a terrorist organization and federal racketeering charges, resulting in the arrest of suspected Hizballah supporters and approximately 5 million dollars in property seizure and court ordered restitution.

(U) Iran continues to present a particular concern due to its continued role as a state-sponsor of terrorism, its development of a nuclear program and commitment to promoting an Iranian-inspired extreme version of Shia Islam within the United States. Iran is known to support Iraqi Shia militia groups and terrorist groups such as Hizballah and non-Shia Palestinian terrorist organizations.

(U) Palestinian Terrorist Groups

(U) Despite calls from al-Qa'ida's Ayman Zawahiri to Palestinian terrorist groups to don the mantle of the global jihad, most Palestinian groups have maintained their longstanding policy of focusing their attacks on Israel. Additionally, the ongoing factional in-fighting between HAMAS and Fatah elements in the Palestinian territories has consumed the attention of most of the Palestinian organizations. The primary focus of US-based Palestinian groups remains fundraising, propaganda for the Palestinian cause and proselytizing.

(U) The FBI continues to make inroads into dismantling the US financial infrastructures of these Palestinian terrorist organizations.

- On April 14, 2006, Sami al-Arian pled guilty to one count of conspiracy to support a designated foreign terrorist organization in violation of International Emergency Economic Powers Act and as part of the plea, admitted to material support of Palestine Islamic Jihad or PIJ.

(U) The Threat Posed by Domestic Terrorist Groups

(U) While much of the national attention is focused on the substantial threat posed by international terrorists to the Homeland, we must also contend with an ongoing threat posed by domestic terrorists based and operating strictly within the United States. Domestic terrorists, motivated by a number of political or social issues, continue to use violence and criminal activity to further their agendas.

(U) Despite the fragmentation of white supremacist groups resulting from the deaths or the arrests of prominent leaders, violence from this element remains an ongoing threat to government targets, Jewish individuals and establishments, and non-white ethnic groups.

(U) The militia/sovereign citizen movement similarly continues to present a threat to law enforcement and members of the judiciary. Members of these groups will continue to intimidate and sometimes threaten judges, prosecutors, and other officers of the court. Sporadic incidents resulting in direct clashes with law enforcement are possible and will most likely involve state and local law enforcement personnel, such as highway patrol officers and sheriff's deputies.

(U) Some US-based black separatist groups follow radical variants of Islam, and in some cases express solidarity with international terrorist groups. These groups could utilize black separatists to collect intelligence on US targets or to identify radical elements within the African-American community who could act as surrogates on their behalf.

(U) Animal rights extremism and eco-terrorism continue to pose a threat. Extremists within these movements generally operate in small, autonomous cells and employ strict operational security tactics making detection and infiltration difficult. These extremists utilize a variety of tactics including arson, vandalism, animal theft, and the use of explosive devices.

(U) WMD Acquisition and Use by Terrorist Groups

(U) Transnational and domestic terrorists and state sponsors of terrorism continue to demonstrate an interest in acquiring and using chemical, biological, radiological, and nuclear weapons or CBRN. CBRN weapons are advantageous for terrorists to use to cause mass casualties, mass panic, economic disruption, and summon US government responses.

(U) Few if any terrorist groups are likely to have the capability to produce complex biological or chemical agents needed for a mass casualty attack, but their capability will improve as they pursue enhancing their scientific knowledge base by recruiting scientists as some groups are doing. Currently, terrorist groups have access to simple chemical and biological agent recipes passed on at training camps or through the Internet and anarchist cookbook publications. Although a nuclear terrorist attack is the least likely to occur due to the required technical expertise and challenges associated with acquiring weapons usable material, the intent of terrorists to obtain this material is a continuing concern. The ability of a terrorist group to build and use a Radiological Dispersal Device (RDD) is well within the capability of extremists who already understand explosives if they are able to acquire radiological material.

(U) To counter this threat, the FBI established the WMD Directorate in July 2006 to consolidate the FBI's WMD components. The Directorate integrates and links all the necessary intelligence, scientific, and operational components to detect and disrupt the acquisition of WMD capabilities and technologies for use against the US Homeland by terrorists and other adversaries.

(U) WMD Proliferation and other Foreign Intelligence Threats

(U) The US government has identified 21 countries, of which Iran, North Korea, and China are of greatest concern, with the capability to either develop WMD systems or acquire export-controlled WMD and dual-use items and sensitive technologies. The FBI has leveraged its statutory authority in export matters with

nexus for foreign counterintelligence activities and enhanced interagency cooperation and coordination to address this threat to US national security.

(U) From an operational perspective, FBI Headquarters, field agents, and their counterparts at DHS and the Department of Commerce have successfully conducted joint investigations that have led to arrests of individuals for violations of US export laws and have produced intelligence in support of national intelligence collection requirements. The resulting intelligence has enabled the intelligence community to better understand the threat to national security from foreign government exploitation of international commerce in foreign targeting of WMD and other sensitive US technologies and information.

(U) While preventing another terrorist act on US soil is the FBI's primary mission, protecting the United States from espionage and foreign intelligence operations is also of vital importance. Recent investigative successes highlight the fact that foreign governments continue to target the United States for sensitive and classified information and technology.

(U) In 2006, the FBI arrested 20 individuals on espionage-related charges and disrupted foreign intelligence operations through *persona non grata* and other removal actions, and by objecting to visas for intelligence officers seeking entry into the United States.

- (U) Espionage arrests include that of a Cuban-American university professor for acting as an agent of the Cuban Government. Though the professor had no direct access to classified US information, one of his tasks was to spot and assess American students who may pursue a career in the US Government.

(U) Similarly, the arrests of a US defense contractor and his co-conspirators for passing sensitive weapons technology to the People's Republic of China (PRC), confirm that foreign states are using non-traditional actors and methods to collect classified, sensitive, and commercially valuable proprietary information and technology. Other FBI investigations revealed trusted insiders compromising classified or sensitive information to a wide range of US allies.

(U) In 2006, the FBI identified a core group of top country threats demonstrating the intent, capability, and opportunity to target and collect information and technology in the United States using both traditional and non-traditional means.

(U) Within this core group, two countries' targeting was both broad and deep—aimed at the United States' most sensitive technologies, such as those related to weapons of mass destruction (WMD), as well as others deemed critical to the US national defense, and at the US Government itself, in an attempt to penetrate organizations that set policy, collect intelligence, or protect against foreign adversaries.

(U) While not posing as broad a threat as these two countries, the remaining top country threats engaged in activities inimical to US interests, such as attempts to penetrate the US Government or repeated efforts to collect sensitive or critical technologies, to include WMD. Given the United States' continuing dominance in world affairs, there is every expectation that we will continue to be targeted, by these and other countries. In response, the FBI must continue to refine and improve its foreign counterintelligence (FCI) program.

(U) Since implementing its first National Counterintelligence Strategy in 2002, the FBI has improved its understanding of the threat. Through partnerships with other government agencies and the private and academic sectors, the FBI has not only corroborated long-standing assumptions concerning high-level foreign intelligence activities in the United States, but has detected far greater levels of activity than originally projected; stealing and compromising of classified and non-classified technologies are occurring at levels previously unknown. As a result, this year the FBI is updating its National Counterintelligence Strategy to reflect more advanced objectives and priorities. The focus of the 2007 Strategy will continue the shift from investigating activities after the fact to preventing foreign intelligence collectors from stealing our most sensitive and vital information and technologies in the first place.

(U) Cyber Security Threats

(U) Finally, the FBI is concerned by cyber security threats, which may come from a vast array of groups and individuals with different skills, motives, and targets. The nation's security, economy, and emergency services rely on the uninterrupted use of the Internet and telecommunications infrastructure to ensure continuity of government and military operations, financial services, transportation, and Supervisory Control and Data Acquisition (SCADA) systems such as water, power and fuel refinement, storage, and transportation.

(U) Terrorists increasingly use the Internet to communicate, conduct operational planning, propagandize, recruit, train, store information, and obtain logistical and financial support. Foreign governments have the technical and financial resources to support advanced network exploitation, and to launch attacks on the information infrastructure and physical infrastructure. Criminal hackers can also pose a national security threat if recruited, knowingly or unknowingly, by foreign intelligence or terrorist organizations. In addition, cyber fraud activities pose a growing threat to our economy, a fundamental underpinning of our national security.

(U) Computer networks may be targeted for a variety of reasons. In addition to the national security implications of stealing or altering military or intelligence data, a cyber attack might be launched to facilitate or amplify a physical attack, for example by disrupting critical emergency response services or denying access to health records. Finally, it is worth noting that computer networks – and

our reliance upon them to enhance our national security – also remain vulnerable to physical damage by way of intentional attack or natural disaster.

(U) Conclusion

(U) Mr. Chairman, working closely with our partners in intelligence, law enforcement, military and diplomatic circles, the FBI's primary responsibility is to neutralize terrorist cells and operatives here in the United States and help dismantle terrorist networks worldwide. Although protecting the United States from terrorist attacks is our first priority, we remain committed to the defense of America against foreign intelligence threats as well as the enforcement of federal criminal laws, all while respecting and defending the Constitution.

(U) Mr. Chairman, thank you for the opportunity to join my colleagues today to provide an update on our efforts to combat all threats against this nation. I look forward to working with this Committee as we continue these crucial efforts. I am happy to take any questions you might have.

Current and Projected National Security Threats to the United States

Lieutenant General Michael D. Maples, U.S. Army
Director, Defense Intelligence Agency

Statement for the Record
Senate Select Committee on Intelligence Committee
11 January 2007

INTRODUCTION

Good afternoon Chairman Rockefeller, Vice Chairman Bond, and members of the committee. Thank you for this opportunity to testify today and your continued support to the dedicated men and women of the Defense Intelligence Agency. Our nation faces a variety of complex national and transnational threats and challenges. My testimony will outline the state of the insurgencies in Iraq and Afghanistan, the current threat from global terrorism and proliferation of Weapons of Mass Destruction. Finally, I will discuss defense related developments in states and regions of concern and other transnational issues.

CONFLICT IN IRAQ

We have seen some recent developments that give hope for progress. These include efforts to address problems associated with de-Ba'athification and increased cooperation between Sunni Arab tribes and the government in al Anbar Province. Additionally, Prime Minister Maliki has made gestures to the Sunni minority such as offers to reinstall some Saddam-era military leaders and the issuance of arrest warrants for Ministry of Interior personnel accused of abuses. Some rogue elements from Muqtada al-Sadr's movement have also been expelled from his organization.

We note the continued development and increased capability of the Iraqi Security Forces (ISF) and police. The ISF will meet manning, training, and equipment milestones, improving unit capabilities. Nevertheless, the ISF will remain dependent on Coalition support. ISF units continue to struggle with militia influence and instilling discipline in their formations to gain legitimacy with the population.

Despite these positive developments, significant challenges to U.S. and Coalition Forces remain. Violence in Iraq, as measured over the past year, continued to increase in scope, complexity, and lethality. The Sunni Arab-based insurgency continues to gain

strength and capacity despite progress in the political arena and positive developments in the ISF. The conflict remains a sectarian struggle for power and the right to define Iraq's future identity. Overall attacks averaged approximately 160 per day in December 2006, down from record high in October 2006 of approximately 180. The daily average of attacks against Iraqi Security Forces in December remained consistent with recent months averaging approximately 30 per day. Daily attacks on civilians in December also averaged approximately 30 per day, down from record highs in October. IED use increased in 2006 and was responsible for roughly 60% of Coalition casualties.

We have also noted a change in the character and dynamics of the conflict. The perception of unchecked violence is creating an atmosphere of fear, hardening sectarianism, empowering militias and vigilante groups, hastening a middle-class exodus, and shaking confidence in government and security forces. The sectarian violence, a weak central government, problems in providing basic services, and high unemployment are encouraging more Iraqis to turn toward sectarian groups, militias, and insurgents for basic needs, threatening the unity of Iraq. Moreover, robust criminal networks act as insurgent and terrorist force multipliers. Many Sunni Arabs, motivated by fear, financial incentive, perceptions of marginalization, and exclusion from Iraqi government and security institutions, act as insurgent sympathizers, capable of supporting the insurgency.

Since 2003, the fight to define post-Saddam Iraq has been primarily an intra-Arab conflict to determine how power and authority will be distributed. We note that conditions for the further deterioration of security and stability exist within this ongoing struggle. Although a significant breakdown of central authority has not occurred, Iraq has moved closer to this possibility because of weak governance, increasing security challenges, and the lack of a national compact.

Conflict in Iraq is in a self-sustaining and growing cycle in which violent acts increasingly generate retaliation. Insecurity rationalizes and justifies militias, in particular Shi'a militias and increases fears in the Sunni Arab community. The result is additional support, or at least acquiescence, to insurgents and terrorists such as AQI.

Shi'a militants, most notable Jaysh al-Mahdi, account for some of the increases in violence.

Baghdad is the center of the Shi'a and Sunni Arab conflict as both groups fight for territory and political influence. Sectarian attacks constitute most of the violence in mixed-ethnic areas in and around the capital, while Coalition Forces remain the primary target in the Shi'a South and Sunni West.

Iraqi Security Forces, particularly the Ministry of Interior forces, are infiltrated by members of the Supreme Council for Islamic Revolution in Iraq's Badr organization and Muqtada al-Sadr's Jaysh al-Mahdi. The Jaysh al-Mahdi often operates under the protection or approval of Iraqi Police. Many Sunnis view the ISF as a Shi'a led tool of oppression. Some Jaysh al-Mahdi cells may operate outside Sadr's direct guidance and conduct independent operations.

Attacks by terrorist groups account for only a fraction of insurgent violence, yet the high-profile nature of their operations and tactics have a disproportionate impact. Al-Qaida in Iraq (AQI) is the largest and most active of the Iraq-based terrorist groups. AQI's attacks against Iraqi government targets and Coalition Forces continue apace. AQI is one of the most visible perpetrators of anti-Shi'a attacks in Iraq and has capitalized on the current cycle of sectarian violence by increasing perceptions its operations are in defense of Sunni interests. Ansar al-Sunna, the second most prominent terrorist group in Iraq, also poses a threat to stability in Iraq and has longstanding ties to AQI and external al-Qaida elements. Hard numbers for foreign fighters in the Iraq insurgency are unavailable. DIA judges less than 10% of insurgents are foreign fighters. The majority of these individuals are used as suicide bombers.

The building, training, and deploying of Iraqi Security Forces and police is progressing, although politicization of the security ministries remains a challenge. The ISF are meeting the manned, trained and equipped milestones, have improved unit capabilities, and are increasingly taking the lead in security operations. They remain

generally dependent on Coalition support. We judge the Iraqi Security Forces are presently unable to stand alone against Sunni insurgents, al-Qaida in Iraq and Shi'a militias. Moreover, the Iraqi Government has not yet effectively addressed core Sunni Arab grievances.

Iraqi government officials continue attempts to achieve national reconciliation, but attacks against civilians, a key driver of ethno-sectarian conflict, continue to increase. Political leaders' inability to resolve key issues such as federalism, de-Ba'athfication, amnesty for insurgents, and militia integration also contribute to continued Sunni Arab discontent, fueling support for terrorist and insurgent groups. Sectarian differences limit the effectiveness of government as groups maintain hard-line stances on contentious issues.

The Iraqi economy has experienced moderate growth despite the security situation, which continues to impede and increase overall costs of reconstruction. However, the inability to realize significant improvements in the oil and fuels sector and in electricity production and distribution creates drag on the economy while undermining the average Iraqi citizen's support for the central government and Coalition.

DIA judges that continued Coalition presence is the primary counter to a breakdown in central authority. Such a breakdown would have grave consequences for the people of Iraq, stability in the region, and U.S. strategic interests. No major political figure in Iraq has endorsed the notion of civil war or partition, and most political and religious leaders continue to restrain their communities. Moreover, DIA judges that most Iraqis recall a past in which sectarian identity did not have the significance it does today. Although leaders across the political spectrum who are participating in the government continue to talk and search for a positive way forward, the challenges to bringing stability and security with a cohesive, unified, and effective government remain significant.

CONFLICT IN AFGHANISTAN

The Taliban-led insurgency is a capable and resilient threat to stability in Afghanistan, particularly in the Pashtun south and east. Despite absorbing heavy combat losses in 2006, the insurgency strengthened its military capabilities and influence with its core base of rural Pashtuns. Overall attacks doubled in 2006 from the previous year. Suicide attacks quadrupled from 2005 levels and large-scale operations - those involving 50 or more fighters - increased significantly as well. A sustained international military and Afghan security presence in the volatile Pashtun south and east alongside credible civil administration is essential for solidifying central government control. Otherwise, the Afghan government may find itself in a stalemate with insurgents where it maintains control over cities and insurgents retain freedom of movement in the Pashtun dominated countryside.

Al-Qaida's strategic objectives—re-establishing the Islamic caliphate, unified by a common ideology rooted in a violent rejection of apostasy and characterized by fervent opposition to Western influence in traditionally Islamic countries—compel al-Qaida's commitment to the Afghan jihad, help shape its strategy there, and help to recast Afghanistan as a critical battleground in a broader battle against the West and apostate regimes. In a July 2005 letter, Ayman al-Zawahiri framed the jihad in Afghanistan as a vanguard for ultimately establishing an Islamic state in the Levant, Egypt and neighboring states in the Arabian Peninsula and Iraq; multiple public statements by Zawahiri have since repeated this point.

The Afghan government is maintaining generally favorable and stable relations with most, but not all, of its neighbors. Afghanistan's relations with Pakistan are strained due to continued Taliban reliance on safe-haven in Pakistan.

In 2006, efforts by the government and provincial governors resulted in the greatest poppy eradication in four years. However, the Afghan drug trade remains a major source of revenue for insurgents and is a corrupting influence over government

officials. Poppy cultivation will continue unless improved alternative livelihood programs, law enforcement, and judicial reform are implemented.

President Karzai's administration has been struggling to improve its performance and expand its presence. Although the Afghan government has established national-level political institutions by drafting a new constitution, holding a legitimate presidential election, and creating a democratically elected National Assembly, local governments receive limited resources from Kabul and struggle to provide effective governance. Additionally, the Afghan National Army and Police have been unable to effectively promote security, particularly in the volatile south and east. They remain hindered by a shortage of skilled personnel, tribal and ethnic rivalries, and corruption.

Nearly five years after the Taliban's fall, many Afghans expected the situation to be better by now and are beginning to blame President Karzai for the lack of greater progress. These unrealized expectations contributed to an erosion of support for his administration. Nevertheless, President Karzai is still the most powerful political figure in Afghanistan. President Karzai will need to secure successes in the months ahead to convince Afghans that his administration can counter and eventually defeat the Taliban. DIA assesses the Taliban led insurgency will remain a threat in 2007 and its attacks will increase this spring.

WAR ON TERRORISM

Al Qaida and Sunni Extremists. Developments over the last year have highlighted the continuing threat posed by terrorism to the security of the United States. The United States and its allies achieved major successes against al-Qaida and its associated movement, including the elimination or capture of key leaders and the disruption of major plots. These achievements unfortunately highlight the resiliency of these groups and resonance of their message. For example, in August 2006, British and Pakistani security disrupted an al-Qaida cell, directed by al-Qaida leadership in Pakistan

that planned to bomb nearly a dozen U.S. airliners bound for the U.S. in mid-air. The group intended to smuggle liquid explosives aboard the aircraft and assemble and detonate the devices while the airliners were in mid-air. In June 2006, Canadian authorities detained 17 individuals who were planning a series of attacks in Ontario to include bombings, seizing Canadian Parliamentary buildings and a broadcast center, and taking hostages. Also, documents captured in a raid on an al-Qaida in Iraq (AQI) safehouse in Iraq revealed AQI was planning terrorist operations in the U.S. The disrupted plots underscore both the accomplishments achieved in union with our partners in the War on Terrorism and the continuing danger posed by al-Qaida. Despite being forced to decentralize its network, al-Qaida retains the ability to organize complex, mass-casualty attacks and inspire others.

Al-Qaida remains the most dominant terrorist organization and the most significant threat to U.S interests worldwide. In 2006, al-Qaida remained a loose network, broadly defined by the strategic objective of re-establishing their version of an Islamic caliphate, and unified by a common ideology rooted in the violent rejection of Western influence, especially in traditionally Islamic countries. Al-Qaida has consistently recovered from losses of senior leadership. Despite the deaths and capture of key operatives, new but less experienced leaders step forward and remain committed to transnational terrorist operations, including in the United States. Additionally, al-Qaida's increasing cooperation with like-minded groups has improved its ability to facilitate, support, and direct its objectives. For example, in his 2006 9/11 anniversary video, Zawahiri announced that the Algerian Group for Salafist Preaching and Combat formally aligned itself with al-Qaida.

Al-Qaida senior leadership in Afghanistan and Pakistan remain under pressure from U.S. and our Global War on Terrorism partners' military and intelligence efforts, hindering their ability to direct global operations. The increased number of statements issued last year by al-Qaida leadership, in particular Ayman al-Zawahiri, indicate the continuing strategic role Usama bin Ladin and al-Zawahiri seek to play despite their isolation. This rhetoric is designed primarily to provoke Arab and Islamic audiences to

undertake militant activities, regardless of locale or affiliation, in order to broaden and deepen their perceived global struggle; it is also designed to maintain influence over that struggle, to maintain recruitment and morale, and to place local insurgencies into the context of the wider global struggle.

AQI is the largest and most deadly of the Iraq-based terrorist groups. It continues to target Iraqi government interests and Coalition Forces. AQI conducts the most provocative anti-Shi'a attacks in Iraq - a hallmark of its strategy since 2003. It has instigated cycles of sectarian violence by characterizing its operations as defending Sunni interests. Furthermore, AQI continues to pose a regional and global threat. Seized documents and interrogations reveal AQI's intent to continue external attack planning.

CBRN Terrorism. Some terrorist groups see employing chemical, biological, or radiological materials as low-cost, high-impact options for achieving their goals. Even an inefficient dissemination of these materials, or a hoax incident, could have a substantial psychological and economic impact. Reporting continues to indicate that non-state actors, specifically al-Qaida, continue to pursue CBRN options. Usama bin Ladin has openly declared his interest in such materials since the 1990s. The recent press claim made by the al-Qaida in Iraq leader asking for nuclear scientists to make 'germ' and 'dirty' weapons reinforces al-Qaida's interest and desire to acquire CBRN materials. CBRN-related information is widely available, and if terrorists were to use unconventional materials in an attack, we believe they likely would use low-level biochemical agents such as ricin, botulinum toxin or toxic industrial chemicals such as cyanide. In addition to these low-level biochemical agents, al-Qaida exhibited an interest in anthrax, mustard, and sarin prior to Operation ENDURING FREEDOM. We also judge that al-Qaida and other terrorist groups have the capability and intent to develop and employ a radiological dispersal device. At this time, we do not believe that al-Qaida has a nuclear weapon capability, although acquisition remains a goal; the acquisition of sufficient weapons usable nuclear material remains al-Qaida's key obstacle to an improvised nuclear capability.

Other Terrorist Groups. Lebanese Hizballah continues training Iraqi Shi'a militias. Hizballah also continues to provide support to Palestinian terrorist elements to facilitate attacks in Israel. Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) has the lead for its transnational terrorist activities, in conjunction with Lebanese Hizballah and Iran's Ministry of Intelligence and Security (MOIS).

