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**Issues Confronting Military Intelligence  
Robert B. Murrett**

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## **Issues Confronting Military Intelligence**

**Robert B. Murrett**

**April 20, 2006**

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On 7 July 2006, Vice Admiral Robert B. Murrett, U.S. Navy, became the director of the National Geospatial-Intelligence Agency. At the time of this presentation, then-Rear Admiral Murrett was the director of naval intelligence, a post he had held since April 2005. He began his career as an afloat intelligence officer, including Mediterranean, North Atlantic, and western Pacific deployments aboard the *USS Kitty Hawk*, *USS America*, and *USS Independence*. From 1995 to 1997 he served as assistant chief of staff, intelligence, to the commander, Second Fleet, and concurrently as U.S. Navy staff intelligence officer for the North Atlantic Treaty Organization's Striking Fleet Atlantic and as joint intelligence officer for U.S. Atlantic Command's Combined Joint Task Force 120. From June 1997 until September 1998 he was assigned to the staff of the chief of naval operations as executive assistant to the director of naval intelligence. He was then assigned as director, Intelligence Directorate, Office of Naval Intelligence, and assumed the duties of commander, Atlantic Intelligence Command, in August 1999. He served as the director for intelligence, U.S. Joint Forces Command, from August 2000 through January 2002. Subsequently, he was assigned as the vice director for intelligence (J-2) on the Joint Staff, and held that position through March 2005. Admiral Murrett received a bachelor's degree in history from the University of Buffalo and master's degrees in government and strategic intelligence from Georgetown University and the Defense Intelligence College, respectively.

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**Oettinger:** Our guest for today, Admiral Robert Murrett, currently is the director of naval intelligence. Those of you who have access to our publications will know that he's been a previous visitor to these seminars, so it's a delight to have him with us again.<sup>1</sup> With that, I turn it over to Admiral Murrett.

**Murrett:** Thank you, Dr. Oettinger. It's good to be here. I'd like to do as little talking as possible and have as much dialogue as we can generate so that I can answer your questions or discuss things that relate to projects you may be handling. I was talking to Dr. Oettinger and I'm acutely aware that it's late in your school year and you're kind of focused on the papers and so forth that you're producing. I think for that reason it's good to have a focused conversation here.

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<sup>1</sup> See Robert B. Murrett, "Intelligence to Support Military Operations," in *Seminar on Intelligence, Command, and Control, Guest Presentations, Spring 2004* (Cambridge, Mass.: Harvard University Program on Information Resources Policy, I-04-1, May 2004), [On-line]. URL: <http://www.pirp.harvard.edu/publications/pdf-blurb.asp?ID=600>

I should also introduce Lieutenant Mitch Fincke, my aide. We were both assigned to the *USS Theodore Roosevelt* and were in some key operations overseas as part of Operation Enduring Freedom. Mitch travels with me and keeps me on schedule and on budget, makes sure I get to my plane on time, and all that sort of thing.

The three handouts that I have for you are, first, the organization of the Office of the Director of National Intelligence [ODNI] and the entities of the U.S. intelligence system. The second is the posture statement by General Peter Pace, U.S. Marine Corps.<sup>2</sup> He's the chairman of the Joint Chiefs of Staff, and this was how he began his Senate testimony this year. The third is the threat assessment by John Negroponte, who has been serving as the director of national intelligence [DNI] for about a year now.<sup>3</sup> I'll use those three documents as starting points.

Another one, which is more important than all three of them put together, but which I don't want to hand out here because it's too big and heavy, is also available on the Internet. It's the WMD [weapons of mass destruction] Commission Report, which is written from a national standpoint.<sup>4</sup> I brought my own dog-eared copy. Because of the seventy-four recommendations contained herein, this document, along with the Intelligence Reform and Terrorism Prevention Act, is absolutely essential to understanding the U.S. intelligence community. The recommendations are being used as the basis of our national intelligence structure today. These are very important foundation documents.

The WMD Commission Report is a pretty good read, as was the 9/11 Commission Report, which, as you know, flowed into the legislation of 2004. Both commissions hired professors to write the reports, so you can actually read them, as opposed to most commission reports, which are not readable. In fact, I think the 9/11 Commission Report hired a history professor from Harvard.<sup>5</sup> It contains the recommendations for the programs we need to have in our national intelligence system.