The Revolutionary Armed Forces of Colombia (FARC) continues to view U.S. government and DoD personnel as legitimate targets in Latin America. The FARC has held three U.S. DoD contractors hostage since 2003. The possibility of the FARC targeting U.S. interests and persons will remain as long as we are directly involved in Colombian counter-drug and counter-terrorism efforts.

Islamic World. Favorable opinion of Sunni extremists is waning among Muslims worldwide. Muslim casualties in the 2005 Amman bombings accelerated the decline that began in response to al-Qaida's attacks against Iraqi civilians. In a summer 2006 multi-country poll conducted by a U.S. NGO, approximately 25% of Jordanians expressed a lot or some confidence in Usama bin Ladin compared to 60% the year before. In Pakistan, approximately 38% of respondents stated they had some level of confidence in Usama bin Ladin, compared to 51% in May 2005.

Opinions of the West remain low in many Muslim countries. The caricatures of the Prophet Muhammad eroded the good will gleaned from U.S. relief efforts. Many Muslims believe the cartoons were deliberate insults and part of a Western besiegement of Islam. Muslim public opinion will continue to be sensitive to perceived affronts to Muslim values.

The Sunni-Shi'a divide remains largely a vehicle for Muslim power politics. Sunni and Shi'a governments will continue cooperation through their surrogates when presented with a common enemy, such as the coalition in Iraq or Israel. Where the sponsors' interests diverge—as with their spheres of influence in Iraq or on the African

periphery of the Islamic world—conflict will increase as competition for influence stiffens.

Islamic extremist groups will continue to attempt to gain popular support by exploiting governments' shortcomings in governance, corruption, economic development, and provision of critical services.

Extremism in Europe remains more a secular issue than a religious one. Many within Europe's burgeoning Muslim population increasingly voice discontent through extremism and violence with Europe's integration attempts. Extremism throughout the West will continue to be spread primarily through radical clerics, the Internet, and in prisons.

Egypt. Egypt is generally supportive of US goals and objectives. Most recently, President Mubarak's government has tried to mediate between HAMAS and Israel to secure the release of a captured Israeli soldier. Egypt's overall security environment is generally stable although susceptible to terrorist attacks as demonstrated by the April attacks on the Multinational Forces and Observers mission and on civilian targets in the Sinai Peninsula.

Other Persian Gulf States. Gulf Cooperation Council (GCC) states are stable, but leaders are concerned that instability in Iraq, the threat of terrorism, and a more aggressive Iran will directly affect them. Counterterrorism cooperation is improving, with pledges being made to increase regional effectiveness in the war on terrorism. There has also been progress in developing legal frameworks for the prosecution of terror planners and facilitators, although prosecution in the courts remains difficult. Despite GCC-wide acknowledgement of the Sunni extremist threat, two Sunni regimes with substantial Shi'a minorities – Saudi Arabia and Kuwait – and one with a Shi'a majority – Bahrain – have a fear of their Shi'a population's ability to threaten internal stability; a concern likely related to their fear of Iranian hegemony.

Pakistan. Pakistan's direct assistance has led to the eradication or capture of numerous al-Qaida terrorists. A series of counterterrorism successes earlier this year—including the capture or death of several key operatives—delayed al-Qaida attack planning and temporarily diminished leadership resources. Nevertheless, Pakistan's border with Afghanistan remains a haven for al-Qaida's leadership and other extremists. In a September accord with the Pakistan government, North Waziristan tribes agreed to curtail attacks into Afghanistan, cease attacks on Pakistani forces and expel foreign fighters. However, the tribes have not abided by most terms of the agreement. Al-Qaida's network may exploit the agreement for increased freedom of movement and operation.

The Pakistan government remains at odds with Afghanistan over the Taliban's presence in Pakistan. Additionally, Pakistan-based militants' continued attacks against India undermine Pakistan's ability to make lasting peace with its neighbor.

Southeast Asia. Thailand continues to struggle with entrenched Muslim separatist unrest in its southern-most provinces. Approximately 400 individuals were killed in shootings, arson attacks, and bombings in 2006 – approximately the same number as 2005 – although we cannot confirm that all such incidents were insurgency related. The insurgency is home grown, although local Muslim extremists have sought to emphasize solidarity with "oppressed" Muslims worldwide in order to incite hatred against Thailand's Buddhist majority. The government, installed following the September coup, has adopted a conciliatory approach that it hopes will ease tensions, but the insurgency is a decentralized movement and many younger militants appear intent to continue the struggle.

Separatist unrest elsewhere in Southeast Asia has been largely contained, in part, through government reconciliation efforts. Indonesia continues to successfully advance last year's historic peace accord that ended the 29-year conflict in the Aceh province, with elections on 11 December. Sporadic separatist violence in Indonesia's Papua province poses no serious security threat. The Philippines also achieved success

sustaining a ceasefire in its Muslim south with the Moro Islamic Liberation Front, although a risk of resumed fighting persists in the absence of an agreement. Elsewhere in the south, Philippine military operations since August have increased pressure on the terrorist Abu Sayyaf Group and Jemaah Islamiyah operatives on Jolo Island. These groups nonetheless are intent on continuing attacks, posing a persistent threat to American interests.

WEAPONS OF MASS DESTRUCTION

NBC Weapons. After global terrorism, the proliferation of weapons of mass destruction (WMD) remains the most significant threat to our homeland, deployed forces, allies, and interests. Increased availability of information together with technical advances has the potential to allow many new countries to develop nuclear, biological, and chemical weapons. This is an area of increasing concern.

North Korea continues to develop its WMD capability. North Korea's October 2006 detonation of a nuclear device marked its first nuclear test and an attempt to win international recognition as a nuclear state after a decades-long program to develop these weapons. North Korea could have produced several nuclear weapons from plutonium produced at its Yongbyon facilities. Major uncertainties surround the conditions under which the North would entirely abandon its nuclear weapons capability or the likelihood of the North transferring nuclear weapons-related technology abroad. North Korea's resources include a biotechnical infrastructure that could support the production of various biological warfare agents. DIA believes North Korea has had a longstanding chemical weapons stockpile of nerve, blister, blood, and choking agents.

Iran also continues to develop its WMD capabilities. Although Iran claims its program is focused on producing commercial electric power, DIA assesses with high confidence Iran remains determined to develop nuclear weapons. In 2007, DIA expects further progress including completion of a nuclear reactor Fuel Manufacturing Plant and

installation of additional centrifuges at Natanz. Iran has a growing biotechnology industry, significant pharmaceutical experience and the overall infrastructure that could be used to support a biological warfare program. DIA believes Iran is pursuing development of biological weapons. Iran has a large and growing commercial chemical industry that could be used to support a chemical agent mobilization capability.

DIA expects China's nuclear weapons stockpile to grow over the next ten years as new ballistic missile systems reach operational status. DIA also believes China has produced sufficient weapon-grade fissile material to meet its military nuclear weapons requirements for the immediate future. DIA believes China continues to maintain some elements of an offensive biological weapons program. China possesses a sufficiently advanced biotechnology infrastructure to allow it to develop and produce biological agents.

Russia maintains a full compliment of nuclear weapons. Although thousands of warheads have been dismantled, Russia relies on nuclear weapons as its primary means of deterrence and will continue to maintain and improve its forces and warheads. While we expect Russia to meet strategic nuclear warhead limits mandated by the 2002 Strategic Offensive Reduction Treaty (Moscow Treaty), we also believe they will continue to maintain a relatively large stockpile of non-strategic nuclear warheads. Russia's nuclear warhead and material security programs have improved. However, we continue to be concerned with the insider threat, terrorist attacks, and Russia's commitment to maintaining security improvements. We judge Russia also continues research and development that could support its chemical and biological warfare programs.

India and Pakistan are building larger stockpiles of fission weapons and are likely to work on advanced warhead and delivery system designs to increase the effectiveness of these weapons. Both nations have the infrastructure to support biological and some aspects of their chemical warfare programs.

Syria has pursued development of a strategic deterrent principally based on ballistic missile, chemical, and, to a limited extent, biological warfare programs, as a means of countering Israel's conventional force superiority. Syria's biotechnical infrastructure is capable of supporting limited biological agent development. DIA assesses Syria has a program to develop select biological agents. Syria has had a chemical weapons program for many years and already has a stockpile of the nerve agent sarin, which can be delivered by aircraft or ballistic missiles.

Ballistic Missiles. North Korea has an ambitious ballistic missile development program and has exported missiles and missile technology to other countries, including Iran and Pakistan. North Korea continues to develop the Taepo Dong 2, which could reach parts of the United States and is capable of carrying a nuclear payload. On 4-5 July 2006, North Korea conducted seven widely-published launches. The Taepo Dong 2 space launch vehicle / intercontinental ballistic missile was flight-tested for the first time and failed shortly after launch. Despite the failure of the Taepo Dong 2, North Korea successfully tested six theater ballistic missiles, demonstrating the capability to target U.S. forces and our allies in South Korea and Japan. North Korea is also developing a new intermediate-range ballistic missile and a new short-range, solid-propellant ballistic missile. Export of North Korea ballistic missiles will continue to be a concern.

Iran's ballistic missile forces continue to train extensively in highly publicized exercises. These exercises enable Iranian ballistic missile forces to hone wartime operations skills and new tactics. Iran continues its efforts to develop and acquire ballistic missiles capable of striking Israel and central Europe. It is fielding increased numbers of theater ballistic missile, and claimed it has incorporated anti-missile defense tactics and capabilities into its ballistic missile forces.

China continues to modernize and expand its ballistic missile forces to improve survivability and conventional war-fighting capabilities. It also continues to field an overwhelming number of conventional short-range ballistic missiles opposite Taiwan and is currently developing a number of new mobile conventional medium range systems.

Beyond increasing the capabilities of its theater ballistic missile force, China continues to develop and test three strategic long-range missile systems -- the DF-31 and DF-31A road-mobile ICBMs and the JL-2 SLBM. China remains committed to developing conventional ballistic missiles capable of targeting US and allied military assets in the region to deter intervention in a Taiwan crisis.

Russia remains committed to maintaining formidable strategic nuclear forces as a credible nuclear deterrent and symbol of great power status. Russia began fielding its new road-mobile SS-27 intercontinental ballistic missile in 2006 and fielding silo-based variants is ongoing.

Cruise Missiles. Advances in anti-ship cruise missiles, land-attack cruise missiles, and armed unmanned aerial vehicles will continue to threaten deployed U.S. forces and our allies. The number of systems achieving operational status, exports, and the sale of dual-use technology continues to fuel this threat. Advancements in anti-ship cruise missiles including the capability for land-attack will present a challenge in countering these missiles.

China's development of a Tomahawk-class ground-launched land-attack cruise missile continues and will enable it to execute strikes in the Asian theater. Iran continues to pursue development and production of improved anti-ship cruise missiles. During the conflict with Israel, Lebanese Hizballah became the first non-state actor to launch an anti-ship cruise missile. In several unsuccessful attacks, Hizballah also launched probable Iranian-supplied unmanned aerial vehicles; at least one was armed with explosives. Pakistan continues flight-testing indigenous land-attack cruise missiles. The Indian Navy has begun taking delivery of the ship-launched version of the Russian/Indian Brahmos supersonic anti-ship cruise missile.

Major Exporters. North Korea and entities in Russia and China continue to sell technologies applicable to WMD and missiles for revenue and diplomatic influence.

Russian entities continue to support missile programs and civil nuclear and biotechnology projects in other countries. Some of these projects can have weapons applications.

Chinese entities continue to supply key technologies to countries with WMD and missile programs, though it appears to be living up to its 1997 pledge to limit nuclear cooperation with Iran.

North Korea remains committed to selling missiles and related technologies. Although sales have declined to most customers due to its increasing international isolation, North Korea's relationship with Iran and Syria remain strong and of principal concern.

Non-governmental entities and individual entrepreneurs remain a concern. Past revelations regarding the A.Q. Khan nuclear proliferation network demonstrate how a complex network of suppliers with the requisite expertise and access to the technology, middlemen, and front companies can successfully circumvent international controls and support multiple nuclear weapons programs. Other examples of WMD-related supplier networks include those headed by Chinese national Q.C. Chen, which operated various supplier organizations over the past several years. Chen has been subjected to U.S. sanctions in violation of the Iran Non-Proliferation Act.

OTHER STATES AND REGIONS OF CONCERN

North Korea. We judge North Korea's missile launches and nuclear test were in part intended to improve its bargaining position at Six-Party Talks. DIA expects North Korea to continue to seek relaxation of U.S. financial actions against its banking interests and eventual recognition as a nuclear power.

North Korean military forces continue to suffer the consequences of the North's economic decline. Nevertheless, they remain capable of initiating an attack on South

Korea. Its large force provides the regime with an effective deterrent against the prosperous and modern South and the self-perceived option of employing threats to further North Korean national security goals.

No immediate prospect of regime collapse is evident. Kim Jong Il continues to maintain tight control over the military, government, and communist party. North Korea's pervasive ideological indoctrination has helped foster extreme nationalism which contributes to the strength of the regime.

Levant Conflict. The Israel Defense Forces (IDF) damaged some of Hizballah's arsenal and many of its buildings, but Hizballah's leadership remains unscathed and probably has already replenished its weapons stockpiles with Iranian and Syrian assistance. Lebanon was compelled to deploy the Lebanese Armed Forces (LAF) to the south, though the LAF has not moved to disarm Hizballah. Additionally, the Lebanese government has now been told it is accountable for what occurs on all Lebanese territory as a result of UN Security Council Resolution 1701.

Hizballah leaders claimed victory and grew more assertive in their political demands as demonstrated by ongoing opposition demonstrations in Beirut. Hizballah is currently focused on asserting political dominance in Lebanon. Iran and Syria remain committed to Hizballah's survival. Israeli defense officials have publicly opined that due to the fluid situation the conflict could reignite during the summer of 2007.

Iran. Iran continues to push for a reduced U.S. military presence in the Persian Gulf and Central Asia and weakened ties between the U.S. and its key Arab allies. Iran does not expect to militarily defeat any US-led coalition. Rather, it seems intent on imposing greater costs than western leaders and publics are willing to bear. As shown in its highly publicized Noble Prophet exercises, Iran intends to rely on asymmetric tactics, using its ballistic missiles, naval attacks in the restricted waters along its coast against U.S. forces, and possibly a strategic terror campaign to disrupt U.S. war plans. Iran has sought to improve its capabilities through equipment upgrades, procurement, and

exercises. Iran may be in the process of receiving the SA-15 air defense system from Russia, adding to its short-range air defense capability. Iran may also eventually acquire other advanced defense systems. Anti-ship cruise missiles, a small boat fleet, sea mines, and submarines comprise Iran's efforts to contest access to the Persian Gulf.

Meanwhile, Iran is attempting to expand its own regional influence. Iran seeks to bring Iraq into its sphere of influence and is providing economic aid to both win Iraqi hearts and minds and to gain an economic foothold. Iran is assisting Iraq's infrastructure needs; it recently agreed to supply kerosene to Kurdish areas, and intends to build a gas pipeline and rail lines between the two countries. Iran is also suspected of providing lethal aid to Shi'a elements.

Iran probably is pursing a dual-track policy in Afghanistan of publicly promoting Afghan stability, while possibly supporting some insurgent groups. This approach reflects Iran's intent to maximize political influence, hedge against uncertainty in Afghanistan by building relationships with several groups, and maintain pressure on U.S. forces.

Iran also continues to support Hizballah for countering Israeli and U.S. efforts in the region, especially after Hizballah's perceived success against Israel during clashes in July 2006.

Syria. Syria continues to support and help arm Hizballah to protect Syrian interests in Lebanon and provide leverage against Israel, which it continues to view as its greatest threat. Syrian interference in Lebanon is likely to continue, aimed at influencing Lebanon's policies on Hizballah, Israel, and the UN investigation of the assassination of former Lebanese Prime Minister Hariri.

The Syrian leadership is trying to balance a complex mix of objectives in Iraq. These include preventing U.S. success in Iraq and encouraging our eventual withdrawal, while at the same time improving relations with the Baghdad government, supporting a

unified Iraq, and avoiding a full-blown Iraqi civil war. Syria remains the primary insurgent gateway into Iraq due to corruption, smuggling networks, and cross-border tribal ties.

Syria continues to make minor improvements to its conventional forces. It did not make any major weapons acquisitions in 2006, continuing a trend begun in the mid-1990s. Instead, the Syrian military has focused its limited defense procurement dollars on low cost-high impact weapons such as anti-tank guided missiles, advanced tactical surface-to-air missiles like the SA-24, and upgrades to existing platforms. Syria also maintains an active chemical weapons program.

We judge the regime is generally stable with no cohesively organized opposition supported by a domestic constituency. The regime considers Islamic extremism its greatest internal threat.

China. The People's Republic of China (PRC) is in the midst of a more-than-decade-long military modernization program. The program's announced defense budget in 2006 was approximately $35 billion—a 14% increase from 2005—but we assess actual spending to be higher. PRC leaders remain focused on improving the quality of military personnel and developing or acquiring long-range, precision-strike missiles, modern fighter aircraft, a blue-water navy, and improved amphibious forces. China took delivery of the final three SS-N-27B-capable KILO-class submarines over the past year, completing its contract with Russia for eight of these submarines. China continued fielding its first indigenously built fourth-generation F-10 fighters. In addition, China remains focused on counterterrorism, domestic security, and maritime deployments, which hone its ability to respond to domestic instability and tensions in the East China or South China Seas.

China's strategic course appears to focus primarily on internal issues, and its foreign policy is driven by several related internal concerns: continuing economic development, maintaining communist party control, and safeguarding internal stability.

Recent PRC publications assert China's commitment to peaceful development. However, a major driver of Chinese foreign policy is the acquisition of adequate supplies of resources and materials for its development. China's energy demands, particularly petroleum, have risen sharply. China is the world's second largest consumer and third largest importer of oil, importing over 40 percent of its needs. China's continued search for energy may become a point of contention between itself and the West, potentially affecting its policy towards Iran, a key Chinese energy supplier.

Unification with Taiwan remains a long-term national goal. China's cross-strait policy through the Taiwan Presidential Elections in 2008 is to "prevent Taiwan independence." As long as Taiwan takes no further action toward independence, we judge China—assessing long-term military, economic, and diplomatic trends favors its interests—will not try to force unification. Also, recent political difficulties by Taiwan's President Chen Shui-bian probably reassured China's leaders over the course of its present policy.

China remains committed to resolving North Korea's nuclear issue through the Six-Party Talks. However, North Korea's provocative nuclear weapons test and multiple missile launches, including the Taepo Dong 2, most likely prompted China to be more discriminating in its support for the North, as indicated by its UN Security Council votes supporting international sanctions on the Kim Jong Il regime.

Russia. Presidential succession politics will preoccupy Russia over the next two years. As the end of President Putin's second term draws near in 2008, the battle for power and property will take increasing precedence over policymaking. We judge defense policy will not be a significant issue in the campaign and, whichever candidate is elected, it will not likely result in significant changes in Russian defense policy the first year in office.

Russian leaders view a strong military as a necessary component to return their country to great power status. They believe Russian strategic and non-strategic nuclear

capabilities are key factors in deterring aggression. To meet future mission requirements, modernization initiatives are ongoing, with primary emphasis on the SS-27 ICBM and Bulava SLBM strategic systems. In the general purpose forces, training activity within units of the Permanently Ready Force (PRF), which form the backbone of Russia's conventional capability, is at their highest post-Soviet level. In 2006, Russian military participation in exercises with foreign militaries increased by over 50 percent over the 2005 level. No 2006 exercise rose to the significance of the 2005 Russo-Chinese exercise, although additional Russian naval exercises in the Black Sea and an increased number of air/ground exercises with Central Asian and European countries were notable. Modernizing the country's outdated equipment and planning conversion to all-contract manning remain significant challenges despite increased defense spending. Converting the PRF to an all-volunteer force is likely to take longer than planned, since Russia is having significant problems in both attracting new and retaining already-signed contractees. Dissatisfaction comes primarily from perceived low pay, hostile service conditions, inadequate housing, poor family support, and other unfulfilled government promises.

Russia has made progress in suppressing North Caucasus separatists by employing more effective counterinsurgency operations and co-opting insurgents to fight former compatriots. Although weakened, small insurgent groups continue attacks on Russian targets in the region.

Russia opposes closer integration of former Soviet countries with the West. It has been especially adamant that Georgia abandon its western-leanings and has condemned the Georgian government for its "anti-Russian" policies. Russia remains steadfast in its peacekeeping commitments in the Georgian separatist area of Abkhazia and South Ossetia, although its presence there is a source of contention between Russia and Georgia.

Russia opposes comprehensive sanctions on Iran, in part to protect its own economic interests with Iran. Russia continues to press Iran to cease uranium enrichment activities, if only temporarily, and tone down its inflammatory rhetoric.

Russia's primary focus on the North Korean nuclear issue is to prevent an escalation to war. It stresses the necessity of the Six-Party Talks to resolve the conflict in a peaceful way. Russia viewed North Korea's October 2006 nuclear test as a blow to the nonproliferation regime.

Latin America. Nearly a dozen presidential elections in 2006 produced winners ranging from pro-business center-right to market-friendly social democrats and radical populists. Venezuela's President Chavez hardly won re-election and is following his mentor, Cuban President Fidel Castro, and President Chavez's vision for the continent. Venezuela cooperates with Cuban projects abroad. Key to this ideology is President Chavez's agenda to neutralize U.S. influence throughout the hemisphere. Regional military spending is increasing, Venezuelan purchased weapons and services from Russia, Iran, and China. Since 2005, Venezuela signed contracts with Russia for 24 Su-30MK2 advanced fighter aircraft, 50 transport and attack helicopters, and 100,000 assault rifles. President Chavez found allies in the newly-elected presidents of Bolivia and, to a lesser extent, Ecuador, and Nicaragua.

Other center-left leaders in Latin America have found common ground with the U.S. on a variety of issues. Chile's President Bachelet is a model for the reformist left in Latin America. She promotes democratic institutions, supports free trade, and favors constructive engagement with the U.S. Peru's recently-elected President Garcia continues to publicly oppose President Chavez's Bolivarian vision. Brazil's President Lula has his own vision of regional solidarity and eschews President Chavez's strident rhetoric. Early indications suggest Nicaragua's president-elect Ortega will also follow a pragmatic approach to governing, including pursuing free trade agreements.

In Cuba, Raul Castro is firmly in control as Cuba's acting president and will likely maintain power and stability after Fidel Castro dies, at least for the short-term. Raul Castro has widespread respect and support among Cuban military leaders who will be crucial in permanent government succession.

Africa. While there has been progress towards democracy and the diplomatic resolution of conflict in much of Africa, such advances remain fragile. In Sudan, despite a peace agreement that ended a 21-year long civil war between the north and south, violence and human insecurity in Darfur, Sudan are the worst since 2003-2004. Sudan is pursuing a military solution, using Arab "Janjaweed" militias to attack rebels and civilians. The African Union Mission in Sudan (AMIS) lacks the capacity to contain the violence, but the Sudanese government continues to oppose converting AMIS into a UN force. Since 2003, fighting has displaced over 2.2 million people, resulted in over 200,000 deaths, and contributed to instability in neighboring Chad and Central African Republic. Finally, statements from senior al-Qaida leaders have advocated attacks against UN or NATO peacekeepers if deployed to Darfur, creating an additional threat to Western forces.

In Nigeria, upcoming presidential elections will test the strength of the fledgling democracy as the public prepares for the first civilian-to-civilian transfer of power since independence. The potential for violence remains high as candidates from the predominantly Muslim north and Christian south compete for office. Among the leading issues is administration of Nigeria's oil wealth. Violence over control and access to oil in the Niger Delta has resulted in the kidnapping of oil workers, destruction of oil facilities, and a 25% reduction in oil production over the past year. Nigerian security forces have been unable to secure the vast oil infrastructure from militant attacks. Some oil companies warn that continued violence may prompt them to curtail future operations.

In Somalia, Ethiopian forces and the Ethiopian-backed Somali Transitional Federal Government (TFG) forces have forced Council of Islamic Courts (CIC) radical Islamists from Mogadishu. CIC forces have fled south to Kismayo and Ras Kamboni on

the Kenyan border with Ethiopian forces in pursuit. Ethiopia likely intends to eliminate as many of the radical Islamists and their camps as possible before withdrawing. The TFG remains dependent on Ethiopia for its existence. Meanwhile, multiple reports indicate the presence of foreign trainers in Somalia from Afghanistan, Pakistan, and the Arabian Peninsula. Al-Qaida is assessed to be assisting the radical Islamist elements of the CIC with leadership and training with hopes of establishing a future Taliban-like state.

TRANSNATIONAL ISSUES

Insurgencies. Insurgencies continue in other parts of the world. The only major insurgency in Latin America is the Revolutionary Armed Forces of Colombia (FARC). Its power and scope has waned under President Uribe's counterinsurgency efforts and that trend is expected to continue in 2007. Additionally, President Uribe may reach a peace agreement with the National Liberation Army (ELN), Colombia's second largest insurgent group. Colombia will also continue efforts to complete the complex paramilitary demobilization. In Sri Lanka, fighting between government forces and the Liberation Tigers of Tamil Eelam (LTTE) intensified since last summer. The situation is likely to remain unstable, marked by flare-ups of fighting and LTTE bombings and assassinations. Clashes between government and rebel forces in Eastern Chad continue. The looting of the UN humanitarian key supply point in Abeché during the most recent attacks has impeded international humanitarian efforts in eastern Chad. Recent government successes against rebels have diminished insurgent violence in eastern Chad and reduced the prospects of an imminent rebel attack toward N'djamena. Inter-tribal violence between black African and Arab tribes continues fueling tensions along the Chadian-Sudanese.

Global Defense Spending. Non-U.S. global defense spending grew in real terms by 2.5 percent in 2006, amounting to an estimated $738 billion. China ranked first with estimated spending of $80-115 billion. Russia was second at about $90 billion. The top

ten countries account for almost two-thirds of total spending, or $480 billion. Of the top ten spenders, China and South Korea increased spending in real terms the most, by 9.6 percent and 9.9 percent respectively. Surging economies allowed Russian defense spending to grow an estimated 6.4 percent and Indian by 4.2 percent. Defense spending by oil exporters, Iran and Venezuela, grew 6.7 percent and 12.5 percent respectively. We judge these trends will continue in 2007.

China and India are major buyers of advanced weapons systems and military technology, with acquisitions for the past two years of $3.4 billion and almost $12 billion, respectively. When combined with joint doctrine, increased training, and supported by adequate logistics, these advanced systems have the ability to significantly improve military capabilities. Venezuela emerged as a major arms buyer with acquisitions valued at $4.3 billion for the past two years. Venezuela has turned to Russia for hi-tech weaponry, including multi-role fighters with advanced air-launched missiles. Pakistani and Iranian purchases also have grown in the past two years, with Pakistan signing arms contracts worth almost $3 billion and Iran almost $1.7 billion.

Russia and China are of particular note as proliferators of conventional weapons. Russia is a leading arms exporter, with major sales of advanced weapons and military-related technology to China, India, Iran, and Venezuela. Items include multi-role fighter aircraft, ground equipment, major surface combatants and submarines, advanced air defense systems, and sophisticated communication and radar systems. Chinese sales declined to approximately $500 million in 2006 after surging to over $2 billion in 2005. China is a leading supplier to Sub-Saharan Africa.

International Crime. Some terrorist organizations, primarily the FARC and the Taliban, derive income from opiates and stimulants in drug-producing regions, like Afghanistan, South America, and Asia. In addition to direct profits from drug sales and the distribution of opiates and narcotics, some groups, like the Taliban, derive income from taxation along the drug trafficking route. For the Revolutionary Armed Force of Columbia (FARC), the drug-trade is an integral source of revenue. Some South America

based supporters of Lebanese Hizballah are suspected of sending a portion of their profits from narcotics trade to the group in Lebanon.

Space and Space-Denial Capabilities. Russia and China continue to be the primary states of concern regarding military space and counter-space programs. However, as the availability of space technology and services continues to increase, other nations already possessing capabilities in key areas will acquire military and commercial space-based assets. Increasing levels of international cooperation, along with the growing number of commercial space consortia, is allowing the proliferation of advanced satellite technologies and knowledge of space systems operations to become available to nations lacking a domestic space capability. These developments provide some countries new or more capable communications, reconnaissance, and targeting capabilities as most space systems have dual-use, military-civilian applications.

Several countries continue to develop capabilities that have the potential to threaten U.S. space assets, and some have already deployed systems with inherent anti-satellite capabilities, such as satellite-tracking laser range-finding devices and nuclear-armed ballistic missiles. A few countries are seeking improved space object tracking and kinetic or directed energy weapons capabilities. However, developing these technologies is financially taxing, and most countries assessed to be pursuing these capabilities are not expected to acquire them within the next few years. Other states and non-state entities are pursuing more limited and asymmetric approaches that do not require excessive financial resources or a high-tech industrial base. These efforts include denial and deception, electronic warfare or signal jamming, and ground segment physical attack.

Information Operations (IO). Information technology (IT) is integral to virtually all aspects of US national and economic security. IT also is a truly global industry, and the US is growing ever more dependent on foreign suppliers in order to maintain our political, military, and economic position. The increasing role of international companies and foreign individuals in information technologies and services used by US critical infrastructures raises the specter of persistent, stealthy subversion, particularly by hostile

foreign intelligence and military services with computer network operations (CNO) capabilities, but also by international terrorist or criminal organizations. The exclusion of foreign-origin products from sensitive networks or applications will become increasingly difficult to implement or verify.

Russia has the most highly developed, capable, and well-resourced IO capability among potential foreign adversaries. Russian foreign and military intelligence, as well as the Russian Security Service, have active offensive and defensive CNO programs. Assessed capabilities include insider recruitment, cryptology, viruses, software and hardware attacks, and remote penetration.

China has developed an apparent large scale CNO program, including military exercises to refine and implement concepts. China's robust presence in the global IT hardware and software supply chain enhances its technical expertise and IO capability. China is the number one IT hardware provider for U.S. consumers, accounting for 42 percent of U.S. IT hardware imports in 2005. As such, U.S. dependence on China for certain items critical to the U.S. defense industry and the waning of U.S. global IT dominance are valid concerns that demand vigilance.

Public Health Security. The uncontrolled spread of disease remains a significant international health concern. A nation's inability to control or contain diseases within its borders can have a negative impact worldwide. Conversely, rapid and effective responses enhance international safety. Thailand recently limited the spread of the H5N1 avian influenza by rapidly controlling outbreaks among poultry. Indonesia's continued struggle to control H5N1 raises the risk for an international pandemic. H5N1 remains a serious threat, with approximately 110 human infections and 80 deaths in 2006. H5N1 is only one of many potential infectious threats.

Damage to industrial or hazardous material storage facilities during armed conflict also poses catastrophic health risks. During Hizballah missile attacks in July 2006, Israel moved significant amounts of potentially hazardous materials from the Haifa

area to prevent the potential release of toxic industrial chemicals. Trans-boundary environmental issues also pose health and security threats. In 2006, in Cote d'Ivoire, the illegal dumping of hazardous waste shipped from other countries resulted in 10 deaths and triggered mass demonstrations.

Underground Facilities. The rising importance of hardened or deeply buried facilities to potential adversarial nations and non-national organizations is becoming more apparent each year. Whether those nations and non-government organizations are classified as rogue, major, or emerging powers, or terrorist groups, their critical military, leadership and national security assets are increasingly protected by these facilities. The growth and sophistication of Hard and Deeply Buried Targets (HDBTs) is especially significant among countries whose support for terrorism and potential possession of WMD constitute threats to world peace and U.S. Security. Of concern is what these countries have learned from recent U.S. military successes over the last decade in the Balkans, Afghanistan and Iraq. Their new and modified facilities incorporate features that make them more survivable against known U.S. weapons. Moreover, these countries are exporting underground construction techniques, and construction equipment.

CONCLUSION

Our nation is engaged in a long war against terrorism and violent extremism. We are faced with a multitude of issues and events that affect our national security. The intelligence professionals of the Defense Intelligence Agency will continue to provide critical information to our warfighters, defense planners, and national security policy makers. In concert with our fellow Intelligence Community members and allies, we are supporting our Soldiers, Sailors, Airmen and Marines engaged in combating insurgents in Iraq and Afghanistan and terrorists globally. This effort remains our first priority. We are also focusing considerable resources to prevent or counter the proliferation of Weapons of Mass Destruction. Finally, we are carefully monitoring states of concern and other transnational issues.

Over the past few years, the Defense Intelligence Agency, like the rest of the Intelligence Community, has made major strides to improve our core business processes of intelligence collection, all-source analysis, and information management. With your support, the Defense Intelligence Agency has expanded our human and technical collection. Our human intelligence collectors are better trained, supported, and integrated with their Intelligence Community counterparts and our own military forces across the globe. In all-source analysis, we have increased the number of analysts with advanced and technical degrees. Those analysts are equipped with better information technology systems and more rigorously trained in the use of cutting edge analytic techniques. Improvements in our information management systems and procedures are critical to achieving the information sharing environment mandated by the Intelligence Reform and Terrorism Prevention Act. Today analysts, collectors, and our customers, to include national security policy makers, warfighters, the weapons acquisition community, law enforcement agencies, and our coalition partners, are better connected and have greater access to our information and all-source analysis. Much has been accomplished; however, more needs to be done. With your continued support, I am confident we will achieve greater levels of security for our citizens, our national interests, and those of our allies. Thank you.

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, VICE CHAIRMAN

DIANNE FEINSTEIN, CALIFORNIA
RON WYDEN, OREGON
EVAN BAYH, INDIANA
BARBARA A. MIKULSKI, MARYLAND
RUSSELL D. FEINGOLD, WISCONSIN
BILL NELSON, FLORIDA
SHELDON WHITEHOUSE, RHODE ISLAND

JOHN WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SAXBY CHAMBLISS, GEORGIA
ORRIN HATCH, UTAH
OLYMPIA J. SNOWE, MAINE
RICHARD BURR, NORTH CAROLINA

HARRY REID, NEVADA, EX OFFICIO
MITCH McCONNELL, KENTUCKY, EX OFFICIO
CARL LEVIN, MICHIGAN, EX OFFICIO
JOHN McCAIN, ARIZONA, EX OFFICIO

ANDREW W. JOHNSON, STAFF DIRECTOR
LOUIS B. TUCKER, MINORITY STAFF DIRECTOR
KATHLEEN P. McGHEE, CHIEF CLERK

United States Senate

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475

SSCI #2007-1511-C

March 30, 2007

The Honorable Michael V. Hayden
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Director Hayden:

We appreciate your participation in our January 11, 2007, hearing on the current and projected national security threats to the United States. Your willingness to address this important issue in open session was appreciated and made an important contribution, not only to the work of our Committee, but to the American public's awareness of U.S. national security interests.

We are submitting the attached questions for the record to you. The unclassified responses to these questions will be an important part of our public hearing transcript which we hope to release as expeditiously as possible. Accordingly, we would appreciate it if you would respond in writing to these questions no later than April 27, 2007.

If there are any questions, please have your staff contact Mr. Don Mitchell, of the Committee staff, at (202) 224-1700.

Sincerely,

John D. Rockefeller IV
Chairman

Christopher S. Bond
Vice Chairman

Enclosure

QUESTIONS FOR THE RECORD

Iraqi Support for Attacks Against Coalition Forces

1) A widely circulating opinion poll has indicated that a majority (61%) of Iraqis believe attacks against Coalition Forces are justified. Do you think this is accurate? How would you characterize Iraqi views toward foreign forces in Iraq?

Assessing the Political Dynamics Within Iran

2) How effective is the CIA in assessing the political dynamics within the Iranian regime? To what extent are their nuclear ambitions linked to their military planning?

The Intelligence Community's Ability to Monitor Terrorist Activity

3) The Intelligence Community is America's early warning system against threats to American lives and property both here and overseas. What are the Intelligence Community's greatest strengths and deficiencies in monitoring terrorism? What lessons have your organizations learned from the September 11, 2001 terrorist attacks to address any shortcomings? Do you believe that you currently have sufficient resources to effectively fight the war on terrorism?

Security of the Russian Nuclear Stockpile

4) Most of the world's production of the radioactive isotope polonium-210 takes place at a nuclear reactor in Russia. This past Fall, a small quantity of polonium-210 found its way into the body of Alexander Litvinenko, a former Russian internal security agent residing in London who subsequently died from radioactive poisoning. Who was responsible for Litvinenko's death? What is your assessment of the safety and security of the Russian nuclear stockpile (including weapons grade material)? How does the security of the Russian nuclear stockpile compare to the security of the U.S. nuclear stockpile?

Libya's Likely Adherence to U.S. Policy Objectives

5) On May 15, 2006, the Bush Administration announced its intention to restore full diplomatic relations with Libya and to rescind Libya's listing as a state sponsor of terrorism and a country not fully cooperating with U.S. counterterrorism efforts. What is your assessment of the likelihood that the

Libyan government would resume its weapons of mass destruction and long-range missile programs and support to terrorism? Who will likely succeed Qadhafi when he passes from the scene?

The India-Pakistan Conflict

6) What is the likelihood that India and Pakistan will go to war within the next year? What is the likelihood that such a conflict would result in an exchange of nuclear weapons? Which nation would likely prevail in such a conflict? Why? What is the likelihood that both India and Pakistan will ultimately agree to accept the Line of Control (LOC) in Kashmir as their international border?

Afghanistan

7) a) Please provide your assessment of the state of the Afghan security forces, particularly the Afghan National Army as well as the Afghan police. What are the strengths and weaknesses of these organizations?

b) Is Iran expanding its influence in Afghanistan? How is it doing so?

c) How many anti-ISAF (the NATO-led International Security Assistance Force) attacks were conducted against NATO forces in the second half of 2006? How does that compare to the previous six months, and the six months before then? Do you assess that these attacks have undermined the coherence of mission of the NATO-led ISAF forces?

d) What is the number of and trend line on suicide attacks conducted in Afghanistan in 2006? Who are the perpetrators?

Pakistan

8) Is there any indication of the Musharraf government containing pro-Taliban and anti-Kabul activity in Pakistan?

A Civil War in Iraq?

9) The American Heritage Dictionary of the English Language defines a civil war as being "a war between factions or regions of one country." In your opinion, is Iraq currently engaged in a civil war? Why or why not? Is this the unanimous view of all components of the Intelligence Community?

Conflict Between the CIA and the Pentagon?

10) In a May 10, 2006 *New York Times* article, you were quoted as saying that there has been a blurring of functions between the CIA and the Pentagon. In addressing the terrorist threat confronting the United States, how concerned are you, if at all, that the Defense Department may be encroaching on the CIA's activities, particularly its covert action mission, and thereby undermining the effectiveness of our counterterrorist efforts? Do you believe that the Department of Defense conducts any activities that would constitute "non-traditional military activities" as defined in statute [50 U.S.C. 413b] and set forth in report language (S.Rept. No. 102-85, 102nd Congress, 1st sess., p. 47) -- and thereby constitute covert action? Please elaborate.

Notifying Congress

11) Last year, this Committee passed the fiscal year 2007 Intelligence Authorization bill with language to strengthen the requirements for notifying Congress of intelligence activities. In particular, the language aimed at keeping all members of the Senate and House Intelligence Committees "fully and currently informed" as is already required by the National Security Act. This was not done in the case of the Terrorist Surveillance Program or in all aspects of the CIA program to detain and interrogate suspected terrorists. The bill, which we are trying to get enacted into law shortly, would require that every member of the Senate and House intelligence oversight committees be sufficiently informed to assess the legality of all intelligence operations. The details, in highly sensitive cases, would still just be briefed to the Chairman and Vice Chairman. Do you believe that providing summary briefings to the members of this Committee would jeopardize sources and methods? If so, why?

Middle East

12) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

a) Saudi Arabia sending troops or taking action to protect Sunni Iraqis from Shia'a militias?

b) Iran increasing its support to al-Hakim and al-Sadr beyond the current level of funding and material support, or otherwise getting more

deeply involved in violence in Iraq?

c) An escalation in hostilities between Fatah and HAMAS in Gaza that sparks either a strong Israeli response or spurs other nations to get involved militarily?

d) An opening for President Abbas and Prime Minister Olmert to make significant progress on peace negotiations?

e) A broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies?

India - Pakistan

13) Ambassador Negroponte noted in his testimony that India and Pakistan "approached the brink of war in 2002" and that, despite improved relations, "the prospect of renewed tensions between the two remains." Gen. Maples testified that India and Pakistan are "building larger stockpiles of fission weapons and are likely to work on advanced warhead and delivery system designs to increase the effectiveness of these weapons." In light of the history of war between India and Pakistan, unresolved territorial disputes, and terrorist incidents, doesn't the continuing buildup of their nuclear arsenals pose a threat to the United States?

In a letter to Senate Select Committee on Intelligence Chairman John D. Rockefeller IV dated April 27, 2007, and classified CONFIDENTIAL//NOFORN, Central Intelligence (CIA) Agency Director of Congressional Affairs Christopher J. Walker indicated that the CIA could not provide unclassified written responses to these questions.

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, VICE CHAIRMAN

DIANNE FEINSTEIN, CALIFORNIA
RON WYDEN, OREGON
EVAN BAYH, INDIANA
BARBARA A. MIKULSKI, MARYLAND
RUSSELL D. FEINGOLD, WISCONSIN
BILL NELSON, FLORIDA
SHELDON WHITEHOUSE, RHODE ISLAND

JOHN WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SAXBY CHAMBLISS, GEORGIA
ORRIN HATCH, UTAH
OLYMPIA J. SNOWE, MAINE
RICHARD BURR, NORTH CAROLINA

HARRY REID, NEVADA, EX OFFICIO
MITCH McCONNELL, KENTUCKY, EX OFFICIO
CARL LEVIN, MICHIGAN, EX OFFICIO
JOHN McCAIN, ARIZONA, EX OFFICIO

ANDREW W. JOHNSON, STAFF DIRECTOR
LOUIS B. TUCKER, MINORITY STAFF DIRECTOR
KATHLEEN P. McGHEE, CHIEF CLERK

United States Senate

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475

SSCI #2007-1511-A

March 30, 2007

The Honorable J. M. McConnell
Director of National Intelligence
Office of the Director of National Intelligence
Washington, D.C. 20511

Dear Director McConnell:

We appreciate your predecessor's participation in our January 11, 2007, hearing on the current and projected national security threats to the United States. His willingness to address this important issue in open session was appreciated and made an important contribution, not only to the work of our Committee, but to the American public's awareness of U.S. national security interests.

We are submitting the attached questions for the record to you. The unclassified responses to these questions will be an important part of our public hearing transcript which we hope to release as expeditiously as possible. Accordingly, we would appreciate it if you would respond in writing to these questions no later than April 27, 2007.

If there are any questions, please have your staff contact Mr. Don Mitchell, of the Committee staff, at (202) 224-1700.

Sincerely,

John D. Rockefeller IV
Chairman

Christopher S. Bond
Vice Chairman

Enclosure

QUESTIONS FOR THE RECORD

A Regional Effort to Stabilize Iraq

1) The Iraq Study Group final report's first recommendation is that the U.S. should include regional countries -- including Iran and Syria -- in multilateral efforts to stabilize Iraq. Regional countries, under the proposed initiative, would be enlisted to encourage factional reconciliation within Iraq, to secure its borders, to end any interventions in Iraq, and promote trade and commerce with Iraq. What is the Intelligence Community's assessment of the likelihood that regional nations -- particularly Iran and Syria -- would be willing to engage in multilateral efforts to stabilize Iraq?

Iranian Decline in Oil Revenues?

2) According to an analysis recently published in a journal of the National Academy of Sciences, Iran is suffering a staggering decline in revenue from its oil exports, and if the trend continues, income could virtually disappear by 2015. Does the U.S. Intelligence Community share this view? If not, why? If so, does such an analysis suggest that Iran needs nuclear power for civilian purposes as badly as it claims?

The Intelligence Community's Ability to Monitor Terrorist Activity

3) The Intelligence Community is America's early warning system against threats to American lives and property both here and overseas. What are the Intelligence Community's greatest strengths and deficiencies in monitoring terrorism? What lessons have your organizations learned from the September 11, 2001 terrorist attacks to address any shortcomings? Do you believe that you currently have sufficient resources to effectively fight the war on terrorism?

Nuclear Terrorism

4) Perhaps the most frightening terrorist tools are nuclear weapons -- including radiological weapons which would disperse hazardous radioactive isotopes. What is the Intelligence Community's assessment of the likelihood that terrorists already possess such weapons? How confident are you that terrorists have not been able to successfully smuggle such nuclear devices into the U.S. already?

The Continuing Threat Posed by al-Qa'ida

5) What is the status of our efforts against suspected al-Qa'ida cells worldwide? How would you characterize the level of cooperation with the U.S. from foreign intelligence services and law enforcement agencies with the al-Qa'ida target? With respect to cooperation with foreign law enforcement agencies, are we hampered by any lack of legal authorities or agreements? How much information has the Intelligence Community obtained on al-Qa'ida from U.S. military operations in Afghanistan and Iraq?

Bin Laden's Whereabouts

6) What is the Intelligence Community's assessment of whether Usama Bin Laden is alive and where he might be located? What is the likelihood that Bin Laden will be killed or captured within the next year?

Transfer of Technology from Russia

7) What general trends has the Intelligence Community noticed of scientists, technology and conventional and unconventional military sales from Russia to other nations? What trends have you detected that Russia nuclear materials, BW, CW or ballistic missile-related materials or technology, have found their way to the international black market? What are the implications of these trends for U.S. security?

Stability Within China

8) How firmly is the Chinese Communist Party in control of China? What is the likelihood that pervasive corruption, income disparities, and dislocations in rural and urban areas that have created a large pool of unemployed or under-employed citizens represent long-term challenges to China's stability? What is the risk of severe, growth-stalling financial crisis in China in the next five years? What factors would be necessary to bring this about?