The first handout (**Figure 1**) shows the U.S. intelligence community under the aegis of the DNI. I know we'll have questions and conversations about how effectively they are being brought together. When you hear Ambassador Negroponte and General Hayden<sup>6</sup> talk about "the sixteen" they are referring to the sixteen organizations that you see here. Those sixteen organizations in the

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<sup>2</sup> Peter Pace, "Posture Hearing, Written Testimony Before the Senate Armed Services Appropriations Committee, Subcommittee on Defense" (Washington, D.C., February 7, 2006), [On-line]. URL: [http://www.jcs.mil/chairman/speeches/060207SASCWrittenPostureStatement\\_P.html](http://www.jcs.mil/chairman/speeches/060207SASCWrittenPostureStatement_P.html)

<sup>3</sup> John D. Negroponte, "Annual Threat Assessment of the Director of National Intelligence for the Senate Select Committee on Intelligence" (Washington, D.C.: February 2, 2006), [On-line]. URL: [http://www.odni.gov/testimonies/20060228\\_testimony.htm](http://www.odni.gov/testimonies/20060228_testimony.htm)

<sup>4</sup> The unclassified version of the *Final Report of the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction* can be downloaded from <http://www.fas.org/irp/offdocs/wmdcomm.html>

<sup>5</sup> Dr. Ernest R. May, Charles Warren professor of history at Harvard University, served as a senior staff member of the National Commission on Terrorist Attacks Upon the United States.

<sup>6</sup> At the time of this presentation, General Michael V. Hayden, USAF, was still deputy director of national intelligence.



**Figure 1**

U.S. intelligence community fall into three categories. Breaking them out and understanding the three categories in our national system may be useful, because they have different ways of doing business.

The first are what I would call the robust three-letter agencies, which are the largest components of the U.S. intelligence community. If you look at them carefully enough you can figure out that they are in alphabetical order, and you should not draw any conclusions from the fact that I'm on the bottom right. That's where the Navy is, because it starts with an "N." The robust three-letter agencies are the CIA [Central Intelligence Agency], DIA [Defense Intelligence Agency], NGA [National-Geospatial Intelligence Agency], NRO [National Reconnaissance Office], and NSA [National Security Agency]. All of them, except for the FBI [Federal Bureau of Investigation], are foreign intelligence organizations. That's an important distinction, because if you rack and stack those six robust three-letter intelligence agencies, you would immediately say, "Hey, there's one that doesn't look like the other five," and that one is the FBI. The FBI is a unique and special case. The NGA, for example, does provide some domestic support in the event of natural disasters such as hurricanes, but for the most part it's focused on foreign threats.

**Oettinger:** Why do you refer to them as “robust”? Are you drawing a contrast in terms of people, or that others are ephemeral?

**Murrett:** I use “robust” because in terms of numbers, people, and budget they’re the largest in the national intelligence community. The amount of money and the number of people assigned to those organizations eclipse anything else we have in our national intelligence community. In fact, at the unclassified level I would say that NSA is probably as big as all the non-three-letter agencies put together. I haven’t done the arithmetic on that. I want to say that the NRO probably has a larger budget than the rest of the intelligence community put together, perhaps two or three times as large. Just from a dollar standpoint it’s pretty impressive, because satellites are not cheap. Anyway, they are big organizations and manpower intensive.

The second echelon—the second category or grouping—consists of cabinet departments that have small intelligence components. They include the Department of Energy, the Department of Homeland Security, and the Department of the Treasury, which has an intelligence bureau. The Department of State has INR, the Bureau of Intelligence and Research. They’re all fairly modest entities, but they are part of cabinet organizations within our national system, so they have that in common.

I’d like to pause here just for a second. The Drug Enforcement Administration, DEA, is part of the Department of Justice. DEA was just added to this list about a month and a half ago; we were fifteen, we are now sixteen. DEA is part of a cabinet department, but kind of separate. It is not really a robust three-letter intelligence organization, because it’s about law enforcement. It’s kind of like the FBI used to be, and I’ll come back to that. I’m not sure in which category it belongs.