North Korea's Ballistic Missile Capabilities

9) The Intelligence Community assessed in its 1999 ballistic missile threat NIE that North Korea would have an ICBM capability by the end of that year. What is your current assessment of North Korean ballistic missile capabilities? Under what circumstances would North Korea be likely to use its missile capability against the U.S.?

North Korea's Nuclear Weapon Capabilities

10) On October 9, 2006, North Korea tested a nuclear weapon with an

estimated yield of less than one kiloton. Recent press reports suggest that North Korea is about to test another nuclear device. What is the Intelligence Community's assessment of the likelihood that North Korea will test another nuclear weapon soon? What is the current estimate of the size of North Korea's nuclear weapon arsenal? How confident are we that North Korea is complying with the terms of the 1994 Agreed Framework regarding plutonium production activities in Yongbyon?

WMD Delivery Systems

11) What is the most likely delivery system of weapons of mass destruction (WMD) to be delivered by terrorists or states against the U.S. -- missiles, aircraft or ships? Are the most likely adversaries of the U.S. acquiring weapons of mass destruction and missiles as deterrence or as an offensive military capability to use against the U.S. or its allies?

Stability of the Jordanian Regime

12) How stable is the Jordanian regime of King Abdullah? What threats does King Abdullah face from Islamic fundamentalists? What is the likelihood that resurgent Palestinian nationalism will destabilize Jordan?

Saudi Arabia's Oil Capacity

13) Saudi Arabia has the world's largest proven oil reserves (estimated at 261.7 billion barrels in January 2001). The Saudis produced approximately 9.5 million barrels per day of crude oil as of October 2005. Ten years from now, what will be Saudi Arabia's oil production capacity? Will Saudi Arabia's ability to be the oil market's supplier of last resort be diminished? What would be the implications for U.S. national security if the Saudi oil fields were under the control of a regime that was hostile to the U.S. and its western allies?

Foreign Countries Spying on the U.S.

14) An area of concern is what other countries do to spy on U.S. companies. Are more countries getting into the business of using their intelligence services to engage in economic espionage? How do you balance the benefits that come from collecting intelligence on economic issues against the risk that such collection -- or even the mere allegation of it -- could prompt other countries to retaliate by increasing their defensive measures, by spying in turn on U.S. companies, or by becoming anti-American in policy discussions?

Sharing Information on Avian Flu

15) The Intelligence Community has been doing a fair amount of reporting on avian flu outbreaks and what these outbreaks may mean. Are intelligence assessments on avian flu being made available only in classified papers? Is the Intelligence Community ensuring that information it has on avian flu is getting to U.S. agencies that are not the usual consumers of intelligence, such as the Centers for Disease Control or the National Institutes of Health? Are intelligence assessments routinely downgraded or declassified so that researchers have access to this data?

The Impact of HIV/AIDS and Other Infectious Diseases

16) What will be the impact of HIV/AIDS on Africa and other countries 10 years from now? Upon which countries is HIV/AIDS affecting the military and economy the most? Where do these trends seem to be heading in the long term? What other infectious diseases -- such as tuberculosis, malaria, the avian flu and hepatitis -- will have the most impact over the next 10 years?

Monitoring Climate Change

17) Climate change will have a dramatic environmental, economic and humanitarian impact on strategically important countries and regions around the world. How are analysts in the Intelligence Community factoring in climate change into their long-term projections? To what extent, if any, are the Intelligence Community's collection assets involved in monitoring environmental changes to the Earth? How great a priority is this for the Intelligence Community?

Public Disclosure of the Aggregate Intelligence Budget

18) For a number of years, individuals have advocated the public disclosure of the aggregate intelligence budget. In your opinion, what would be the specific threat to U.S. national security from publicly disclosing the aggregate intelligence budget?

Impact of Unauthorized Disclosures of Classified Information on U.S. Counterterrorism Effort

19) To what extent are unauthorized disclosures of classified information undermining our counterterrorist efforts and thus increasing the terrorist threat? In 2002, former Attorney General John Ashcroft reported to Congress that new legislation was not necessary to combat unauthorized disclosure of classified information but, rather, that civil penalties and the threat of firing would work better to deter such unauthorized disclosures. Do you agree with the former

Attorney General's assessment? If not, why? How would you suggest that the law be strengthened to address the issue of unauthorized disclosure of classified material? Since you have been DNI, how many crime reports pertaining to unauthorized disclosures of classified information has the Intelligence Community filed with the Department of Justice?

Criminal Organizations and Networks

20) What is the likelihood that criminal organizations and networks will expand the scale and scope of their activities over the next 10 years? What is the likelihood that such groups will traffic in nuclear, biological or chemical weapons?

The Impact of *Al-Jazeera*

21) What is the impact of the Qatar-based satellite television channel *Al-Jazeera* on anti-U.S. and anti-western sentiment in the Arab world? What was the impact of *Al-Jazeera* coverage on Operation Iraqi Freedom and how are they currently covering the U.S. presence in Iraq and the insurgency?

Afghanistan

22) a) Is it the Intelligence Community's assessment that the Karzai government is stable? How far has the Karzai government extended its control over regions beyond Kabul? How long does the Intelligence Community assess the Afghan government will be dependent on foreign support and assistance?

b) Can the security threat to the current Afghan government be addressed without involving Pakistan?

Pakistan

23) a) Does the Intelligence Community still assess that Usama Bin Laden and Ayman Al-Zawahiri are somewhere in the Federally Administered Tribal Areas (FATA) of Pakistan?

b) Does the Intelligence Community assess that the September 5, 2006 agreement reached between tribal representatives and the Islamabad government has had any positive effect on **(1)** our ability to disrupt al-Qa'ida activities in the Federally Administered Tribal Areas (FATA), and

(2) the cross-border incursions conducted by Taliban and other militants into Afghanistan? Is there any positive result of this agreement that has been measured or reported?

c) The Open Source Center does a very good job tracking the propaganda that comes from al-Qa'ida. What has been the trend over the past 12 months in the production of video and internet propaganda that features Zawahiri and Bin Laden?

Somalia

24) In the wake fo Ethiopia's military actions in Somalia, what role can Somalia's neighbors and other countries in the region play in pushing for a stable and representative government in Mogadishu?

Terrorist Groups in Nigeria

25) Who is responsible for the recent violence in southern Nigeria and what is the threat to the interests of the United States and its allies, particularly in the oil sector? The most recent State Department terrorism report states that members of al-Qa'ida and the radical Islamic group, the Salafist Group for Call and Combat (GSPC), have operated and recruited in Nigeria. How does the Intelligence Community assess the current status of international terrorist organizations in Nigeria?

Status of the New Iraq National Intelligence Estimate (NIE)

26) National Intelligence Estimates (NIEs) are the DNI's most authoritative written judgments concerning national security issues. They contain the coordinated judgments of the Intelligence Community regarding the likely course of future events. In July of last year, Senators wrote to you requesting that you direct the production of an updated NIE on the current situation in Iraq. On August 3 of last year, the Senate passed an amendment to the Department of Defense Appropriations bill for fiscal year 2007 requiring an updated NIE on Iraq. Later that month, you announced that you had instructed the National Intelligence Council to initiate the process of preparing such an estimate. Apparently, this NIE will be completed by the end of January 2007.

a) The situation in Iraq is the most compelling national security issue

facing our country today, and it is the primary focus of the Intelligence Community. Why will it have taken 5 months to complete an NIE on this vitally important national security issue?

b) The President announced his new Iraq strategy on January 10, 2007. In formulating his new strategy, was President Bush informed by the results of the new Iraq NIE -- including any dissenting views of Intelligence Community components? If not, why? Has the President or Vice President weighed in with you on any concerns they might have regarding the content and timing of the completion of this NIE? Please elaborate.

c) Will there be an unclassified summary of the NIE's Key Judgments to be publicly released when the NIE is completed? If not, why not? Are sources and methods usually included in NIE Key Judgments?

A Civil War in Iraq?

27) The American Heritage Dictionary of the English Language defines a civil war as being "a war between factions or regions of one country." In your opinion, is Iraq currently engaged in a civil war? Why or why not? Is this the unanimous view of all components of the Intelligence Community?

What Does he Intelligence Community Know About Iran and North Korea's WMD Programs?

28) Five years ago this month in his State of the Union speech, President Bush identified North Korea and Iran -- as well as Iraq -- as part of an "axis of evil" that threatened U.S. security interests. Our nation is currently embroiled in a war in Iraq that is almost 4 years old -- a war that was initiated in large part because of concerns about Iraq's weapons of mass destruction (WMD), which have long since been largely proven to be non-existent. How would you compare what the Intelligence Community currently knows about the WMD programs in Iran and North Korea and what was known about Iraq's WMD programs on the eve of the 2003 U.S. invasion of Iraq? Does the Intelligence Community know more -- or less -- about the North Korean and Iranian programs than it does about Iraq? Could you make a recommendation to the President with high confidence that the U.S. should go to war against Iran or North Korea because of what the Intelligence Community currently knows about their WMD programs?

How Does Focus on Iraq Divert Focus From Other Intelligence Priorities

29) The Iraq Study Group noted that "While the United States has been able to acquire good and sometimes superb tactical intelligence on al Qaeda in Iraq, our government still does not understand very well either the insurgency in Iraq or the role of the militias." Has the focus on terrorism detracted from other important issues? In particular, has it effected our ability to analyze the Iraqi insurgency? Does it compromise our ability to collect and analyze information on other key countries -- such as China and Russia -- that are likely to have major influences on international politics for decades to come?

Cuba After Castro: A Transition Soon?

30) The December 15, 2006 edition of ***The Washington Post*** reported that you told a meeting of ***Washington Post*** editors and reporters that Cuban President Fidel Castro is very ill and close to death. Specifically, you were quoted as stating that "Everything we see indicates it will not be much longer...months, not years."

a) Please elaborate on your assessment of Fidel Castro's health. What is the Intelligence Community's current assessment of his illness and his prognosis for recovery?

b) What is the likelihood that Castro's death will trigger public protest against the Cuban government's economic policies? What is the likelihood that a post-Castro transition could also spark a power struggle between conservatives and reformers with the regime?

c) Does the Intelligence Community believe that the resumption of U.S. trade with Cuba could hasten economic and political reform in Cuba?

Hizballah *(from Senator Feinstein)*

31) I was struck during the July 2006 conflict in the Middle East at Israel's inability to put an end to Hizballah's rocket attacks. In briefings and letters after that conflict, I noted my view that the U.S. Intelligence Community was not sufficiently postured to collect against or understand Hizballah's military and terrorist capabilities or intentions, despite it being perhaps the most capable and dangerous non-state group in the world. Is the Intelligence Community taking new steps to improve its performance against Hizballah? What is your assessment

of Hizballah's capability to inflict serious damage to U.S. personnel and interests, both at home and in the Middle East? Might a prolonged and escalated troop presence in Iraq, especially on the Syrian and Iranian borders, provoke Hizballah to take up arms against us?

Notifying Congress

32) Last year, this Committee passed the fiscal year 2007 Intelligence Authorization bill with language to strengthen the requirements for notifying Congress of intelligence activities. In particular, the language aimed at keeping all members of the Senate and House Intelligence Committees "fully and currently informed" as is already required by the National Security Act. This was not done in the case of the Terrorist Surveillance Program or in all aspects of the CIA program to detain and interrogate suspected terrorists. The bill, which we are trying to get enacted into law shortly, would require that every member of the Senate and House intelligence oversight committees be sufficiently informed to assess the legality of all intelligence operations. The details, in highly sensitive cases, would still just be briefed to the Chairman and Vice Chairman. Do you believe that providing summary briefings to the members of this Committee would jeopardize sources and methods? If so, why?

Middle East

33) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

a) Saudi Arabia sending troops or taking action to protect Sunni Iraqis from Shia'a militias?

b) Iran increasing its support to al-Hakim and al-Sadr beyond the current level of funding and material support, or otherwise getting more deeply involved in violence in Iraq?

c) An escalation in hostilities between Fatah and HAMAS in Gaza that sparks either a strong Israeli response or spurs other nations to get involved militarily?

d) An opening for President Abbas and Prime Minister Olmert to

make significant progress on peace negotiations?

e) A broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies?

Natural Resources as an Element of National Security

34) The DNI noted in a number of places in his testimony the importance of natural resources as a factor in our national security. Please provide for the Committee the following information:

a) a list of which agencies, including the relevant subcomponents in those agencies, that currently provide analysis on the control of natural resource issues as a national security threat;

b) a list of which agencies collect on natural resource issues and the primary collection tools we currently use (i.e., open source, SIGINT, etc.); and

c) please advise if there is a lead agency that coordinates reporting on natural resources as a national security issue, and who in the ODNI is responsible for oversight of our intelligence capabilities on this topic.

Iranian Influence in Iraq

35) What do we know about Iran's capability to increase or decrease the level of violence in Iraq through Shi'ite networks? If Iran has any capability in this regard, has it been employed either to increase or decrease the Shi'a violence in Iraq? If so, by what means has this been done?

b) It would seem to be in Iran's national interest for the violence in Iraq to remain at a level that bogs America down and prevents American "success." Is there any evidence to support that thesis?

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC 20511

September 12, 2007

The Honorable John D. Rockefeller IV
Chairman
Select Committee on Intelligence
United States Senate
Washington, DC 20510

The Honorable Christopher S. Bond
Vice Chairman
Select Committee on Intelligence
United States Senate
Washington, DC 20510

Dear Mr. Chairman and Vice Chairman Bond:

(U) The enclosures to this letter respond to your request for redacted responses for the Committee's January 11, 2007 hearing on the Current and Projected National Security Threats to the United States.

(U) If you have any questions on this matter, please contact me on (202) 201-1698.

Sincerely,

Kathleen Turner
Director of Legislative Affairs

Hearing Date: January 11, 2007
Committee: SSCI
Members: Ambassador Negroponte
LTG Maples
General Hayden
Director Mueller
Mr. Fort
Question: 2

Question 2: (U) According to an analysis recently published in a Journal of the National Academy of Sciences, Iran is suffering a staggering decline in revenue from its oil exports, and if the trend continues, income could virtually disappear by 2015. Does the U.S. Intelligence Community share this view? If not, why? If so, does such an analysis suggest that Iran needs nuclear power for civilian purposes as badly as it claims?

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 4: (U) Perhaps the most frightening terrorist tools are nuclear weapons -- including radiological weapons, which would disperse hazardous radioactive isotopes. What is the Intelligence Community's assessment of the likelihood that terrorists already possess such weapons? How confident are you that terrorists have not been able to successfully smuggle such nuclear devices into the U.S. already?

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 12: (U) How stable is the Jordanian regime of King Abdullah? What threats does King Abdullah face from Islamic fundamentalists? What is the likelihood that resurgent Palestinian nationalism will destabilize Jordan?

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 13: (U) Saudi Arabia has the world's largest proven oil reserves (estimated at 261.7 billion barrels in January 2001). The Saudis produced approximately 9.5 million barrels per day of crude oil as of October 2005. Ten years from now, what will be Saudi Arabia's oil production capacity? Will Saudi Arabia's ability to be the oil market's supplier of last resort be diminished? What would be the implications for U.S. national security if the Saudi oil fields were under the control of a regime that was hostile to the U.S. and its western allies?

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 14: (U) An area of concern is what other countries do to spy on U.S. companies. Are more countries getting into the business of using their intelligence services to engage in economic espionage? How do you balance the benefits that come from collecting intelligence on economic issues against the risk that such collection–or even the mere allegation of it–could prompt other countries to retaliate by increasing their defensive measures, by spying in turn on U.S. companies, or by becoming anti-American in policy discussions?

Answer: (U) The Counterintelligence (CI) Community continues to see clear evidence that foreign governments, including foreign intelligence services (FISs), remain actively involved in efforts to acquire U.S. trade secrets, proprietary information and sensitive, export-controlled technology. China, in particular, with its government and government-affiliated defense industries, has active programs to acquire U.S. technology for commercial and military applications. However, determining how many governments or FISs are active in any given year is difficult for a number of reasons:

a. (U) Foreign governments appear to increasingly rely on their visiting researchers and students as well as their expatriate communities in the United States – including businessmen, scientists, academics and engineers – to collect trade secrets. These experts, many of whom work in U.S. firms, labs, or universities, have access to U.S. technology in the normal course of business. Requirements are usually levied on the collectors when the experts are in their home countries prior to departure for the United States and the U.S. technology is transferred after the experts return, making detection in the United States virtually impossible.

b. (U) Foreign governments also increasingly use front companies or middlemen operating in the United States or in third countries to transfer trade secrets and technologies. Sometimes U.S. technology is shipped through multiple companies and countries to obscure the final destination and avoid detection. Canada and the United Kingdom provide excellent venues for these companies, because U.S. export controls to these countries are light. In addition, international free trade ports such as Singapore and the United Arab Emirates serve as useful locations, because those countries facilitate the international transfer of goods with little concern for whether the transfer conforms with U.S. trade restrictions. The U.S. law enforcement community has prosecuted U.S. companies and some individuals involved in this activity, but linking the prosecuted firms to agents of foreign governments is often difficult.

(U) In addition to the activity of foreign governments in technology collection, a significant share of the theft of U.S. trade secrets appears to be the work of private sector individuals or firms operating solely on profit motives. The increasing involvement of these firms and their complex nexus with state-owned or affiliated industries further clouds the degree of involvement of foreign governments and FISs in the collection activity.

(U) For additional information on this topic, the National Counterintelligence Executive is nearing completion of their annual report to Congress concerning foreign economic and industrial espionage. This report is a comprehensive review on this topic and delves in far greater granularity.

Question 17: (U) Climate change will have a dramatic environmental, economic and humanitarian impact on strategically important countries and regions around the world. How are analysts in the Intelligence Community factoring in climate change into their long-term projections? To what extent, if any, are the Intelligence Community's collection assets involved in monitoring environmental changes to the Earth? How great a priority is this for the Intelligence Community?

Answer: (U) The Intelligence Community is in the early stages of factoring climate change into intelligence analysis and collection.

a. (U) The National Intelligence Council is making climate change a major consideration in its planning for its next quadrennial assessment of global trends 15-20 years ahead. The March 2007, Defense Analysis Report (U) Sea Level Increases: Projections and Consequences is the first of several Defense Intelligence Agency planned papers which will account for the implicit defense issues of climate change and rising seas. In addition, the State Department INR's periodical (U) Environment and Sustainable Development Review features both classified and unclassified analysis on environmental issues to include climate changes. Finally, CIA has organized an informal community of analysts to take a multi-disciplinary approach to the national security implications of environmental issues, to include impacts of global climate change.
b. (U) The Intelligence Community's collection assets are applied regularly to specific environmental events—floods, forest fires, oil spills, volcano eruptions, landslides, hurricane disaster assessment—but have not been intensively focused on monitoring global climate change. Since the mid to late 1990s, however, the Civil Applications Committee (CAC) has employed IC collection assets for longer term monitoring of some 220 environmentally sensitive sites to support baselining of environmental parameters, monitoring for global climate change and related investigations. Sites are imaged one to four times a year, depending on the nature of the site and the reason it was selected. Most of the sites are domestic, being chosen to address the concerns of the CAC member organizations. Data is archived in the Global Fiducials Library of the Advanced Systems Center of the U.S. Geological Survey. Along with the periodically collected Global Fiducials data, the library has classified remote sensing data of a number of other worldwide sites that were the subject of scientific study. Some of these latter efforts have been relatively long term and most would be appropriate for global climate change monitoring.

Question 21: (U) What is the impact of the Qatar-based satellite television channel Al-Jazeera on anti-U.S. and anti-Western sentiment in the Arab world? What was the impact of Al-Jazeera coverage on Operation Iraqi Freedom and how are they currently covering the U.S. presence in Iraq and the insurgency?

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 29: (U) **The Iraq Study Group noted that "While the United States has been able to acquire good and sometimes superb tactical intelligence on al Qaeda in Iraq, our government still does not understand very well either the insurgency in Iraq or the role of the militias." Has the focus on terrorism detracted from other important issues? In particular, has it affected our ability to analyze the Iraqi insurgency? Does it compromise our ability to collect and analyze information on other key countries -- such as China and Russia -- that are likely to have major influences on international politics for decades to come?**

Answer: (U) The responses to these questions are not available in an unclassified format.

Question 33: (U) What is the likelihood of, the Intelligence Community's ability to predict, as well as the ramifications of, the following:

a. (U) Saudi Arabia sending troops or taking action to protect Sunni Iraqis from Shia militias.
b. (U)
c. (U) An escalation of hostilities between Fatah and HAMAS in Gaza that sparks either a strong Israeli response or spurs other nations to get involved militarily?
d. (U) An opening for President Abbas and Prime Minister Olmert to make significant progress on the peace process?
e. (U) A broader Middle East conflagration that pits Sunni states openly against Iran and its Syrian allies.

Answer: (U) Saudi Arabia is unlikely to send troops to protect Iraqi Sunnis. The Saudi military is designed largely for internal security missions and probably cannot project power beyond the kingdom's borders. Saudi Arabia would be unlikely to send troops to Iraq without first informing Washington. Because of the close nature of Saudi-U.S. relations, multiple indications likely would occur of any Saudi decision to send troops to support Iraqi Sunni Arabs against Shia militias. As a matter of state policy, Riyadh is unlikely to send significant financial support or arms to Iraqi Sunnis as long as U.S. troops are in Iraq. The long Iraqi-Saudi border makes detecting the flow of arms, funds, and militants from Saudi Arabia to Iraq difficult. Private Saudi citizens probably are supporting Iraqi Sunni Arabs. The Saudi government has tried to stop private donations and other support flowing from the kingdom to Iraq.

(U) Iran probably does not see a need to increase its current level of support to Iraqi Shia groups. The general consequences of increased Iranian support to Iraqi Shia militants would be minimal in terms of affecting the cycle of violence in Iraq, since many of these groups do not rely solely on Iranian support for their activities in Iraq and are capable of operating independently from Iran. Explosively formed penetrator attacks aimed at the Coalition could increase, as Iran is the chief supplier of these weapons.

(U) The Intelligence Community is not well positioned to predict specific instances of escalation in HAMAS-Fatah violence, but would be able to identify a predeployment of Israeli forces indicative of a larger-scale incursion. While HAMAS-Fatah tensions may escalate into more internecine violence, Israel most likely would not intervene militarily to stop the fighting. Since its disengagement from the Gaza Strip in August 2005, Israel has been reluctant to conduct large-scale incursions into Gaza. If HAMAS-Fatah tension does not lead to significant Palestinian attacks against Israel, Israel will continue to conduct only limited operations against rocket launch areas

and militant leaders. Despite several recent statements by Israeli officials speculating about the need to respond militarily to the growing threat from HAMAS in the Gaza Strip, a multibrigade incursion by the Israel Defense Forces (IDF) probably is not imminent. Other actors, such as the European Union Border Assistance Mission forces currently at the Rafah, Egypt–Gaza border or the voluntary multination Temporary International Presence in Hebron, may be able to provide some type of monitoring of Israeli-Palestinian forces, but they would be reluctant to get involved militarily.

(U) Prime Minister Olmert has been weakened by Israel's perceived failure in the Lebanon war and by numerous scandals and is unlikely to restart serious negotiations. President Abbas is similarly in a difficult position, as HAMAS leads the national unity government. While Olmert has pledged to regularly talk about quality of life issues with Abbas in his capacity as the leader of the Palestine Liberation Organization, Israel will not talk to HAMAS, which refuses to recognize Israel. The failure to achieve a deal linking the release of Israeli soldier Gilad Shalit in exchange for Palestinian prisoners also complicates progress toward peace talks.

(U) The likelihood of a broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies is low over the next few years. Shia-Sunni tensions and conflict would likely be confined to the sectarian "tectonic plates," where Sunni and Shia communities rub up against each other, especially in Iraq, but also in Lebanon and some Gulf Arab states. In the longer term, either Iraqi Shia success in consolidating power in Iraq or a government collapse in Iraq would increase the risk of wider conflict—particularly between Iran and the Gulf Arab states—but hostilities would still most likely be confined to fighting between proxy forces on Iraqi territory.

(U) Iraqi state collapse probably would bring a greater level of support to factions, or possibly even direct military involvement from Iraq's neighbors to protect and advance their interests, which could lead to interstate hostilities, with concomitant dangers of even wider regional conflict. The limited capacity of regional states to project conventional military power for a sustained period, however, suggests that a wider regional conflict would most likely take the form of terrorism and covert actions.

(U) Syrian participation in a broader war on the Iranian side is not a given. Syria's alliance with Iran was founded on mutual opposition to Saddam's regime, Iranian support for Damascus in its conflict with Israel, and Iranian backing for Syria's role in Lebanon. Syria would face intense pressure from Sunni Arab regimes to back Iraqi Sunni Arabs against the Shia and Iran in the event of a collapse of the Iraqi state. Syria already hosts more than a million Iraqi expatriates and refugees and has a majority Sunni Arab population to appease. Furthermore, Syria would be concerned about retaliation from radical Sunni extremists if Damascus were seen continuing to side with Iran. A Syrian-Israeli peace would remove an important plank from the Syrian-Iranian alliance.

(U) The risk of a wider war would increase in the event of a large-scale U.S.-Iranian military confrontation. Iran has unconventional and subversive capabilities it could use in Iraq and Gulf Arab states hosting U.S. forces or supporting the United States politically.

(U) The ramifications of a "broader Middle East conflagration" could be immense, involving strategic realignments, significant impact to the world economy, and increased terrorist spillover outside the region.

(U) The Intelligence Community has a low capability to predict the actual form and timing of regional conflict three years out. It has a medium to high capability to identify the dangers and possible sources of large-scale hostilities among regional states.

Question 34: (U) The DNI noted in a number of places in his testimony the importance of natural resources as a factor in our national security. Please provide for the Committee the following information:

a. **(U) A list of which agencies, including the relevant subcomponents in those agencies, that currently provide analysis on the control of natural resource issues as a national security threat;**
b. **(U) A list of which agencies collect on natural resource issues and the primary collection tools we currently use (i.e., open source, SIGINT, etc.); and**
c. **(U) Please advise if there is a lead agency that coordinates reporting on natural resources as a national security issue, and who in the ODNI is responsible for oversight of our intelligence capabilities on this topic.**

Answer: (U) The principal Intelligence Community agency addressing the issue of natural resources and national security is CIA's Office of Transnational Issues, which has the Intelligence Community's center-of-excellence on energy resources. OTI also handles water and agricultural issues and looks at the global demand for select industrial metals and ores. In terms of responsibility within ODNI for oversight of capabilities on the topic, the appropriate official is the National Intelligence Officer for Economic and Global Issues.

(U) Significant work on natural resources is also done by U.S. Government agencies outside the Intelligence Community. These would include, for example, the Department of Interior's U.S. Geological Survey.

Question 35: (U) What do we know about Iran's capability to increase or decrease the level of violence in Iraq through Shiite networks? If Iran has any capability in this regard, has it been employed either to increase or decrease the Shi'a violence in Iraq? If so, by what means has this been done? It would seem to be in Iran's national interest for the violence in Iraq to remain at a level that bogs America down and prevents American "success." Is there any evidence to support that thesis?

Answer: (U) Iranian efforts to secure influence in Iraq include a wide range of activities including media propaganda, intelligence operations, humanitarian assistance, and advancing commercial and economic ties. Some of these activities—while helping stabilize and rebuild Iraq—also undermine and discredit Coalition efforts. As part of Iran's effort to influence Iraq, Iran's Islamic Revolutionary Guard Qods Force is covertly supporting a number of Iraqi Shia groups, especially JAM, with lethal aid and training. We judge that this aid and training plays an indirect yet enabling role in shaping the scope, intensity, and sustainability of sectarian violence in the country. We also assess that Iran has focused more lethal support on JAM and JAM splinter groups that are more willing to carry out attacks on the Coalition. Iran's increase in lethal support to JAM splinter groups further aggravates an Iraqi security environment that remains vulnerable to actions of groups at extreme ends of the confessional spectrum. Technical and forensic analysis bolster a large body of reporting that the Qods Force provides weapons, explosives, improvised explosive device (IED) components, and explosively formed penetrators (EFPs) to JAM and other Iraqi Shia militant groups—some of which have been used in attacks against the Coalition in Iraq.

(U) Iran seeks for the United States to bear political, economic, and human casualty costs in Iraq that Tehran perceives are sufficient to deter Washington from conducting a future military campaign aimed at regime change in Iran.

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, VICE CHAIRMAN

DIANNE FEINSTEIN, CALIFORNIA
RON WYDEN, OREGON
EVAN BAYH, INDIANA
BARBARA A. MIKULSKI, MARYLAND
RUSSELL D. FEINGOLD, WISCONSIN
BILL NELSON, FLORIDA
SHELDON WHITEHOUSE, RHODE ISLAND

JOHN WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SAXBY CHAMBLISS, GEORGIA
ORRIN HATCH, UTAH
OLYMPIA J. SNOWE, MAINE
RICHARD BURR, NORTH CAROLINA

HARRY REID, NEVADA, EX OFFICIO
MITCH McCONNELL, KENTUCKY, EX OFFICIO
CARL LEVIN, MICHIGAN, EX OFFICIO
JOHN McCAIN, ARIZONA, EX OFFICIO

ANDREW W. JOHNSON, STAFF DIRECTOR
LOUIS B. TUCKER, MINORITY STAFF DIRECTOR
KATHLEEN P. McGHEE, CHIEF CLERK

United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475

SSCI #2007-1511-B

March 30, 2007

The Honorable Robert S. Mueller III
Director
Federal Bureau of Investigation
Washington, D.C. 20535

Dear Director Mueller:

We appreciate your participation in our January 11, 2007, hearing on the current and projected national security threats to the United States. Your willingness to address this important issue in open session was appreciated and made an important contribution, not only to the work of our Committee, but to the American public's awareness of U.S. national security interests.

We are submitting the attached questions for the record to you. The unclassified responses to these questions will be an important part of our public hearing transcript which we hope to release as expeditiously as possible. Accordingly, we would appreciate it if you would respond in writing to these questions no later than April 27, 2007.

If there are any questions, please have your staff contact Mr. Don Mitchell, of the Committee staff, at (202) 224-1700.

Sincerely,

John D. Rockefeller IV
Chairman

Christopher S. Bond
Vice Chairman

Enclosure

SSCI# 2008 - 0745

U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

February 4, 2008

The Honorable John D. Rockefeller, IV
Chairman
Select Committee on Intelligence
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Please find enclosed responses to questions arising from the appearance of FBI Director Robert S. Mueller III before the Select Committee on Intelligence on January 11, 2007, at a hearing regarding National Security Threats.

We hope that this information is of assistance to the Committee. Please do not hesitate to call upon us if we may be of additional assistance. The Office of Management and Budget has advised us that from the perspective of the Administration's program, there is no objection to submission of this letter.

Sincerely,

Brian A. Benczkowski
Principal Deputy Assistant Attorney General

Cc: The Honorable Christopher S. Bond
Vice Chairman

Enclosures

Responses of the Federal Bureau of Investigation Based Upon the January 11, 2007 Hearing Before the Senate Select Committee on Intelligence Regarding National Security Threats

1. The Intelligence Community is America's early warning system against threats to American lives and property both here and overseas. What are the Intelligence Community's greatest strengths and deficiencies in monitoring terrorism? What lessons have your organizations learned from the September 11, 2001 terrorist attacks to address any shortcomings? Do you believe that you currently have sufficient resources to effectively fight the war on terrorism?

Response:

The response to this inquiry is classified and was provided to the Committee on January 10, 2008.

2. A major area of U.S. focus since the 9/11 terrorist attacks has been tracking and freezing the finances of al-Qa'ida and other terrorist groups. What have we learned about the nature and extent of terrorist financing that we did not know prior to September 11? Where are our most important information gaps when it comes to terrorist financing and how is the Bureau and other Intelligence Community components addressing these gaps?

Response:

Essential to the FBI's effort to counter terrorism is our strategy to counter the manner in which terror networks recruit, plan, train, and effect operations, each of which requires a measure of financial support. The Counterterrorism Division's Terrorist Financing Operations Section (TFOS) was established on the premise that terrorists, their networks, and ultimately their operations require some form of financial support to exist. This financial support involves the raising, moving, and expenditure of resources which, when investigated thoroughly, provide opportunities for law enforcement and the United States Intelligence Community (USIC) to identify, prosecute, disrupt, and dismantle terrorist networks and their operations.

Because counterterrorism investigations benefit significantly from the application of financial investigative techniques, each FBI field office was instructed to create

a financial investigation subfile for each pending and future preliminary or full counterterrorism investigation. This subfile affords focus and organization to counterterrorism investigations and helps the Counterterrorism Division track ongoing field investigations.

Most terrorist financing methods were known prior to 9/11/01, but the extent to which they were being used was not fully appreciated. Terrorist financing methods range from the most basic to the highly sophisticated. Virtually all financing methods have been used at some point by some terrorist or terrorist group. Terrorist efforts have been aided by the use of correspondent bank accounts, private bank accounts, offshore shell banks, Hawalas, bulk cash smuggling, identity theft, credit card fraud, and various other criminal activities.

Because of the scope and complexity of terrorism financing schemes, TFOS created and implemented the Terrorist Financing Coordinator Program, under which each FBI field office designates a Terrorist Financing Coordinator (TFC), who serves as the field office's point of contact for TFOS and for terrorism financing issues. Chief among the TFC's duties are: 1) to assist in identifying potential terrorist financing matters, and 2) to act as the JTTF's conduit for information derived from white collar crime or other financially related investigations.

Some emerging trends that demand attention include the increased use of Internet banking, online payment services (OPS), and stored value cards (SVC). Those who may not have bank accounts or do not qualify for credit cards are now able to use OPS as an international person-to-person payment system. These transactions often leave a very limited investigative trail for law enforcement, because many OPS service providers accept cash and money orders to fund accounts and do not maintain customer identification or other records. SVCs, or "smart cards," are a cash alternative for both legitimate customers and others, including money launderers and terrorist financiers. Some cards have embedded data processing chips or magnetic strips, while others are accessed through access numbers or passwords. SVCs provide a compact, easily transportable, and potentially anonymous way to store and access cash value.

3. What is the Bureau's assessment of the safety and security of the U.S. nuclear arsenal from both a counterintelligence and counter-terrorism perspective? What are the shortcomings in this area?

Response:

The FBI works closely with the Department of Energy (DOE) on counterintelligence matters and has Special Agents embedded with DOE counterintelligence offices at major DOE labs and nuclear weapons facilities. The level of interaction between the DOE and FBI on counterintelligence matters is significant and provides a strong capability to respond to the intelligence threats directed at our nuclear weapons program.

The Department of Defense (DoD) and DOE's National Nuclear Security Administration (NNSA), which bear the primary responsibility for the safety and security of the U.S. nuclear arsenal, adhere to vigorous and robust protection strategies designed to prevent unauthorized access to nuclear facilities. The FBI works closely with relevant DoD and DOE/NNSA components to ensure the safety and security of the U.S. nuclear arsenal. An assessment of the threat is provided in the DoD Nuclear Security Threat Capabilities Assessment and the DOE/NNSA Design Basis Threat. These threat assessments are reviewed periodically for validation purposes and are adjusted accordingly, and each site is required to establish sufficient security countermeasures to defeat the level of threat indicated in these assessments.

As part of its overall Nuclear Site Security Program, the FBI takes part in these reviews and closely coordinates with DoD and DOE/NNSA nuclear sites in a proactive effort to prevent criminal/terrorist activities that may be directed against these sites. Such efforts include both routine liaison activities, such as intelligence sharing and threat briefings, and more specialized joint training and exercise initiatives, which normally focus on emergency response coordination to disrupt incidents. The FBI is also a regular participant in the interagency process that attempts to evaluate the threat to these nuclear facilities and activities. This interagency cooperation ensures that security planners have a full understanding of the threat environment so they can establish appropriate safeguards for those facilities and activities.

Additional information requested in this inquiry is classified and was provided to the Committee on January 10, 2008.

4. To what extent do you still see a pattern of activity and cooperation among terrorist and extremist groups here in the U.S. — including al-Qa'ida? What trends do you see in the involvement of Hizballah, Hamas and other groups in terrorist incidents in the U.S.?

Response:

The response to this inquiry is classified and was provided to the Committee on January 10, 2008.

5. What is the status of our efforts against suspected al-Qa'ida cells worldwide? How would you characterize the level of cooperation with the U.S. from foreign intelligence services and law enforcement agencies with the al-Qa'ida target? With respect to cooperation with foreign law enforcement agencies, are we hampered by any lack of legal authorities or agreements? How much information has the Intelligence Community obtained on al-Qa'ida from U.S. military operations in Afghanistan and Iraq?

Response:

The FBI has an excellent working relationship with foreign intelligence services, the U.S. military, and other law enforcement agencies in the efforts to identify and capture key members of al-Qa'ida. The relationships forged before 9/11/01 through the efforts of those in the FBI's Legal Attaché (Legat) program have been strengthened, and new partnerships have been developed. FBI Legats regularly participate in counterterrorism working groups, where they discuss terrorism threats and related issues with appropriate host nation officials. Based on this coordination, the FBI has deployed individuals overseas to counter emerging threats, respond to terrorist events, and pursue intelligence opportunities.

The FBI and the greater USIC have benefitted from DoD's pursuit of al-Qa'ida in Afghanistan and Iraq. DoD has devoted extensive resources to intelligence collection relating to al-Qa'ida, its operatives, and its tactics. The entire USIC is involved in this collection effort, and personnel from numerous agencies are co-located in several different facilities (in the United States, Iraq, Afghanistan, and at several other international sites) working collaboratively. DoD facilitates this collaborative environment and contributes significant personnel and physical resources, which have been of great assistance to the USIC.

Through the efforts of both DoD and the FBI, substantial progress has been made in the efforts to identify and capture key members of al-Qa'ida in Iraq. The U.S.

military has made intelligence developed through its operations available to the USIC, and the FBI has used this intelligence to further its investigations, which in turn produce intelligence that is disseminated to the USIC.

6. An area of concern is what other countries do to spy on U.S. companies.

a. Are more countries getting into the business of using their intelligence services to engage in economic espionage?

Response:

FBI investigations have not identified a recent increase in the number of foreign governments using their intelligence services to engage in economic espionage, though the previously reported foreign governments traditionally identified as being involved in this activity have been observed to continue these activities. These efforts target U.S. classified, trade secret, and proprietary information and sensitive, export-controlled technologies. The most notable trend in foreign government-sponsored economic espionage is the movement away from the direct involvement of intelligence services to efforts conducted by government and government-affiliated defense and commercial entities. These efforts rely predominantly on their respective expatriate communities in the U.S., including businessmen, scientists, academics, and engineers. The foreign governments capitalize on the access the expatriates have developed to the desired technologies and information in U.S. companies, laboratories, and universities.

b. How do you balance the benefits that come from collecting intelligence on economic issues against the risk that such collection - or even the mere allegation of it - could prompt other countries to retaliate by increasing their defensive measures, by spying in turn on U.S. companies, or by becoming anti-American in policy discussions?

Response:

The offensive efforts of the major foreign intelligence and security services against our technologies are already extremely aggressive and those efforts seem to be independent of U.S. economic collection policy. Instead, the economic espionage attempts of these services seem to be based primarily on foreign demand for U.S. technologies.

During the course of the FBI's economic espionage investigations, the FBI may obtain information that is considered proprietary or trade secret information by a foreign entity. The FBI restricts access to this information and does not share it with competing U.S. companies. If, however, this information has strategic intelligence value (such as information regarding the level of development a specific technology has reached in a country of interest to the U.S.), this information, or aspects of the technology development, may be disseminated to USIC partners (to determine, for example, gaps in the strategic technologies available to the country of interest and the U.S.).

With respect to balancing the benefits of collection against the risks of detection, a country's reaction will depend on its particular circumstances. A country may already be employing their best possible defensive measures because they are aware that the United States is cognizant of their clandestine activities. Another country may decry these investigations as having an ethnic or xenophobic bias if it is aware of several high-profile espionage cases relating to individuals or companies of the same ethnicity or country. Many variables affect a country's response to detection, but the determination to conduct, or forego, an investigation is not premised on the possibility of such a response.

7. Since you became Director of the FBI in 2001, how many crime reports related to the unauthorized disclosure of classified information has the FBI investigated? How many such cases have been successfully prosecuted by the Department of Justice?

Response:

While various types of unauthorized disclosures of classified information are reported to the FBI through various vehicles, a Memorandum of Understanding between the Department of Justice and Intelligence Community agencies requires that unauthorized disclosures of classified information to the media be reported by way of a "crime report." Since September of 2001, the FBI has investigated and ultimately closed 85 investigations based upon crime reports related to the unauthorized disclosure of classified information, all of which concerned unauthorized disclosures of classified information to the media. None of these cases reached prosecution. Currently, 21 such cases are under investigation.

8. The FBI's counterterrorism translation capabilities are critical if we are to successfully confront the terrorist threat. In a recent response to a series of questions posed by the

Senate Judiciary Committee, the FBI stated that the Bureau now possesses sufficient translation capability to promptly address all of the highest priority counterterrorism intelligence, often within 24 hours and that the percentage of linguists in certain high priority languages such as Middle Eastern and North African languages has increased 200 percent and more. Please identify those high priority languages and the number of FBI linguists capable of translating each. How many FBI Special Agents speak Arabic?

Response:

The response to this inquiry is classified and was provided to the Committee on January 10, 2008.

9. The issue of domestic surveillance and the use of the FISA process continues to be an issue of high importance for our intelligence capabilities. There needs to be a smooth and efficient process for handling FISA requests for warrants quickly and professionally. In past testimony before the Judiciary Committee on this issue, you have said "We still have some concerns. And we're addressing it with the Department of Justice. . . . But there's still frustration out there in the field in certain areas where, because we've had to prioritize, we cannot get to certain requests for FISA as fast as perhaps we might have in the past." We are told that there have been significant efforts to improve the FISA process. Please tell us how the FISA application process is working now. Are applications moving through quickly, or are you still experiencing delays? Has the creation of the Assistant Attorney General for National Security and the National Security Division made things better? What steps have been taken that have benefitted the work of the FBI and what still remains to be done? What can Congress do to improve the process further?

Response:

As a result of the combined efforts of the FBI and DOJ's Office of Intelligence Policy and Review, we have seen substantial progress in our ability to obtain orders pursuant to the Foreign Intelligence Surveillance Act (FISA) efficiently. While the process has clearly improved, we believe that it continues to take too long to process nonemergency FISA requests. In part, the delays we face are a result of the level of detail required in the applications. We strongly believe that all those involved in the FISA process must look for ways to streamline this process so that we can accomplish the goal of promptly obtaining FISA orders while still providing the Foreign Intelligence Surveillance Court with enough information to make accurate findings relative to these applications. We are very

optimistic that the establishment of DOJ's National Security Division will help achieve our goal of ensuring an efficient and effective FISA process.

With regard to Congressional actions to improve and modernize the FISA process, we urge the Committee to quickly enact the Administration's proposal to modernize FISA in order to significantly streamline the FISA process. Among other inefficiencies, and as also noted by the Director of National Intelligence, sweeping changes in telecommunications technology since FISA was enacted in 1978 have resulted in the requirement to obtain a judicial order before conducting surveillance on suspected terrorists overseas - a result that impairs our intelligence capabilities without affording any protection to the civil liberties of Americans. And, of course, every hour of attorney time spent preparing FISA applications in order to eavesdrop on a suspected terrorist outside the United States (or to conduct a physical search of the suspect's stored communications) is an hour that is not spent preparing a FISA application for a suspected terrorist or spy who is inside the United States and whom the FBI wishes to target for collection.

10. What is the status of the investigation into the individual or group responsible for sending anthrax to the U.S. Senate after the 9/11 terrorist attacks? Does the Bureau believe this is domestic or international terrorism? Why?

Response:

This investigation is ongoing and the FBI continues to pursue every viable lead, whether related to possible domestic terrorism, international terrorism, or otherwise.

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, VICE CHAIRMAN

DIANNE FEINSTEIN, CALIFORNIA
RON WYDEN, OREGON
EVAN BAYH, INDIANA
BARBARA A. MIKULSKI, MARYLAND
RUSSELL D. FEINGOLD, WISCONSIN
BILL NELSON, FLORIDA
SHELDON WHITEHOUSE, RHODE ISLAND

JOHN WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SAXBY CHAMBLISS, GEORGIA
ORRIN HATCH, UTAH
OLYMPIA J. SNOWE, MAINE
RICHARD BURR, NORTH CAROLINA

HARRY REID, NEVADA, EX OFFICIO
MITCH McCONNELL, KENTUCKY, EX OFFICIO
CARL LEVIN, MICHIGAN, EX OFFICIO
JOHN McCAIN, ARIZONA, EX OFFICIO

ANDREW W. JOHNSON, STAFF DIRECTOR
LOUIS B. TUCKER, MINORITY STAFF DIRECTOR
KATHLEEN P. McGHEE, CHIEF CLERK

United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475

SSCI #2007-1511-D

March 30, 2007

Lieutenant General Michael D. Maples
Director
Defense Intelligence Agency
Washington, D.C. 20340

Dear General Maples:

We appreciate your participation in our January 11, 2007, hearing on the current and projected national security threats to the United States. Your willingness to address this important issue in open session was appreciated and made an important contribution, not only to the work of our Committee, but to the American public's awareness of U.S. national security interests.

We are submitting the attached questions for the record to you. The unclassified responses to these questions will be an important part of our public hearing transcript which we hope to release as expeditiously as possible. Accordingly, we would appreciate it if you would respond in writing to these questions no later than April 27, 2007.

If there are any questions, please have your staff contact Mr. Don Mitchell, of the Committee staff, at (202) 224-1700.

Sincerely,

John D. Rockefeller IV
Chairman

Christopher S. Bond
Vice Chairman

Enclosure

Question 1: (U) The Iraq Study Group strongly criticized U.S. military intelligence—not just the Defense Intelligence Agency (DIA)—for not having "invested sufficient people and resources to understand the political and military threat to American men and women in the armed forces." To what extent is this fair criticism? To what extent is DIA involved in providing direct support to military commanders in Iraq? Will you be asking for additional resources?