**Gettinger:** Where organized crime is involved the distinction between police and intelligence gets a little fuzzy. That’s true of the FBI’s anti-Mafia kinds of activities and it’s true of DEA.

**Murrett:** The DEA was grievously offended because it was not part of the fifteen. DEA has a close relationship with places like JIATF [Joint Interagency Task Force] South in Key West and other locations where it had liaison officers. DEA is pretty professional.

The third major category consists of the military departments: Army, Navy, Marine Corps, Air Force, Coast Guard. It’s pretty simple. Each one of the services has intelligence officers and enlisted personnel associated with it. The Army organization is the biggest. The Air Force is second, the Navy is third. The Marine Corps is fourth in terms of people and resources, although the intelligence organization and the intelligence resources for the Navy and the Marine Corps are combined because they both come from the Department of the Navy. The Coast Guard is the smallest.

Not to get overly American and bureaucratic, but a couple of choices were made here in terms of how to put these together. For example, what cabinet department is the Coast Guard associated with?

**Student:** Homeland Security.

**Murrett:** Right. You have both the Department of Homeland Security here and you have the Coast Guard. From a maritime standpoint I think that’s great, because our Coast Guard

counterparts are very important as far as I'm concerned, and they should be here. That's a tactical decision that Ambassador Negroponte and General Hayden made when they put together this structure. By the same token you have two Department of Justice organizations here, but you don't have the Department of Justice as an organization represented among the higher cabinet-level organizations.

I show this to you because while we have sixteen organizations in our national intelligence structure they really fall into three different categories. They're different just in terms of size, mission focus, how they are organized, and how they carry themselves forward.

I'll talk a little more about how the ODNI is bringing these entities together. You can approach this in different ways, depending on your perspective regarding the mission focus of these entities, and I'll mention two other perspectives. I've already talked to you about the three ways they're organized, but you could also view them by functional area. Typically you can divide the functional discipline of the intelligence business into three areas: human intelligence [HUMINT], signals intelligence [SIGINT], and imagery or geospatial intelligence. There are also other things like FISINT [foreign instrumentation signals intelligence] and MASINT [measurement and signatures intelligence]. I won't get into those.

Some of these organizations are very heavily focused on one of those INTs. For example, NSA is a SIGINT organization and NGA is an imagery and geospatial intelligence organization. The CIA, whose director is no longer dual-hatted as the DCI [director of central intelligence] since the intelligence reorganization, focuses on HUMINT. Some of them are all-source organizations. DIA is an all-source organization. INR in its own modest way is an all-source organization. Because of missions that it executes for the ODNI, CIA is at times an all-source organization, even though it is primarily focused on HUMINT for collection.

Another way that you can view these, again aside from the mission focus, is in terms of domestic or foreign intelligence. This is a huge issue in terms of U.S. history and the way that we have always sought in our nation to have a huge firewall between domestic and foreign intelligence. As I alluded to earlier, the FBI is very much a domestic organization, even though it does perform investigations overseas in support of other entities. The CIA, on the other hand, is almost exclusively a foreign intelligence organization.

I mention that to you because one of the biggest challenges that we have as a nation—for which I don't have all the answers or probably even half of them—is bringing foreign and domestic intelligence together. That challenge probably doesn't get as much attention as it should. Often, as you read in the media, we tend to look at the structure and say, "We heard that *these* guys aren't getting along with *those* guys," or "*These* guys really don't like *those* folks," and so on. That is something that we're prone to do as Americans, because of baseball and hockey and football. The issue that's getting lost in the shuffle there is the domestic-foreign interface—which the UK [United Kingdom], by the way, handles pretty effectively. They have a different system and a different approach that has advantages that we could probably learn from. Also, the legislation that put this structure together—the Intelligence Reform and Terrorism Prevention Act of 2004, which passed in December a year ago—does not contain much about splitting out domestic and foreign intelligence.