Answer: (U) DIA has nearly 500 personnel focused on Iraq; this includes almost 300 personnel deployed to the theater to provide direct support to military commanders. DIA works daily with U.S. Central Command to scope, establish, and maintain validated manning requirements filled by deploying DIA personnel. Support requirements to the theater have grown with implementation of the Iraq surge, and DIA is in the process of hiring contract personnel to satisfy many of these requirements. Optimally, DIA would request additional OIF supplemental funding in FY08 to address requirements. As in the past, DIA will strive to keep Congress fully informed on all requirements, programming actions, and other efforts surrounding the submission of supplemental appropriation requests. DIA will continue to conduct extensive coordination and liaison within the Intelligence Community to set priorities, manage risk, and assess requirements for all assigned mission areas.

Question 2: (U) The Iraq Study Group claimed that fewer than 10 DIA analysts have more than two years experience in analyzing the Iraqi insurgency. . . . Subsequently, DIA stated that DIA has a "core cadre of 49 analysts focused exclusively on the insurgency, at least half of whom have more than two years experience working this issue." Leaving aside specific numbers, are you convinced that DIA has an adequate capability to address this key issue? How would you assess the current state of knowledge on the insurgency?

Answer: (U) The Iraq Intelligence Cell currently has 146 personnel assigned, of which 136 are functioning analysts. DIA has a total of 16 analysts within the cell who focus specifically on the insurgency and have more than 2 years experience working the issue. The cell has an additional 29 analysts working the insurgency with less than 2 years of experience, for a total of 45 analysts analyzing the insurgency.

(U) The Iraq Intelligence Cell was stood up to improve DIA's ability to analyze and formulate judgments on the full range of issues in Iraq, including the insurgency. The cell is still evolving and integrating new personnel, so it is too early to judge whether the new organization is adequate to address the complexity of the Iraq problem. What DIA can say about the Iraq Intelligence Cell's capabilities at this point is that, with the additional resources provided by new personnel and functional area analysts from throughout DIA's Directorate for Analysis, the cell provides more integrated and holistic analysis for the Intelligence Community and national decisionmakers.

(U) DIA still has a lot of work to do regarding mapping the insurgency and nodal analysis. General knowledge of the insurgency is good; however, specific leaders, power brokers, and insurgent decisionmakers as well as financing remain unclear. Insight into these areas will provide significant improvement in the cell's ability to analyze the insurgency.

Question 3: (U) A widely circulating opinion poll has indicated that a majority (61%) of Iraqis believe attacks against Coalition Forces are justified. Do you think this is accurate? How would you characterize Iraqi views toward foreign forces in Iraq?

Answer: (U) Yes, this percentage is accurate as of early September 2006. A similar nationwide survey likely would yield a similar result if taken now. This poll was commissioned by University of Maryland's Program on International Policy Attitudes (PIPA) and conducted by KA Research Ltd. (KARL), a research firm owned by Iraqis and Turks.

(U) KARL appears to be a reputable firm. For this survey, KARL conducted 1,150 randomly selected face-to face interviews with Iraqi adults (margin of error +/- 3 percent). Other polling efforts have shown similar results. An ABC-BBC poll from late February/early March 2007 showed that 51 percent thought "attacks on Coalition forces were acceptable," up from 17 percent in 2004.

(U) However, the 61-percent result masks wide ethnosectarian differences. Although 61 percent overall approved of "attacks on US-led forces in Iraq" (27 percent "strongly," 34 percent "somewhat"), 92 percent of Sunni Arabs and 62 percent of Shia Arabs approved. In contrast, only 15 percent of Kurds approved. Also, the 61 figure had increased from the 47 found in an earlier PIPA poll from Jan 06.

(U) Polling also shows not only that wide static ethnosectarian differences exist, but the trends also contrast. Since the onset of Iraq violence in April 2004 and the first major U.S. operation into Fallujah, Sunni Arab sentiment has been steadily very negative and Kurdish sentiment positive. What have changed are attitudes in Baghdad and in Shia areas. Opinion in Baghdad on targeting Coalition forces and on whether they should leave has moderated somewhat in recent months as sectarian and al-Qaida violence in Baghdad became pervasive.

(U) In contrast, opinion in the Shia South regarding the Multinational Forces–Iraq presence has declined since the start of 2006 as Shia have looked suspiciously on U.S./Coalition efforts to increase Sunni inclusion in government and as Coalition forces have increasingly targeted Shia militia.

(U) There are really no "Iraqi views" because of stark differences in opinion among ethnosectarian groups; these are partly pointed out above. Only Kurds can be viewed as having a generally positive view of Coalition forces, largely because they view the Coalition presence as a guarantor of de facto Kurdish independence (and a bulwark against Iraqi civil war and/or Turkish intervention).

(U) Both Sunni and Shia Arabs generally are negative in their confidence in Coalition forces, their support for the Coalition presence, their view of Coalition force contributions to their personal security and to law and order in Iraq, and their suspicion that U.S./Coalition motivations are malevolent. Moreover, they are at best ambivalent about attacks on Coalition forces (in strong contrast to their opposition to attacks on Iraqi civilians and security forces) and do not believe Coalition forces have any intention of ever leaving. Negativity is particularly strong in the Sunni Arab regions to the west and north.

(U) However, while none of the latest polling can be deemed yet to reflect Iraqi conclusions on Baghdad Security Plan III, much of the sentiment regarding Coalition forces appears to have improved substantially in Baghdad since December 2006. A late February/early March 2007 poll by the State Department's Bureau of Intelligence and Research showed that, whereas no more than 3 percent in other exclusively Sunni or Shia Arab regions had confidence in Coalition forces, confidence in Baghdad stood at 40 percent (up from 7 percent in December 2006).

(U) Also, a February 2007 survey showed Baghdad to be the only region outside the Kurdish zone in which more attributed the rationale for the U.S. military "surge" to positive motivations (42 percent—to bring security and stability) than negative (33 percent—to attack Iraq's neighbors, to take control, etc.).

(U) Overall, Iraqi Arab views of when Coalition forces should leave are tempered by the concern for potential descent into greater violence and civil war. Thus, while 61 percent approved of attacks on Coalition forces, only 37 percent in the same September 2006 PIPA poll desired for Coalition forces to leave immediately. This indicates the belief that attacks are necessary to pressure the United States ultimately to leave but that at least a short-term Coalition presence is preferred to the feared alternative of state disintegration and chaos that could ensue.

Question 4: (U) The Intelligence Community is America's early warning system against threats to American lives and property both here and overseas. What are the Intelligence Community's greatest strengths and deficiencies in monitoring terrorism? What lessons have your organizations learned from the September 11, 2001, terrorist attacks to address any shortcomings? Do you believe that you currently have sufficient resources to effectively fight the war on terrorism?

Answer: (U) Since the 11 September 2001 attacks, the Intelligence Community (IC) has greatly strengthened its collective capabilities against terrorism. The IC's counterterrorism components are working in close concert to wage an aggressive global campaign against terrorists threatening U.S. citizens and interests. Each component brings its unique mission responsibilities and capabilities to bear on the problem under the umbrella of the National Counterterrorism Center (NCTC). DIA's primary contribution to the terrorism issue is its strong terrorism analysis expertise resident in the Joint Intelligence Task Force–Combating Terrorism (JITF-CT) and the robust capabilities of Defense Human Intelligence (HUMINT) system. DIA provides valuable and tailored intelligence analysis and collection to Defense Department policymakers and warfighters and, as an integral member of the national counterterrorism community, contributes Defense expertise and perspective to the national effort against terrorism.

(U) Under the NCTC's Counterterrorism Analytic Framework, DIA is responsible for ensuring the vast Defense Department enterprise receives the intelligence required to protect its personnel, facilities, and operations from terrorist attack and to enable military counterterrorism plans and operations. The JITF-CT responds to the full-range of Defense Department combating terrorism requirements, including support to both force protection and counterterrorism missions. The JITF-CT is responsible for prompt assessment and dissemination of intelligence on terrorist threats to the Defense Department; providing tailored analysis and products to Defense policymakers, military commanders at all echelons, and forces deployed worldwide; and performing all-source intelligence analysis in support of military counterterrorism plans and operations. To illustrate the scope of the support provided, during 2006 the JITF-CT produced about 8,000 individual terrorism intelligence products and responded to 7,343 formal terrorism-related taskings from the Joint Staff, the Office of the Secretary of Defense, the Combatant Commands, and the broader counterterrorism community.

(U) In the 5 plus years since 11 September 2001, DIA has developed and is successfully operating a new model to apply terrorism intelligence to Defense operations. Using improved data access, resulting from innovative efforts like the Defense Intelligence Agency–National Security Agency information-sharing program, JITF-CT analysts are producing detailed, tailored counterterrorism campaign support products to target terrorists and their capabilities. These products, combined with the expertise of analysts deployed with key military counterterrorism elements, contributed to the captures or deaths of numerous foreign terrorists and identification of several significant terrorist plots. The success of this effort underscores the immense importance of information sharing and collaboration across the counterterrorism community and the effectiveness of embedding skilled analysts to support and guide collection, detainee interrogations, document exploitation, and counterterrorism operations.

Question 5: (U) How many Taliban and al-Qaida members have been killed, wounded or captured since September 11, 2001? To what extent have al-Qaida and the Taliban been effectively eliminated as a threat to U.S. interests?

Answer: (U) DIA cannot assess with a great degree of confidence specific numbers of al-Qaida members killed, wounded, or captured since 11 September 2001, in part because of the difficulties in defining "membership," and because of incomplete casualty counts, particularly for the killed and wounded in Iraq and Afghanistan. Al-Qaida currently has several thousand members and associates; although the associates may not pledge allegiance to al-Qaida, they support its ideology and methods, creating a parallel network of networks referred to as the al-Qaida-associated movement. DIA estimates thousands of al-Qaida members and affiliates, including many key leaders and operatives, have been killed, wounded, or captured in Afghanistan, Iraq, and worldwide since September 11th.

(U) Despite counterterrorism successes since 9/11, al-Qaida remains a very capable and active organization posing a threat in many regions of the world. It retains its ability to recruit members and obtain funds, as well as its ability to replace operatives and leaders killed or captured. Al-Qaida's Pakistan-based leadership retains the ability to support the Afghan and Iraqi insurgencies and to support and direct transnational operations. Al-Qaida associates continue to execute other terrorist attacks, and still other attacks are carried out by local jihadists with little or no direct connection to al-Qaida.

(U) The Taliban has lost thousands of fighters to death, capture, or reconciliation since U.S. and allied operations began in Afghanistan in October 2001. The movement, however, is a greater threat to U.S. interests now than at any point since the Taliban fell from power. This is largely the result of increasing support from Pashtun tribes in eastern and southern Afghanistan and western Pakistan. Increased support, which often is coerced, has allowed the Taliban leadership to steadily increase its manpower reserves. Without an expansion of basic security and an increase in legitimate economic opportunity, this trend undoubtedly will continue.

Question 6: (U) What is the nature and extent of the terrorist threat to U.S. diplomatic and military facilities overseas and how has it changed since September 11, 2001? Do you believe that the Departments of Defense and State have taken appropriate security measures to address the terrorist threat to all of their overseas facilities?

Answer: (U) The terrorist threat to U.S. diplomatic and military facilities overseas remains significant, particularly from the al-Qaida-associated movement, which remains active and capable of improvised explosive device (IED)—including vehicle-borne IED—attacks, armed assaults, and other tactics. Since 9/11, increasing security, improved intelligence, and hardening of many of these facilities have caused some terrorists to focus on softer targets, including transportation infrastructure, restaurants, and nightclubs.

(U) The Department of Defense has taken additional measures to enhance the antiterrorism physical and technical security measures afforded U.S. diplomatic missions around the globe. Working with the Department of State's Bureau of Overseas Building Operations and the Office of the Director for National Intelligence's Center for Security Evaluation, the Defense Department has aggressively ensured all new construction meets the latest standards for antiterrorism and all renovation projects have their physical and technical security enhanced to meet existing requirements.

Question 7: (U) If present trends continue, what will be the Russian military's capability to conduct operations 5 years from now? Do these trends indicate the possibility that Russia may soon have insufficient military force to retain order within Russia?

Answer: (U) Current trends force wide generally are positive and allow the assessment that Russian military forces are fully capably of maintaining order within Russia for the next 5 years.

(U) Following the collapse of the Soviet Union, Russian strategic nuclear forces never lost their ability to execute their strategic strike mission. However, Russia's general purpose forces (especially its Ground Forces and Air Forces) suffered a dramatic loss of combat capabilities. Since 2000, a steady, albeit uneven, improvement has been observed that likely will continue over at least the next 5 years.

(U) The base combat missions assigned to the future Russian Armed Forces likely will cover the full operational spectrum (from low- to high-intensity combat actions) as well as a wide range of possible threats. Senior Russian leaders believe the Armed Forces are capable of executing their required missions. The basic combat mission set of the peacetime Russian Armed Forces is composed of the following five specific missions:

a) (U) Strategic nuclear strike.

b) (U) Repulse an enemy aerospace attack.

c) (U) Repel aggression in an "armed conflict."

d) (U) Repel aggression in a "local war."

e) (U) Protect the mobilization and deployment of the Armed Forces for high-intensity wars.

Question 8: (U) Transfer of Technology From Russia. What general trends has the Intelligence Community noticed of scientists, technology and conventional and unconventional military sales from Russia to other nations? What trends have you detected that Russian nuclear materials, BW, CW or ballistic missile-related materials or technology, have found their way to the international black market? What are the implications of these trends for U.S. security?

Answer: (U) Russia has provided nuclear technology to a large number of countries in the form of nuclear power reactors and nuclear research centers. Recipients include Eastern Europe, China, North Korea, Iran, and Algeria. In addition, Russia has provided uranium enrichment technology to China. No evidence indicates Russian uranium enrichment centrifuge technology has found its way onto the black market. With the exception of China, Russia has not provided weapon technology to other countries.

(U) In the chaotic years following the breakup of the Soviet Union, some Russian scientists may have gone to third world countries. For example, in the 1990s the Federal Security Service prevented a planeload of Russian missile experts from leaving for North Korea. While some nuclear scientists may have left, the Russian government did not support scientists' leaving. Many scientists also left for sabbaticals at Western scientific research institutions, with most returning to Russia.

(U) Although DIA cannot exclude the possibility, it is not aware of any significant movement of Russian scientists, materials, or technology directly related to biological weapons to other countries, either directly or by way of the black market. Russia maintains technology-sharing agreements with many other countries, and some of that technology could indirectly support development of biological weapons; however, much of the relevant technology and equipment already is available from open sources, so acquisition of Russian support is not likely a limiting factor for countries pursuing a biological warfare capability.

(U) Although Russia plays a significant role in the international market for technological and conventional military sales, DIA has not seen any sales beyond conventional chemical equipment that directly apply to chemical warfare materials and technology. Russia expresses public support for various nonproliferation regimes and treaties and has ratified key arms control treaties.

(U) Russia's June 2006 "White Paper on Nonproliferation" self-assessed the Russian export control system as reliable and mature. DIA assesses Russia is committed to controlling the outward flow of WMD-applicable technology and expertise; however, Moscow consistently must insure that nonproliferation, to include the security of fissile material and nuclear warheads remains a top priority and those who violate the law will be prosecuted.

Question 9: (U) What is the likelihood that China will attempt an invasion of Taiwan in the next five years? What factors would lead Beijing to consider a military versus a peaceful resolution of cross-strait issues? What is your current assessment of China's amphibious program and future invasion capabilities? How many missiles does China possess that could strike Taiwan, what is the destructive capability of this missile force, and what is Taiwan's retaliatory missile capability? To what extent have close U.S.-Taiwan relations been an obstacle to closer U.S.-China ties?

Answer: (U) Beijing's primary strategic concerns include ensuring domestic security and prosperity and restoring China as an international power. Success in these areas bolsters the legitimacy of the Chinese Communist Party (CCP) and failure, even temporary, would underscore the CCP's shortcomings. Peace is generally in the CCP's best interest because it provides a stable backdrop for China's continued modernization and economic boom. Although unification with Taiwan remains one of Beijing's long-term objectives, designed to ensure territorial integrity, Beijing appears prepared to defer unification as long as it continues to believe trends are advancing toward that goal and that the costs of conflict outweigh the benefits. However, how precisely Beijing would make such a calculation is uncertain.

(U) During the next 5 years, Beijing's focus is likely one of preventing Taiwan from moving toward de jure independence while continuing to hold out its terms for peaceful resolution under a "one country, two systems" framework that would provide Taiwan a degree of autonomy in exchange for its unification with the mainland. The mainland's current course of action appears to employ political, economic, cultural, legal, diplomatic, and military instruments of power in a coherent strategy to resolve the Taiwan issue in its favor. Indeed, cross-strait economic ties have expanded Beijing's influence in, and leverage over, Taipei. However, Beijing could use military action against Taiwan if it feels Taiwan has drifted too far from unification. Currently the most likely courses of action appear to be limited in scope and meant to deter independence rather than a full-scale invasion of the main island with the intent of unification.

(U) An amphibious campaign of the scale outlined in several Chinese military writings would tax the capabilities of China's armed forces now and for the next several years. An amphibious invasion of Taiwan would be a significant political and military risk for China's leaders and is not likely in the short term. Nevertheless, the Chinese military is preparing a future capability to conduct an amphibious invasion.

(U) China has deployed roughly 900 CSS-6 and CSS-7 short-range ballistic missiles (SRBMs) to garrisons opposite Taiwan. This SRBM force would be extremely effective at striking air defense/early warning radars, missile sites, airfields, and command and control nodes in Taiwan in the opening period of a war across the Taiwan Strait. With the newer generation missiles possessing greater ranges and improved accuracy, fewer missiles would be necessary to successfully destroy a given target. A RAND war game estimated an initial barrage of these SRBMs could reduce the overall effectiveness of Taiwan's air defense systems by 50 percent. Against unhardened facilities, the Chinese SRBMs pose a significant threat to Taiwan's air defenses, airfields, and command and control nodes. China likely would use its SRBM force to shape the battlefield and gain the operational advantage in a conflict with Taiwan. Currently Taiwan does not have a retaliatory ballistic missile capability that could counter China's offensive missile force.

(U) Although China's rhetoric regarding U.S.-Taiwan ties is negative, it has not prevented U.S.-Sino cooperation in areas in which interests coincide—for example, the Six-Party Talks.

Question 10: (U) On October 9, 2006, North Korea tested a nuclear weapon with an estimated yield of less than 1 kiloton. Recent press reports suggest that North Korea is about to test another device. What is the Intelligence Community's assessment of the likelihood that North Korea will test another nuclear weapon soon? What is the current estimate of the size of North Korea's weapon arsenal? How confident are we that North Korea is complying with the terms of the 1994 Agreed Framework regarding plutonium production activities at Yongbyon?

Answer: (U) DIA assesses North Korea could conduct a nuclear test with little to no warning. However, DIA does not assess a nuclear test is imminent.

(U) DIA assesses North Korea could have several plutonium-based nuclear warheads.

(U) DIA assesses with high confidence that North Korea did not comply with terms of the 1994 Agreed Framework regarding plutonium production activities at Yongbyon.

(U) Agreed Framework terms stipulated that North Korea halt its nuclear materials production program and meet all terms of the framework and the Treaty on Nonproliferation of Nuclear Weapons (NPT) in exchange for delivery of essential reactor components for two 1,000-MWe light-water reactors and annual delivery of 500,000 tons of heavy fuel oil for North Korea.

(U) Starting in October 1994, the International Atomic Energy Agency (IAEA) monitored North Korea's nuclear facilities at the Yongbyon Nuclear Research Center per the Agreed Framework between the United States and North Korea. Under this agreement, all graphite-moderated reactors and related facilities were frozen, and about 8,000 nuclear reactor spent fuel rods were placed in storage there under IAEA seal.

a) (U) In October 2002, revelations surfaced that North Korea had been pursuing a uranium enrichment program in violation of the Agreed Framework.

b) (U) In December 2002, following suspension of its heavy fuel oil shipments, North Korea expelled IAEA personnel from the country and announced it would re-start its Yongbyon facilities for power production.

c) (U) On 10 January 2003, Pyongyang announced North Korea's intention to withdraw from the NPT.

d) (U) In October 2003, North Korean officials declared they had successfully finished reprocessing all 8,000 spent fuel rods.

e) (U) An unofficial U.S. delegation that visited the site in January 2004 reported that the spent fuel canisters no longer contained the spent fuel rods, an indication they may have been removed for reprocessing.

Question 11: (U) What is the likelihood that North and South Korea will unify within the next 5 years? What is the likelihood that unification between North and South Korea will be a peaceful process? Under what circumstances would a war be likely? How strong is Kim Jong Il's hold on power? Who will likely succeed him?

(U) Despite rhetoric from both North and South Korea on unification as a national goal, the likelihood that the two countries will unify within the next 5 years is low. Kim Jong Il's immediate focus is to maintain political control in North Korea and ensure regime survival rather than push for unification. South Korea sees unification as a long-term objective; hasty unification would pose major financial and social challenges for the South. DIA assesses a forceful reunification by military means to be a remote possibility. A gradual and peaceful unification continues to be the goal of all nations concerned. War would occur only under the direst of circumstances: North Korea would have to be under extreme external pressure or threatened by immediate political collapse to attack the South.

(U) Kim Jong Il maintains complete control over North Korea, and the strength of multiple security services adds to his overall hold on power. DIA notes that no organized opposition to his continued rule has been observed, elite loyalty remains strong, and no concrete steps have been taken to establish a successor to Kim. Continued idolization of the Kim family and a decisionmaking structure centered on Kim Jong Il portend continued Kim family rule of North Korea.

Question 12: (U) Trends in Conventional Arms Transfer Activities: What are the most recent trends you have identified in conventional arms transfer activities with respect to sales to the Middle East from foreign suppliers, to China by Russia, and by all suppliers to Iran? What specific major conventional weapons systems have been transferred from Russia to Iran and to China

Answer: (U) The Middle East/North Africa (MENA) region is the world's second-largest regional arms market, behind Asia. In 2005-06, Britain was the largest non-U.S. supplier to MENA as a result of a multibillion dollar arms-for-oil agreement with Saudi Arabia. Russia was the next-largest supplier; its sales to this region in 2005 and 2006 were more than three times its previous annual average. Algeria and Iran were Moscow's leading customers. Algeria signed a multibillion dollar agreement for fighter aircraft, tanks, and air defense systems, and Iran signed a $700 million contract for SA-15/GAUNTLET air defense systems. Russia was Iran's largest supplier during this period, followed by China.

(U) Germany and France also are leading arms suppliers to the MENA region. Significant German arms agreements included sale of two submarines to Israel and armored vehicles and naval vessels to the United Arab Emirates. France signed new agreements to supply the United Arab Emirates Mirage fighter aircraft and antiship missiles.

(U) The United Kingdom, Russia, Germany, and France will continue to be significant non-U.S. suppliers to the MENA region. In addition to current arms-for-oil arrangements, London soon may sell Eurofighter Typhoon fighter aircraft to Saudi Arabia.

(U) Iran's major suppliers are Russia and China. Russia has signed the largest contracts with Tehran, selling about $1 billion worth of military equipment, including 29 SA-15B air defense systems, fighter aircraft overhauls, and patrol boats. Deliveries of this system already have begun. Tehran will continue to rely on these arms suppliers in the future, partly out of necessity because Western countries refuse to sell to Iran. Relations with Moscow, however, currently are strained because of Iran's intransigence on nuclear issues, which could affect future arms sales.