**Oettinger:** There's an overlay on that, which is the distinction between intelligence and police functions. Perhaps you'll touch on that also. The police function assumes that a crime has been committed, and it's a matter of finding the criminals and bringing them to justice. The intelligence function is to try to prevent a crime from happening, or at least to alert people to the possibility of the crime. Under U.S. law these functions require very different kinds of standards of evidentiary quality and methods and so on, so that simply saying "Let's take sixteen agencies and smoosh them together" is a journalistic oversimplification. It doesn't address the real problems, which are the police-intelligence dichotomy and the foreign-domestic dichotomy. As Admiral Murrett is pointing out, they are very difficult to handle, because they go so deeply into our own political history and constitutional structure. The issue elicits knee-jerk reactions rather than thoughtful consideration and debate.

**Murrett:** As Dr. Oettinger was saying, typically in the domestic world we have always talked about law enforcement and overseas we have talked about intelligence, and we have not really interchanged them very readily. One of the biggest challenges that the director of the FBI, Judge Mueller, has faced is shifting the FBI away from a culture that rewards convicting and incarcerating criminals after they have committed a crime—you have to have a crime happen to do that—and toward more of a culture that collects domestic information, which is what we're trying to get comfortable with, and preventing the crime from happening. The reward system as it existed in the FBI four or five years ago didn't have much of a premium placed on collecting domestic information (I won't call it intelligence, because that's very sensitive) and then precluding a crime from happening. The whole reward system in the FBI was about getting a conviction in a criminal case. So you have different cultures: the law enforcement community, which is largely domestic, and intelligence, which is largely foreign.

**Student:** Where do you build that domestic intelligence collection capability? The UK has MI5 and MI6, which are very separate from law enforcement. Does the United States have to create a new domestic intelligence agency or merge the CIA with the FBI?

**Murrett:** I don't think the country would stand for that. I would answer your question like this. I think the UK has a system that works more effectively than ours does in terms of bringing together domestic and foreign threats and dealing with them, because the adversaries we are up against today don't care about the domestic-foreign divide that we have in our structures. In fact, they don't care at all about international borders, and they are able to exploit that. If you go back and read the 9/11 Commission Report you can make a pretty compelling case that the 9/11 hijackers did a very effective job of exploiting our domestic-foreign intelligence divide.

**Oettinger:** I want to add one other thing to this. Most of you were not born when the abuses during the Nixon era took place, which led to considerable emphasis on regulations that made the split even greater than it was before. That happened for very real reasons, because the abuses were regarded as so significant. These things have not been seriously reconsidered in almost forty years. Times have changed, and I think all of you are going to be faced with reevaluating this. Part of the British experience is that they've had to deal with internal terrorism in the form of the Irish issues for decades. Their balancing act has gone differently from ours, where there's been on the whole fairly good domestic tranquility.

**Student:** I think that the 9/11 terrorists succeeded because of those divisions. I don't think they tried to exploit those divisions. The divisions were there and so they fell into that slot. If they had fallen into a different slot they might have been found out.

The key thing that law enforcement traditionally does badly is collecting large files and propagating that information across the organization. The FBI in particular is very compartmentalized. Do you see that problem in the other parts of the intelligence community? If not, is that because of a cultural problem or is that evolutionary? Is that something that we ought to overcome? We need to move information much more rapidly.

**Murrett:** The horizontal integration of data across the intelligence enterprise is one of the biggest challenges we have. I think some of the organizations are more adept at that than others. Getting back to the robust three-letter agencies, the interaction between NGA and NSA, for example, is pretty good. I don't think there's much of anything that they hold back from each other. The interaction between some of the other entities is not as good as it could be.

Getting back to the balance issue, the primary job of that big circle you see more or less in the middle of the chart [Figure 1] is to bring that community together and have it work more effectively. It's a challenge that Ambassador Negroponte and General Hayden are just starting to solve. We've got a long way to go.

**Student:** The FBI can't even move information within the field.

**Murrett:** They have how many field offices?

**Student:** Fifty-six.

**Murrett:** Fifty-six field offices. The interaction between them must be very difficult. There are others who are much better suited than I am to talk to you about the FBI. I can talk about the intelligence agencies, and certainly the military components, in a lot of detail, but I'm probably the wrong person to answer questions on the FBI.