(U) China traditionally has been Russia's largest customer, on average purchasing billions of dollars worth of arms every year. Russia is China's largest supplier, accounting for more than 80 percent of Chinese arms imports. Major purchases have included KILO Class submarines, SA-20/GARGOYLE air defense systems, Su-30MKK/MK2/FLANKER fighter aircraft, and various Mi-series military helicopters. Although 2006 saw a significant drop in purchases, this is only a temporary dip, as Beijing has billions of dollars worth of purchases in the negotiation phase. Russia will continue to be China's main supplier of arms for the foreseeable future.

Question 13 **(U) How much progress has President Uribe made against Revolutionary Armed Forces of Colombia (FARC) insurgents and other illegal armed groups? How has the government's overall security been improved? What is the likelihood of continued instability in Colombia over the next several years because of the FARC and other armed groups?**

(U) Since 2002, Colombia's security forces have reduced FARC manpower to about 12,000—down from a peak of 15,000-16,000. The FARC has very little popular support—no higher than 2 percent in polls over the past 5 years—but sustains itself through involvement in the illegal drug trade, which allows it to continue to resist a political settlement with the Colombian government.

a) (U) A humanitarian prisoner/hostage exchange would be a key prerequisite for any future peace negotiations with the FARC. Despite significant government concessions, the two sides have consistently failed to agree on conditions for an exchange. FARC leaders are unlikely to consider peace negotiations, opting instead to wait out the remaining 3 years of President Uribe's second term.

(U) Exploratory peace talks between the government and the National Liberation Army (ELN)—Colombia's other major insurgent group—began in December 2005, and the sixth round resumed in Havana, Cuba, on 12 April 2007. International interlocutors may be able to apply enough pressure to encourage the ELN to demobilize. Nonetheless, not all ELN rebels actually would demobilize, and some probably would gravitate to the FARC or other criminal gangs.

a) (U) Since 2000, the ELN has been reduced by about 50 percent from about 6,000. Although the ELN previously regarded the drug trade as immoral, some elements are increasingly engaging in drug trafficking to fund operations, and competition over trafficking territory has led to some deadly confrontations with the FARC.

(U) President Uribe implemented a National Security Strategy shortly after assuming office in August 2002 to expand the scope of government control throughout Colombia. In June 2003, the military launched a major counterinsurgency campaign, which has achieved notable military gains against the FARC but has yet to compel it to engage in peace negotiations.

a) (U) Since August 2002, Uribe has nearly doubled the strength of the military. For the Army in particular, several new mobile brigades have been manned and deployed, along with seven high-mountain battalions, which are garrisoned in the mountains to deprive insurgents of access to mountain sanctuaries and to allow the government to control vital lines of communication. According to press reporting, the 8th High-Mountain Battalion was to have been activated in March 2007 in the mountains east of Calí. The Army also has trained some 20,000 Hometown Soldiers to augment rural police forces in areas the Army already has cleared.

(U) Because of the availability of nearly unlimited funding from the illegal drug trade, the FARC is likely to continue to be a destabilizing force in Colombia for the foreseeable future. Nonetheless, security forces continue to reduce FARC manpower while simultaneously expanding government security forces and services into areas the FARC formerly controlled. Eventually security forces are likely to kill or capture one or more members of the FARC Secretariat, which likely would project the group into a crisis mode.

a) (U) FARC Supreme Commander Manuel Marulanda, who is widely respected by the rank and file, is rumored to be in poor health. Moreover, he will turn 76 on 13 May. If and when he dies or is captured, the FARC could face an identity crisis, particularly if another Secretariat member fails to secure the allegiance of midlevel FARC commanders.

(U) Since July 2005, some 32,000 United Self-Defense Forces of Colombia (AUC) rightwing paramilitary members demobilized, but as many as 3,000 may have forsaken the process to join emerging criminal bands. In addition to the 29,000 AUC members who remain demobilized, however, some 11,000 FARC, ELN, and AUC deserters also surrendered to security forces since June 2002.

a) (U) Taken together, the collective AUC demobilizations and desertions of individuals are noteworthy, resulting in some 40,000 fewer armed combatants engaging in criminal activities. Since the AUC demobilized, Colombia's homicide rate dropped 13 percent.

(U) President Uribe will continue his National Security Strategy for the remainder of his term in an effort to eliminate the FARC, ELN, and other criminal groups. His administration also will continue its efforts to expand the scope of social development programs and services to further isolate these illegal armed groups. Nonetheless, despite gains of the Uribe government against the FARC, demobilization of some 40,000 illegally armed combatants, and the hopeful prospects for a peace accord with the ELN, a permanent solution to Colombia's internal conflict is likely to remain difficult and elusive. Even if the FARC and ELN are eliminated, billions of drug dollars will continue to foster well-armed criminal entities in Colombia. Therefore, aggressive counternarcotics operations will continue to be an essential part of Colombia's long-term national security strategy.

Question 14: (U) How stable is the Saudi government? What factors would be most likely to bring about change in that country? What is the likelihood that the next leadership transition will lead to a period of instability? To what extent are the Saudi government and public supportive of the U.S.-led campaign against Usama bin Ladin and terrorism, as well as the U.S.-led effort in Iraq? To what extent would the removal of U.S. military forces from Saudi Arabia diminish anti-U.S. sentiment both within Saudi Arabia and throughout the Islamic world? If the U.S. were to withdraw from Iraq, what is the likelihood that al-Qaida and other terrorist groups in Iraq would turn their attention to the Saudi regime?

Answer: (U) High oil prices, gradual reforms, improved counterterrorism capabilities, and a string of counterterrorism successes all have made the Saudi government significantly more stable than in previous years. Unless a major precipitating event occurs, the Saudi regime is likely to endure for the foreseeable future, and leadership changes are unlikely to cause significant or lasting instability.

(U) Saudi leaders fear instability, and the royal family is likely to be able to quickly achieve consensus on future leaders. Previous leadership changes have gone smoothly, and future power transfers are likely to occur without incident. A new succession law, announced in October 2006, aims to formalize and regularize future successions.

(U) Since 2004, the Saudi public appears to have become increasingly hostile to acts of terrorism and those who perpetrate them, especially inside the kingdom. According to press reports, Saudi citizens often report suspicious, terrorist-related activities to the authorities. The Saudi government is committed to combating terrorism and Usama bin Ladin.

(U) Even if trainers for the Defense Ministry and Saudi Arabian National Guard are counted, significantly fewer U.S. military personnel are in the kingdom today than in 2003. Any further reduction in U.S. military personnel in Saudi Arabia is unlikely to have an appreciable impact on anti-U.S. sentiment in the kingdom or throughout the Islamic world. The presence of U.S. forces on the Arabian Peninsula is no longer a significant part of anti-U.S. Islamist rhetoric.

(U) A Coalition withdrawal from Iraq likely will have little effect, if any, on al-Qaida's targeting of the Saudi regime, as the overthrow of the Saudi regime has long been one of the key goals of al-Qaida senior leaders. While Saudi counterterrorism forces have waged a sustained campaign against al-Qaida since 2003, remaining at-large operatives continue to pose a significant threat to U.S., other Western, and Saudi interests in the kingdom. The return to Saudi Arabia of some foreign fighters who choose not to remain in Iraq following Coalition withdrawal could bring additional skills and connections to the Saudi al-Qaida network, which al-Qaida could use in its campaign against the kingdom.

Question 15: (U) Language Skills of DIA Analysts. The 9/11 Commission and other outside groups have emphasized the importance of having more analysts with foreign language skills in interpreting the mass of information available from both classified and unclassified sources. Could you give the Committee a status report on the issue as it affects DIA? In particular, how difficult is it to employ the services of first or second generation Americans with family ties in potentially hostile countries?

Answer: (U) To conduct accurate analysis of both classified and unclassified sources, the Defense Intelligence Agency (DIA) requires analysts with regional and cultural expertise. The volume of information available in open sources far exceeds our ability to identify and process information of value or useful to the Intelligence Community (IC), and the volume is increasing exponentially as communications technology and the Internet spread around the world. English-only speakers cannot fully use this information until it is translated. Information from classified sources must also be translated into English before it can be used. Even information from foreign sources provided in English often contains errors that must be identified and corrected by language-skilled analysts with background in the subject matter. Finding cleared translators, particularly for technical documents, can be a problem, because they may lack the subject matter expertise to render accurate translations. While improving, machine translations still leave much to be desired and continue to require human intervention to ensure accuracy. Precise, accurate translations are essential to good all-source analysis. This requires language-skilled analysts who can either identify items of interest and submit them for translation or perform the translation themselves.

(U) Since language skills are such an important tool both for achieving the necessary regional and cultural expertise and analyzing primary source material, DIA has undertaken an aggressive recruiting effort to hire more language-skilled individuals. This includes an incentive program to encourage referrals of language-skilled applicants, active recruitment from the National Security Education Program, full utilization of the Pat Roberts Intelligence Scholars Program, and a focused effort to recruit from the various National Flagship Language Programs.

(U) As a result, DIA's Directorate for Analysis has nearly doubled the number of individuals who qualify for Foreign Language Proficiency Pay (FLPP) in the past two years. The number drawing FLPP for critical languages (such as Arabic, Chinese, Dari, Farsi, Russian, etc.) has nearly tripled. All of the analysts in DIA are U.S. citizens who have attained a Top Secret/SCI clearance.

(U) In addition, DIA requires highly-skilled language professionals at the National Media Exploitation Center (NMEC) who are literate in the target language, understanding nuances and slang as well as normal text. NMEC employs more than 330 full-time equivalent contracted translators. For unclassified material, this can be done using Category I (uncleared) translators, who are native speaking foreign nationals who have passed some security screening (such as polygraph, subject interview and name checks).

(U) For classified material, NMEC uses Category II (Secret) and Category III (Top Secret/SCI) cleared translators. The investigative and adjudicative requirements for these individuals are more rigorous than for Category I. The granting authority for all collateral security clearances (i.e., TOP SECRET and below, non-SCI) resides exclusively with the Defense Industrial Security Clearance Office (DISCO). In emergency circumstances, DIA has used its delegated authority to appoint persons to sensitive positions in DIA for a limited period of time for whom a full field investigation or other appropriate investigation, including the National Agency Check (NAC), has not been conducted. For example, DIA employs an accelerated process for clearing linguists, which allowed us to clear almost 800 contractors (mostly linguists) over a three-month period for assignment to the Iraqi Survey Group, with an average turnaround time of less than 30 days. The contractor company must have initiated the required NAC and requested an expedited interim clearance decision from DISCO, while DIA conducts credit and law enforcement checks and a subject interview of the contract linguist. DIA advises DISCO of the results of these compensatory security checks.

(U) The requirements for TS/SCI eligibility are dictated by Director of Central Intelligence Directive (DCID) 6/4 (soon to be Intelligence Community Directive 704), which specifies the investigative and adjudicative requirements. One of the most difficult requirements for the population in question (native or heritage speakers with families living abroad) is the ability to investigate 7-10 years of their background. If an individual has lived abroad until recently (or only been in the U.S. for the 3-5 years necessary to meet residency requirements for citizenship), conducting a full background investigation is problematic. The challenge facing the IC is how to assess an individual's trustworthness without investigating their background beyond a few years. DIA has taken steps to enhance our effectiveness in this area, including deploying a security officer to CIA (to gain access to other data bases in a more timely manner) and working with IC psychologists to deploy a special interview protocol during the security interviews (to more accurately determine the degree to which an individual has assimilated themselves into the U.S. mainstream).

(U) Obtaining a TS/SCI clearance on an individual who has spent their life in the U.S. takes, on average across DIA as a whole, about 75 days for the full investigation and adjudication. An individual with extensive overseas travel / connections can take two to three times that long as we have to await what overseas leads can reasonably be conducted. Thus, native or heritage speakers of critical languages can be cleared up to the TS/SCI level – but it takes much longer.

(U) The majority of native or heritage language speakers deemed ineligible for a TS/SCI clearance were dual citizens who refused to agree not to exercise any benefits of their non-U.S. citizenship (such as maintaining a current foreign passport, voting in foreign elections, or receiving foreign government benefits) while employed and cleared by the U.S. Government, not because of foreign family members. The major obstacle DIA faces is not the ability to obtain security clearances for native / heritage speakers of foreign languages (even those with families living abroad), but difficulty of getting such clearances in a timely manner.

Question 16: (U) Criminal Organizations and Networks: What is the likelihood that criminal organizations and networks will expand the scale and scope of their activities over the next 10 years? What is the likelihood that such groups will traffic in nuclear, biological, or chemical weapons?

Answer: (U) International organized crime increasingly will threaten U.S. national security over the next 10 years. Globalization—the growing interconnectedness of global economies and societies—will continue to facilitate expansion of organized criminal activities and networks in the coming decade. Organized criminal activities include drug trafficking, human trafficking, arms smuggling, and illicit financial activities, to include manipulating financial markets. Organized criminal groups will become increasingly adept in exploiting globally integrated economies, sophisticated technology, advanced computer networking, and better connected transportation systems. In particular, these groups likely will expand the scope and scale of cybercrime activities over the next 10 years. Criminal networks likely will thrive in resource-rich states or regions undergoing significant political and economic transformation.

(U) The potential exists for organized criminal organizations to engage in trafficking of chemical, biological, radiological, or nuclear (CBRN) materials. Terrorist groups could turn to criminal organizations to provide goods, including CBRN materials, they cannot procure on their own. However, any relationship between organized criminal networks and terrorists likely would be a matter of business, as organized criminal networks are hesitant to participate in any activity—including CBRN trafficking—regarded as risky or bad for business.

Question 17: (U) While Turkey was not supportive of US forces crossing its territory to attack Iraq from the north during Operation Iraqi Freedom, how supportive has Turkey been of US counterterrorism efforts? What approach has the Turkish government taken regarding the northern Iraq Kurdish groups? What is the likelihood that Turkey will go so far as to invade northern Iraq and retain a permanent presence there to prevent a Kurdish state?

Answer: (U) Turkey supported U.S. counterterrorism efforts in the Middle East. However, Turkey's primary counterterrorism concern remains the Kurdistan People's Congress (KGK), operating in Turkey, with training and logistic camps in northern Iraq. The lack of tangible U.S. action against Turkey's primary terrorism concern continues to negatively affect public opinion regarding the United States in Turkey.

(U) The Turkish military refuses to meet with Iraqi Kurds because of the military's belief that the Iraqi Kurds support the KGK. The ruling Justice and Development Party has taken a more flexible approach in dealing with the Iraqi Kurds, but it cannot do much in the current environment owing to a lack of Iraqi Kurdish action against the KGK, Turkish military pressure, and upcoming presidential elections.

(U) Turkey may invade northern Iraq in the near term, especially if the United States and/or the Iraqi Kurds do not take tangible action against the KGK camps in northern Iraq. Ankara is unlikely to invade northern Iraq and maintain a permanent presence to prevent establishment of an Iraqi Kurdish state. However, through persistent diplomatic and economic means Turkey will continue to pressure the Iraqi Kurds to remain a part of the Iraqi nation.

Question 18 **(U) Please provide your assessment of the state of the Afghan security forces, particularly the Afghan National Army as well as the Afghan police. What are the strengths and weaknesses of these organizations? How many anti-ISAF (the NATO-led International Security Assistance Force) attacks were conducted against NATO forces in the second half of 2006? How does that compare to the previous six months, and the six months before then? Do you assess that these attacks have undermined the coherence of mission of the NATO-led ISAF forces? What is the number of and trend line on suicide attacks conducted in Afghanistan in 2006? Who are the perpetrators?**

Answer: (U) Afghan National Army (ANA) units are limited by resource shortages, high attrition rates, inadequate training, and corruption. While no ANA units are assessed as capable of independent operations, some units are capable of leading small-scale operations with Coalition support.

(U) Afghan National Police (ANP) units suffer from inadequate training, equipment shortages, high levels of corruption, and influence by local tribes. While not proficient by Western standards, ANP elements are capable of handling low-level tasks such as manning checkpoints and providing local security.

(U) There were 1,878 attacks against Coalition and NATO forces in the second half of 2006, 839 during the first half of 2006, and 655 in the last half of 2005. These attacks undermine the coherence of the mission by portraying the Coalition/NATO as unable to provide security for the local populace.

(U) There were 130 suicide attacks in Afghanistan in 2006. Most suicide bombers in Afghanistan have been Pashtuns from Afghanistan or Pakistan, with smaller numbers emanating from foreign fighters. There have been 43 attacks so far in 2007 compared to 28 during the same time period in 2006. If this trend continues the number of suicide attacks will exceed last year's totals.

Question 19: **(U) Limiting the Flow of Conventional Weapons in Africa: How can the Intelligence Community and the United States government track and limit the flow of conventional weapons fueling conflicts in Africa?**

Answer: (U) Limiting the flow of conventional arms that are fueling conflicts in Sub-Saharan Africa is difficult because of the sheer size of the region. The bulk of the arms transferred to this region go via sea routes to numerous ports. Attempts to limit the flow of arms to these ports would be ineffective because arms suppliers simply would reroute shipments to other ports. They also could increase arms shipped by air. While air transport is costlier, it also is more difficult to track. Shipments of all types are generally small and often do not involve government to government entities and are therefore difficult track.

(U) One option to limit the flow would be to put diplomatic pressure on the major arms suppliers. China is the leading supplier to this region. Other significant suppliers include Russia, Ukraine, and Belarus.

Question 20: (U) The American Heritage Dictionary of the English Language defines a civil war as being "a war between factions of regions of one country." In your opinion, is Iraq currently engaged in a civil war? Why or why not? Is this the unanimous view of all components of the Intelligence Community?

Answer: (U) This issue is addressed on page 7 of the National Intelligence Estimate (NIE): "The Intelligence Community judges that the term 'civil war' does not adequately capture the complexity of the conflict in Iraq, which includes extensive Shia-on-Shia violence, al-Qaida and Sunni insurgent attacks on Coalition forces, and widespread criminally motivated violence. Nonetheless, the term 'civil war' accurately describes key elements of the Iraqi conflict, including the hardening of ethnosectarian identities, a sea change in the character of the violence, ethnosectarian mobilization, and population displacements."

Question 21: (U) The President intends to "surge" an additional 20,000 troops in Iraq in order to quell the insurgency and help end sectarian violence. What is your intelligence assessment of what these additional troops will be able to accomplish?

Answer: (U) An assessment of what U.S. forces will be able to accomplish is an operational matter. The presence of additional coalition forces will likely bring about a change in the security situation, however, our assessment is that the insurgency remains resilient and sectarian violence will continue until political reconciliation is achieved.

Question 22: (U) What is the likelihood of the Intelligence Community's ability to predict, as well as the ramifications of, the following: Saudi Arabia sending troops or taking action to protect Sunni Iraqis from Shia militias? Iran increasing its support to al-Hakim and al-Sadr beyond the current level of funding and material support, or otherwise getting more deeply involved in violence in Iraq? An escalation of hostilities between Fatah and HAMAS in Gaza that sparks either a strong Israeli response or spurs other nations to get involved militarily? An opening for President Abbas and Prime Minister Olmert to make significant progress on the peace process? A broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies?

Answer: (U) Saudi Arabia is unlikely to send troops to protect Iraqi Sunnis. The Saudi military is designed largely for internal security missions and probably cannot project power beyond the kingdom's borders.

(U) Saudi Arabia would be unlikely to send troops to Iraq without first informing Washington. Because of the close nature of Saudi-U.S. relations, multiple indications likely would occur of any Saudi decision to send troops to support Iraqi Sunni Arabs against Shia militias.

(U) As a matter of state policy, Riyadh is unlikely to send significant financial support or arms to Iraqi Sunni Arabs as long as U.S. troops are in Iraq. The long Iraqi-Saudi border and high rates of intraregional travel make detecting the flow of arms, funds, and militants from Saudi Arabia to Iraq difficult. Private Saudi citizens probably are supporting Iraqi Sunni Arabs now. The Saudi government has tried to stop private donations and other support flowing from the kingdom to Iraq.

(U) Significant, official Saudi support to Iraqi Sunni Arabs could provoke an Iranian-Saudi proxy war in Iraq that could inflame regional tensions and eventually a broader regional conflict pitting Saudi Arabia and other Sunni states against Iran and possibly Syria.

(U) Iran probably will not see a need to increase its current level of support to Iraqi Shia groups unless a direct threat develops to the influence Iran currently has among Iraqi Shia groups, attacks on the Iraqi Shia community increase significantly, or Tehran desires to increase the level of Coalition casualties.

(U) The covert nature of Iran's support to these groups makes predicting changes, other than noting changes in the conditions cited above, difficult.

(U) The general consequences of increased Iranian support to Iraqi Shia militants would be minimal in terms of affecting the cycle of violence in Iraq, since many of these groups do not rely solely on Iranian support for their activities in Iraq and are capable of operating independently from Iran. Explosively formed penetrator attacks aimed at the Coalition could increase, as Iran is the chief supplier of these weapons.

(U) DIA has high confidence in the Intelligence Community's ability to predict an escalation of HAMAS-Fatah or Israeli-Palestinian hostilities. While HAMAS-Fatah tensions may escalate into more internecine violence, Israel most likely would not intervene militarily to stop the fighting. Since its disengagement from the Gaza Strip in August 2005, Israel has been reluctant to conduct large-scale incursions into Gaza. If HAMAS-Fatah tension does not lead to significant Palestinian attacks against Israel, Israel will continue to conduct only limited operations against rocket launch areas and militant leaders. Israel may take action to seal the Gaza-Egyptian border or undertake a large-scale operation aimed at degrading HAMAS's military buildup if more advanced weapons are smuggled into the Gaza Strip. Other nations may be willing to provide some type of monitoring, such as the European Union Border Assistance Mission forces currently at the Rafah, Egypt–Gaza border or the voluntary multination Temporary International Presence in Hebron, but they would be reluctant to get involved militarily.

(U) DIA has high confidence in the Intelligence Community's ability to predict progress on the peace process. Olmert has been weakened by Israel's perceived failure in the Lebanon war and by numerous scandals and is unlikely to take the steps necessary to restart serious negotiations. Abbas is similarly in a difficult position, as HAMAS leads the national unity government. While negotiations could be conducted through Abbas in his capacity as the leader of the Palestine Liberation Organization, Israel will not talk to HAMAS, which refuses to recognize Israel. The release of Israeli soldier Gilad Shalit in exchange for Palestinian prisoners, however, could lead to limited progress on the peace process.

(U) The likelihood of a broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies is low in the near term (1-3 years).

(U) Shia-Sunni tensions and conflict are likely to be confined to the sectarian "tectonic plates," where Sunni and Shia communities rub up against each other, especially in Iraq, but also in Lebanon and some Gulf Arab states. Iraq will be the crucible. In the longer term, either Iraqi Shia success in consolidating power in Iraq or majority-Shia government failure in Iraq would bring dangers of wider conflict.

(U) Iraqi state collapse probably would bring some level of direct military involvement or support to factions from Iraq's neighbors to protect and advance their interests, which could lead to interstate hostilities, with concomitant dangers of even wider regional conflict. The advent of a larger conflict probably would be gradual.