**Student:** You mentioned earlier the advantages of organizations' getting flatter, especially in the intelligence community as a whole, but you didn't mention that that has its own problems: redundancy and some inefficiency. The military, it seems to me, is inherently a strictly vertical organization, especially if you bring the intelligence into a single entity. How do you fight the other downsides that come with that? The intelligence must take time going up and down the chain.

**Murrett:** I like to think of the services' and joint military support for warfighting operations as a glass about 80 percent full. Every time we do a real-world operation in the U.S. military it is joint and it is coalition, at least with the UK and Australia for starters. (It may not involve the Coast Guard, but certainly it would involve the other four, and it usually involves the Coast Guard too.) Because of that, the intelligence support we provide for those military operations is inherently joint.

I don't want to get too military for this audience, but the support that is provided for all military operations comes from a theater joint intelligence center [JIC] that reports to a combatant commander, and a unified command plan—a very strict command and control structure—that is all joint. Most all of us who wear the uniform who are intelligence professionals have had significant joint duty and virtually all of the flag and general officers who have an intelligence background have been commanding officers of a joint intelligence command, as I have. The way we are structured comes from the Goldwater–Nichols Act, which Dr. Oettinger may have talked about before, and is inherently joint. So I think that piece is actually kind of institutionalized, not because it was thought that intelligence ought to be united, but because all of our military operations are inherently joint.

**Oettinger:** I think what Admiral Murrett said gives one hope, because it wasn't always so. If it's relevant for your papers you need to examine the books by Jim Locher and Archie Barrett,<sup>7</sup> who were respectively the Senate and the House staffers who went through the Goldwater–Nichols exercise. You get an interesting account of how all of this came about. The military now is way ahead of the rest of the intelligence community in having addressed this. Visiting one of those JICs that Admiral Murrett referred to gives you an entirely different flavor from what you see in visiting an agency in Washington: people from all different military services and so on working reasonably harmoniously together and getting stuff done. But that took years to achieve.

**Murrett:** For four-and-a-half years, when I was a senior captain and a one-star admiral, I was working for Army officers. I worked in succession for General [William F.] Kernan, General [John] Abizaid, and General [George William] Casey. (General Casey's dad was a graduate of this school; he was killed in action in Vietnam as a two-star.) I point that out to you because most people in my position have had pretty significant joint experience. In fact, for most of that time I thought I was in the Army. The way the joint structure has been brought together in the U.S. system is pretty profound, but it only really happened in the later 1980s under the Goldwater–Nichols Act.

Some think we need what is called a Goldwater–Nichols for the interagency. The idea would be to bring together the interagency in our system to include the components that you see on the chart [Figure 1] in the way that the military services have been forced to come together by very cleverly articulated language in the Goldwater–Nichols Act and what I would call forcing functions. After all, the Congress forced us to work with each other, because certainly through the mid-1970s we really didn't want to. There is language in the Goldwater–Nichols Act that made it compelling, and our key allies were also very joint in nature. I think it's resulted in a lot of good things for the nation. We have a whole that is far greater than the sum of the parts when we operate together.

**Oettinger:** I appreciate the endorsement, because I've emphasized the importance of understanding the Goldwater–Nichols Act throughout this semester. It's not a perfect model for

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<sup>7</sup> Archie D. Barrett, *Reappraising Defense Organization: An Analysis Based on the Defense Organization Study of 1977–1980* (Washington, D.C.: National Defense University Press, 1983); James R. Locher III, *Victory on the Potomac: The Goldwater-Nichols Act Unifies the Pentagon* (College Station, Tex.: Texas A&M University Press, 2002).

intelligence, but it gives a good example of the difficulties of bringing cooperation about and how important the incentives for careers are to achieving that. The DNI has some authority to reward jointness in the intelligence community, but not nearly as much as the Joint Chiefs of Staff and the service heads now have to enforce it in the military.

**Murrett:** The chairman of the Joint Chiefs of Staff on the military side has tremendous authority over all the services: far greater than anything that existed during the time of people like Eisenhower.

**Bieda:** Admiral, are you seeing any all-agency, all-source sharing initiatives emerging that the DNI is promoting in the community? Are any of them especially promising or really effective?