(U) Syrian participation in a broader war on the Iranian side is not a given. Syria's alliance with Iran was founded on mutual opposition to Saddam's regime, supported Damascus with strategic depth in its conflict with Israel, and augmented its role in Lebanon. A Syrian-Israeli peace would remove an important plank from the Syrian-Iranian alliance. Syria already hosts more than a million Iraqi expatriates and refugees and has a majority-Sunni Arab population to appease. Furthermore, Syria is concerned about spillover of radical Sunni extremism into its territory and has to address Syrian-Iraqi tribal and Kurdish connections.

(U) The risk of a wider war would increase in the event of a large-scale U.S.-Iranian military confrontation. Iran has unconventional and subversive capabilities in Iraq and against Gulf Arab states hosting U.S. forces or supporting the United States politically, as well as some military reach to these states.

(U) The ramifications of a "broader Middle East conflagration" could be immense, involving strategic realignments, significant impact to the world economy, and increased terrorist spillover outside the region.

(U) The Intelligence Community has a low capability to predict the actual form and timing of regional conflict 3 years out. It has a medium to high capability to identify the dangers and possible sources of large-scale hostilities among regional states.

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN
CHRISTOPHER S. BOND, MISSOURI, VICE CHAIRMAN

DIANNE FEINSTEIN, CALIFORNIA
RON WYDEN, OREGON
EVAN BAYH, INDIANA
BARBARA A. MIKULSKI, MARYLAND
RUSSELL D. FEINGOLD, WISCONSIN
BILL NELSON, FLORIDA
SHELDON WHITEHOUSE, RHODE ISLAND

JOHN WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SAXBY CHAMBLISS, GEORGIA
ORRIN HATCH, UTAH
OLYMPIA J. SNOWE, MAINE
RICHARD BURR, NORTH CAROLINA

HARRY REID, NEVADA, EX OFFICIO
MITCH McCONNELL, KENTUCKY, EX OFFICIO
CARL LEVIN, MICHIGAN, EX OFFICIO
JOHN McCAIN, ARIZONA, EX OFFICIO

ANDREW W. JOHNSON, STAFF DIRECTOR
LOUIS B. TUCKER, MINORITY STAFF DIRECTOR
KATHLEEN P. McGHEE, CHIEF CLERK

United States Senate

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475

SSCI #2007-1511-E

March 30, 2007

The Honorable Randall Fort
Assistant Secretary of State for Intelligence and Research
Department of State
Washington, D.C. 20520

Dear Assistant Secretary Fort:

We appreciate your participation in our January 11, 2007, hearing on the current and projected national security threats to the United States. Your willingness to address this important issue in open session was appreciated and made an important contribution, not only to the work of our Committee, but to the American public's awareness of U.S. national security interests.

We are submitting the attached questions for the record to you. The unclassified responses to these questions will be an important part of our public hearing transcript which we hope to release as expeditiously as possible. Accordingly, we would appreciate it if you would respond in writing to these questions no later than April 27, 2007.

If there are any questions, please have your staff contact Mr. Don Mitchell, of the Committee staff, at (202) 224-1700.

Sincerely,

John D. Rockefeller IV
Chairman

Christopher S. Bond
Vice Chairman

Enclosure

United States Department of State
Washington, D.C. 20520

May 2, 2007

UNCLASSIFIED UPON REMOVAL OF ATTACHMENT

Dear Mr. Chairman:

Following the January 11, 2007 hearing at which Assistant Secretary Randall Fort testified, additional questions were submitted for the record. Please find enclosed the responses to those questions.

If we can be of further assistance to you, please do not hesitate to contact us.

Sincerely,

Jeffrey T. Bergner
Assistant Secretary
Legislative Affairs

Enclosure:
As stated.

The Honorable
John Rockefeller, Chairman,
Select Committee on Intelligence,
United States Senate.

UNCLASSIFIED UPON REMOVAL OF ATTACHMENT

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#1)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) The State Department's Bureau of Intelligence and Research (INR) has been widely praised for the prescience of its analysts in regard to Iraqi WMD prior to the beginning of Operation Iraqi Freedom. How confident is INR that Intelligence Community judgments on Iranian WMD programs are valid? What is the margin of error?

Answer:

(U) INR is fully engaged with the IC's effort to assess Iran's programs and, as circumstances warrant, expresses its own interpretation of the relevant data. INR participates in regular IC discussions of Iran's programs under the auspices of the National Intelligence Council (NIC) and NIC committees and in less formal formats, as well as in intelligence exchanges with our allies.

(U) INR has not dissented from any of the IC's recent judgments of Iran's nuclear program, including the assessment that Iran is determined to acquire nuclear weapons but is unlikely to be able to do so before early to mid next decade.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#2)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) The various public statements of Iranian President Ahmadinejad have raised many questions about Iranian goals in the region and beyond. Does INR consider that we have realistic insights into the relationship between Ahmadinejad's statements and the underlying realities of Iranian goals? How much is public posturing and how much is a policy program? To what extent does Ahmadinejad control the nuclear and security policies of Iran?

Answer:

(U) Ahmadinejad does not control Iranian nuclear or security policy. Supreme Leader Khamenei is Iran's ultimate authority with final say in those (and all other) government policy areas, but he does not exercise control arbitrarily or unilaterally. Instead, the Leader employs the Iranian traditional practice of consultation and consensus building, balancing various political, economic, and religious interests in fashioning official policy positions. The Supreme Council for National Security (SCNS), of which chief nuclear negotiator Ali Larijani is secretary, has control over Iran's nuclear and security policies. As President, Ahmadinejad chairs that body, but is only one voice among many in its discussions. Decisions of the SCNS must be approved by Khamenei.

(U) Though he lacks real authority on nuclear and security issues, Ahmadinejad's rhetoric and grandstanding have been able to toughen official Tehran policy by stirring up domestic nationalism and by taking hard-line positions before international bodies and media that have maneuvered Iran into a confrontational posture vis-à-vis the West. The

Supreme Leader has allowed this to happen, in some cases, to bolster domestic and Third World "street support" for the Iranian regime. However, Khamenei has occasionally also had to rein in the President when his hyperbole began to undermine regime legitimacy, as occurred after Ahmadinejad's statements last year challenging the holocaust.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#3)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) The Intelligence Community is America's early warning system against threats to American lives and property both here and overseas. What are the Intelligence Community's greatest strengths and deficiencies in monitoring terrorism? What lessons have your organizations learned from the September 11, 2001 terrorist attacks to address any shortcomings? Do you believe that you currently have sufficient resources to effectively fight the war on terrorism?

Answer:

(U) The ability of the Intelligence Community (IC) to understand and predict strategic trends in terrorism remains strong. As part of this effort, the IC has produced in recent years a large body of analysis related to terrorism. This work has provided policymakers with information, insight and background to help them craft strategies in the so-called "war of ideas" that seek to undermine the ideology and recruitment efforts of al-Qaida and like-minded terrorist groups.

(U) The IC is good at analyzing and forecasting the general anti-U.S. threat environment. We can generally identify factors/events that will spark terrorism, countries where the threat is higher and a rough timeframe when attacks may be more likely to occur. We are, however, constantly trying to add specificity and granularity to our threat warnings. We will continue to face challenges in identifying more precisely the timing, targets and venue of attacks before they happen.

(U) The chief lesson of 9/11 is the need to integrate terrorism information gathered domestically with that collected abroad. The creation of the National Counter Terrorism Center (NCTC) helps address that problem.

(U) The President's Budget for FY 2008 includes a request for additional analytical resources. We would likely use any new resources to provide additional assistance to elements of the State Department engaged in the "war of ideas" in the global war on terrorism.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#4)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) The Secretary of State maintains a list of countries that have "repeatedly provided support for acts of international terrorism." Currently, the five countries on this terrorism list are: Cuba, Iran, North Korea, Sudan, and Syria. How good is our intelligence on the terrorist related activities of these countries? Has the Intelligence Community noted any increase or diminution of these countries' support to terrorism in the last year?

Answer:

(U) Despite the difficult operating environments in the five nations designated as State Sponsors of Terrorism - Cuba, Iran, North Korea, Sudan, and Syria – our monitoring of terrorist related activity by these countries is relatively good, but could always be improved. The Intelligence Community is continually striving for more comprehensive coverage of terrorist activity globally, when avenues are not available to us due to poor or no diplomatic relations with a subject country, we look for other options to get the information we need to protect our national security.

(U) Iran and Syria are the most active State Sponsors of Terrorism at present. The Department of State's Annual Country Reports on Terrorism is due to be published soon, and will contain greater detail. We assess that both countries provided increased levels of support to Lebanese Hizballah during the 2006 summer conflict with Israel. Both countries observe good operational security, making them difficult targets, and we remain at risk for unpleasant surprises.

(U) In Cuba, our focus is on the activities of terrorist groups who are allowed safe haven on the island, including Spain's Basque Fatherland and Liberty (ETA) and Colombia's Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN). Despite the difficulties posed by Cuba's totalitarian society, our coverage of terrorist activity in Cuba is sufficient to adequately monitor these terrorist groups.

(U) Regarding North Korea, we are continually monitoring intelligence reports that would indicate a linkage between the North Korean regime and known international terrorist entities. We are confident that the information we have supports our assessment that the DRPK is not actively supporting international terrorism. Similarly, we continually monitor available intelligence regarding Sudan's status as a state sponsor of terrorism. While acknowledging intelligence gaps, we are confident in our assessment that Khartoum is not actively supporting known international terrorist entities; moreover, Sudan has been cooperative in its commitment to combating international terrorism.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#5)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the nature and extent of the terrorist threat to U.S. diplomatic and military facilities overseas and how has it changed since September 11, 2001? Do you believe that the Departments of Defense and State have taken appropriate security measures to address the terrorist threat to all of their overseas facilities?

Answer:

(U) DIA can provide a more informed view of the threat to military facilities abroad.

(U) Concerning our diplomatic missions, our long term effort to harden these facilities has probably contributed to the terrorists' preference for so-called soft non-official targets, including public ground transportation, commercial aviation, tourist industry hotels, and the petroleum industry.

(U) That said, however, U.S. diplomatic facilities have not escaped the terrorists' attention since 9/11: witness the bombing of our embassy in Tashkent in July 2004, the attack on our consulate in Jeddah, Saudi Arabia in December 2004, a car bomb detonated next to our consulate in Karachi in March 2006, and an armed attack on embassy Damascus in September 2006.

(U) Beyond these attacks, we continue to receive a large volume of threat reporting related to U.S. missions, in response to which the Intelligence Community must devote considerable analytical and other resources.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#6)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood that China will decrease its proliferation of weapons of mass destruction and missiles? To what extent have you observed an improvement in China's human rights policy? How cooperative has China been with the U.S. on the war on terror? To what extent have close U.S. – Taiwan relations been an impediment to closer U.S. – China ties?

Answer:

(U) China over the past decade has acceded to almost every international WMD non-proliferation convention and has created a relatively comprehensive set of laws and regulations to implement their commitments. China no longer exports missiles or missile systems that exceed the MTCR guidelines to which they have agreed. Implementation of controls over dual-use items, components, and parts has been more problematic. Beijing has assured us it will attempt to close any loopholes, but its success is likely to be uneven for some time. In contrast, China remains outside the Wassenaar Arrangement, the international arrangement concerning conventional arms, and continues to export conventional arms and related technologies to countries of concern.

(U) China's progress on human rights remains spotty. While Chinese have far more choices and face far less party or government intrusion into their daily lives than in the past, the regime still reacts harshly to any political dissent, jailing, harassing, or otherwise intimidating potential "troublemakers." Although Beijing has loosened restrictions on

foreign journalists in advance of the 2008 Beijing Olympics, it has tightened controls over domestic media and internet access by Chinese. Beijing continues to allow relatively free worship within State-recognized religious facilities, though worshippers attending unofficial or unauthorized services are sometimes harassed. State-controlled "Associations" and government religious affairs bureaus exert substantial control over training, assignment and travel overseas of clerics. The regime continues to persecute groups it considers to be dangerous cults, such as Falungong.

(U) Counterterrorism cooperation with China has been mixed. China has taken some steps to participate in the fight against terrorism, but broader cooperation has been hampered by China's tendency to equate domestic ethnic separatism with terrorism. China has placed holds on some of our submissions of terrorist supporters to the UN 1267 Committee for designation and asset freezing, apparently out of annoyance that we will not agree to designate the Chinese Uighur group ETLO/Shat. Due to the sensitive nature of the counterterrorism issues, a fuller response would necessarily be classified.

(U) Close U.S.-Taiwan relations are an irritant but not an impediment to closer U.S.-China relations. Beijing makes clear its displeasure with various aspects of the U.S.-Taiwan relationship and lobbies Washington to refrain from actions that it perceives as encouraging the Taiwan authorities, such as selling weapons to Taipei. These complaints have not prevented China from cooperating with the United States on a wide range of bilateral and global issues.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#7)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) How effectively is Haiti President Rene Preval dealing with a divided legislature, entrenched gangs, and the worsening humanitarian situation? What is the likelihood in the next several years that we will see a dramatic increase in the number of Haitians seeking refuge in neighboring countries, including the United States?

Answer:

(U) The Government of Haiti has been working cooperatively and productively with the U.N. Stabilization Mission to Haiti (MINUSTAH) in a serious effort to break gang control of Port-au-Prince's crime-ridden slums, including, notably, the embattled Cite Soleil area. There have been several notable recent successes, with more than 400 arrests so far this year, including several important gang leaders. As a result, gangs responsible for a significant percentage of crime, including kidnappings, generally have found a harsher operational environment. The Haitian government is also cooperating with the United Nation's police reform plan, which originated in an agreement with MINUSTAH in August 2006. The Haitian government has an acceptable working relationship with the legislature. While many Haitians continue to live in poverty, there are currently no acute humanitarian emergencies. The government remains highly dependent on external support in coping with humanitarian situations and providing other social services.

(U) Despite larger-than-expected numbers in March 2007, the monthly rate of maritime interdictions of Haitians since October 2006 has consistently trailed its 5-year average.

The lower flow may be partially attributable to the improved security situation. While temporary spikes like the one in March are not uncommon, there is little likelihood that Haitians will take to the sea en masse in the near-to-medium term. Both previous Haitian mass migrations were precipitated by changes in U.S. immigration policy. In 1992, legal action prohibiting the U.S. Coast Guard from repatriating migrants led to hundreds of Haitians daily taking to sea. In 1994, a change in U.S. policy that granted Haitians found at sea interviews by immigration officials prompted a flood of migrants.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#8)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) How stable is the regime of President Bashar al Asad of Syria? What are the most significant threats to his regime? What is the status of Syria's weapons of mass destruction infrastructure, as well as its support for international terrorism? What role is Syrian currently playing in Iraq?

Answer:

(U) The regime of President Bashar al-Asad is currently stable. Asad appears to have weathered the most severe crisis of his presidency, which occurred in mid- to late-2005 due to the UN investigation into former Prime Minister Rafiq Hariri's assassination and Syria's subsequent withdrawal from Lebanon.

(U) We assess that the most likely threat to President Asad, should it arise, would come from regime insiders seeking to replace him, or from a coalition of powerful elites. At present, opposition groups, both inside the country and out—such as the National Salvation Front, headed by former Vice President Abd al-Halim Khaddam—do not pose a significant challenge to the government. Domestic civil society activity remains closely monitored and restricted by the Syrian government.

(U) The regime portrays the greatest threat to the government, and stability in Syria more generally, as arising from extremist Islamist elements. These include Syrian-born extremists and foreign jihadists who have used Syria as a base from which to travel to

and from Iraq. Syrian extremists have conducted sporadic attacks against Syrian government and international institutions in the last few years—most recently, against the US Embassy in Damascus in September 2006.

(U) Syria to date has relied on its chemical warfare (CW) program as the foundation for its strategic deterrent against other states in the region, principally Israel. It has had a CW program for many years and also has a sufficiently developed biotechnical infrastructure to support a very limited biological warfare program at the R&D stage. Although Syria has a modest civilian nuclear research and development program and has expressed interest in enhancing its capabilities, the program is under IAEA full-scope safeguards and available data does not support a conclusion that Syria has embarked on a nuclear weapon development program. Nonetheless, the Intelligence Community continues to monitor the situation closely for any signs that Damascus may opt to pursue such a program.

(U) Syria has grown confident about its regional policies, largely due to what it sees as vindication of its support to Hizballah and HAMAS and its perceived success in overcoming international attempts to isolate the regime. Damascus continues to meddle in Lebanon, has failed to crack down consistently on militant infiltration into Iraq, and has increased ties with Iran.

(U) Syrian interests in Iraq appear to be guided by multiple factors: hastening the departure of Coalition forces, avoiding a full-scale civil war and fragmentation of the

country, and preventing the spillover of instability and extremism into Syria. At the same time, the Syrian regime has not taken sufficient steps to ensure that its territory is not used for terrorist or insurgent activities in Iraq.

(U) Syria remains a principal transit point for foreign fighters traveling to and from Iraq. Although the Syrian government has taken steps against these and other extremist elements, especially those whom it believes pose a threat to the regime, it could do more to prevent militant infiltration into Iraq and to work cooperatively with neighboring states to curb extremist movements.

(U) The Syrian regime continues to offer safe-haven to a number of Iraqi former regime elements associated with the Iraqi Ba'th Party and suspected of supporting the insurgency in Iraq.

(U) The Syrian government does not appear to be playing a significant role in Iraqi politics, though it maintains ties with a range of Iraqi political and tribal factions. Damascus has sought to improve its diplomatic standing with the Iraqi government, including hosting a visit by Iraqi President Jalal Talabani in January 2007.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#9)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) Is there any indication of the Musharraf government containing pro-Taliban and anti-Kabul activity in Pakistan?

Answer:

(U) There is growing concern in Pakistan about the spread of Taliban extremism from the tribal areas along the Afghan border into other parts of the country. Many believe that growing Taliban influence poses a serious security threat to Pakistan as well as Afghanistan.

(U) The Pakistan government has deployed some 60,000 troops in the tribal districts and lost hundreds of soldiers in military operations against militants. According to a press report of April 20, Pakistani leaders told Admiral Fallon that two more army brigades had been deployed from the border with India to western Pakistan and that President Musharraf had authorized army commanders to work with US counterparts in Afghanistan down to the battalion level.

(U) Also, Islamabad has negotiated a series of ceasefire agreements with tribal leaders in an effort to end militant attacks and create a political atmosphere in which the government can better tackle the problem of extremism through political and economic means. Recently, Pakistan has stepped up its efforts to deny the Taliban and other

extremists the use of Pakistani territory as a safehaven, resulting in the arrest of several important Taliban leaders. The Government of Pakistan also has supported the efforts of local leaders to expel Uzbek extremists from tribal areas.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#10)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) The American Heritage Dictionary of the English Language defines a civil war as being "a war between factions or regions of one country." In your opinion, is Iraq currently engaged in a civil war? Why or why not? Is this the unanimous view of all components of the Intelligence Community?

Answer:

(U) While some key elements of the Iraqi conflict fit the American Heritage Dictionary of English Language's definition of "civil war," INR and the rest of the Intelligence Community judge that the term "civil war" does not adequately capture the complexity of the conflict in Iraq. Nonetheless, the term "civil war" accurately describes certain key elements of the Iraqi conflict, including the hardening of ethno-sectarian identities, a sea change in the character of the violence, ethno-sectarian mobilization, and population displacements. This assessment is included in the January 2007 National Intelligence Estimate on Iraq, a product coordinated with and supported by INR.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#11a)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

a) (U) Saudi Arabia's sending troops or taking action to protect Sunni Iraqis from Shia'a militias?

Answer:

(U) Saudi Arabia (S.A.) is unlikely to send troops to Iraq to defend Iraq's Arab Sunni minority. However, S.A. may fund the creation of, or reinforce existing, Sunni (non-al-Qaida) militias. The al-Qaida angle is related to competition between the Saudis and al-Qaida for leadership in defending Iraq's Sunni Arabs. Al-Qaida staked a claim with its recent declaration of the "Islamic State of Iraq," whose avowed purpose is the protection of the Sunni community. Aware of that challenge and the ideological threat al-Qaida has posed to S.A.'s Islamic legitimacy, S.A. will likely reassert its role as the defender of Sunni (Arab) Islam in Iraq.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#11b)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

b) (U) Iran increasing its support to al-Hakim and al-Sadr beyond the current level of funding and material support, or otherwise getting more deeply involved in violence in Iraq?

Answer:

(U) An accurate and responsive answer to this question cannot be provided without recourse to classified information. A classified answer can be provided in appropriate channels.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#11c)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

> c) (U) An escalation in hostilities between Fatah and HAMAS in Gaza that sparks either a strong Israeli response or spurs other nations to get involved militarily?

Answer:

(U) The Intelligence Community (IC) is closely following the ebb and flow of intra-factional Palestinian violence and Israeli response to both it and the anti-Israeli violence in the territories. The IC has a fairly good ability to predict trends; however, we cannot predict the timing of individual terrorist events, only that they are likely to trigger an extremely strong Israeli response. When the violence is intra-factional among Palestinians, Israel tends not to get involved. Also, regarding intra-factional Palestinian violence, the IC has high confidence when it predicts that other nations (for instance, Egypt) will not become militarily involved, though outside financial assistance is being provided by various parties to both sides and that could increase or decrease depending on circumstances that the IC would also be able to predict.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#11d)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

d) **(U)** An opening for President Abbas and Prime Minister Olmert to make significant progress on peace negotiations?

Answer:

(U) The Intelligence Community is in a good position to assess what factors might give rise to the prospects of significant progress on peace negotiations and also provide analyses on whether these factors are likely to emerge.

Questions for the Record Submitted to
Assistant Secretary Randall Fort by
Chairman John D. Rockefeller IV and Vice Chairman Christopher S. Bond (#11e)
Senate Select Committee on Intelligence
January 11, 2007

Question:

(U) What is the likelihood, the Intelligence Community's ability to predict, and the ramifications of the following:

e) (U) A broader Middle East conflagration that puts Sunni states openly against Iran and its Syrian allies?

Answer:

(U) The Intelligence Community does not believe that it is likely that a wider Middle East conflict will erupt that pits Sunni Arab States in open conflict with either Shiite Iran or Syria. We further assess that if circumstances changed and increased the likelihood of this scenario, this would happen over an extended period of time, therefore providing adequate warning time to both predict the conflict and assess its ramifications. This assessment holds even as many Sunni-dominated Arab states, especially Saudi Arabia, Egypt, and Jordan, have become increasingly concerned with the threat of Iranian (Shia) hegemony and influence in the region—particularly in Iraq, Lebanon—and over the Saudi Shia population. However, all of these states also see Iran as a permanent part of the neighborhood and that its power—potentially nuclear or otherwise—must be addressed primarily through non-military means. These states likewise have expressed concern about Syrian regional behavior and its relationship with Iran. Dissatisfaction with president Bashar al-Asad, however, is generally outweighed by uneasiness over the potential for instability if the Asad regime were to collapse. Accordingly, Egypt and Saudi Arabia continue to focus on moderating Syrian behavior and detaching Damascus from Tehran's orbit.

○