**Murrett:** They fall into a couple of different categories. There are advances in what I would call all-source sharing (to use your phrase) being made on the basis of technology. They cut across the three functional areas that I talked about earlier. They have to do with classified systems that can do automated processing of primarily technical intelligence—from NGA and NSA as examples—as you must in the digital age. A lot of those initiatives are being carried out under the aegis of the DNI.

The ODNI is doing other things from the standpoint of organization, which have already started, and I know that you will see the DNI moving out even more aggressively in the next six to twelve months to mesh organizations together. I think this will happen in four areas over which the DNI has substantial authorities. The first is personnel. If you read the legislation, nobody can be a senior person in any of these entities, especially the three-letter agencies, unless he or she passes muster with the DNI in formal interviews and other things. The DNI can also task a large number of personnel in the national intelligence community, including military personnel.

The second is what I would call substance, or analysis, to include the President's Daily Brief and National Intelligence Estimates. As you may know, the President's Daily Brief is given by Ambassador Negroponte and General Hayden every day. They have daily access to the Oval Office, and that has a lot of impact.

The third, which I can't talk about too much here, is oversight of clandestine and covert operations. The DNI has significant authority in this area. That's about all I can say about that.

The fourth, which I think will be more compelling than anything else, is complete control of the national intelligence budget. The ODNI now gets complete authority over the budgets of what was formerly the National Foreign Intelligence Program, now the National Intelligence Program, and military intelligence budgets. Nothing is more effective in a place like Washington than being able to do that. The ODNI has only started to flex its muscles in that area, but at some point in the next few years it's going to be more aggressive.

Let's look at General Pace's testimony [Appendix 1]. This is a pretty simple read. It shouldn't take you more than five minutes. The chairman's posture statement in front of the Senate was given on February 7, 2006. It provides excellent insight into where we are in the military today. I'm going to use that as a launch pad to talk about military intelligence.

In the third paragraph you see language that in very concise fashion talks about running a long war. It encapsulates much of the strategic discussion the United States has had with our allies over the last two years and what the military leadership of the country has tried to articulate as their sense of where we are today and where we are likely to be for some time into the future. I think we probably have a range of opinions about the words used in that third paragraph, but it's probably as useful a reference as I can provide for you on the opinions of the U.S. military and the concerns that most of the people who wear uniforms have today.

Mitch and I travel a lot, because it's part of our job responsibilities, and the questions that we get from people in the military who are intelligence professionals in places such as Japan, Bahrain, and San Diego—all over the world, including ships in the Persian Gulf and so forth—usually revolve around that paragraph. They center on the likely future challenges that the military will face and how members of the armed services can balance the challenges that the nation (working very closely with our allies) will face in the long war and all their personal interests and their family life. In other words, they ask about their basic ability to sustain both themselves and their commitment to the nation well into the future, and they also seek a better understanding of the level of intensity that this war is going to involve.

There are going to be a couple of hot popups and we're going to encounter some very significant surprises in the next ten years or so. We in the intelligence business are doing our best to give as much advance warning as we can, but the adversaries we're up against today are going to be a force to contend with well into the future. That will affect all of you for all your lives and probably your children's lives as well. I think there is an increasing awareness of that, which is not always encouraging, but nonetheless it's useful so we know where we are in history.

**Student:** What's the longest war in which we have been involved?

**Murrett:** In recent history I would say the Vietnam conflict was the longest, even though it was not a declared war. In terms of a declared war, most of them have been four or five years: the Civil War and World War II. World War I was much shorter in terms of the American involvement. It was actually two years. Korea was about three. The American Revolution was the longest: it lasted eight years.

**Student:** Do you think this nation can take a twenty-year war?

**Murrett:** I think we can, but not at a very high sustained level. I think we need to manage the amount of national treasure we expend in the form of casualties, which is of most concern to me, and just from a budgetary standpoint.

**Student:** Can we sustain the current level at which we're fighting in Iraq today?

**Murrett:** I think it will look different from the way we're fighting it today. I think we can sustain the level we're seeing in Afghanistan, in the southern Philippines, and in Colombia, though perhaps not the level in Iraq. I think our allies are determined to do it, too. You run across things

that make you pause for thought. Could one of you read this news item aloud? I just ask you to think about this. I think there's something to it that I haven't figured out yet.

**Student:** The headline is "Danish soldier killed in a roadside blast near Basra."

A Danish soldier was killed Thursday in southern Iraq when his vehicle hit a bump by the side of the road near the city of Basra, the Danish central army commander said. "I can confirm that one Danish soldier was killed by a roadside bomb in Iraq," an Army spokesman said. "I think that one other soldier was injured."

Denmark has about 530 troops serving in Iraq under British command. Three Danish soldiers have died in action in the country since the start of the US-led invasion in 2003. Danish Prime Minister Anders Fogh Rasmussen said he would not withdraw the troops. "I made it clear that Denmark will stay in Iraq. We are in Iraq to assist the Iraqi people in achieving freedom, peace, and prosperity," he said. "It is not up to terrorists to decide the future of Iraq. The future of Iraq should be decided by politicians. It is our intention to stay in Iraq as long as it is on the request of the Iraqi government and as long as it is in support of the UN. I would think we can make a positive difference," he said.

**Murrett:** I guess that's the final answer to any of our questions, but we still have to be surprised when we read things like that. This comes from a country that people would not normally associate with what's currently happening in the Middle East. I think that touches on how long we're going to be in this fight and the international support that's going to exist for it.

The other point I would make in terms of the long war is that it's very important for all of us to look to the future, not to the past. All too often the discussion that we have of current military engagements and even diplomatic engagements across the world tends to look in the rear-view mirror. I think it's more important to look at the future.

**ettinger:** I want to point out an example that is cause for both some optimism and some pessimism. If you look back twenty years, what we now regard as routine and almost disappeared aircraft hijackings were very frequent and rather terrifying occurrences. You hardly hear of any right now, because they hardly ever happen anymore. Among the reasons is that over a period of time places such as Cuba and others that aided and abetted hijacking found themselves as victimized as anybody else, and while the United States and Cuba couldn't agree on much, little by little they agreed on suppression of hijacking. That's an optimistic view that comes right out of the Danish statement. If enough people get annoyed and victimized by something, as with aircraft hijackings, then there's a chance that over a period of time it can be suppressed.

What's new and discouraging is that the hijackers of the traditional kind by and large had an interest in staying alive. They hijacked for money, to get to some destination, and so on. What's harder to deal with is somebody who wants to commit suicide. Unfortunately we're dealing with people who are suicidal, or regard suicide as a way to heaven, et cetera. Until that incentive

disappears, it's hard to counter a suicidal attack. That's a very different thing from your old-fashioned hijacker.

**Student:** Do you differentiate between the war on terror—the long war—and the war in Iraq?

**Murrett:** If you differentiate between those two constructs it becomes politically charged. I understand that. I differentiate between every place we're engaged in across the globe, whether it's the southern Philippines, Colombia, Iraq, Afghanistan, or the Joint Task Force in the Horn of Africa. They're all very different. There are common threads among the places. I would tell you that from an intelligence standpoint the discussion about whether or not the war in Iraq is part of the global war on violent extremism is actually fairly neutral, because of the numbers of Al Qaeda and Al Qaeda-associated network (AQAN) sympathizers who have found their way into the country, especially in the Sunni Triangle. Even though it is difficult, I think you have to try to look at it as objectively as possible, because it is a political discussion to some large extent.

As I alluded to earlier, the other important aspect is to try to look at the future. We are where we are today. I think people in universities perhaps ought to have more of a discussion of how we got to where we are today and things that may have happened in the past, but for those of us in uniform, particularly because of the leadership responsibility we have for more junior personnel, it's very important that we look to the future.

Just in the last three years there have been very discrete and recognizable phases in the operations in Iraq, which many people have already filed away and forgotten about. One of them is that the single most successful terrorist attack in Iraq was the attack on the United Nations headquarters in 2003. They killed Sergio Vieira de Mello, threw the United Nations out of the country for a long period of time, and set people way back. That was probably the most carefully targeted terrorist attack we've had in Iraq in the three years we've been there.

By the same token, I think people have tried to look to the future. When Iraq put out the TAL [Transitional Administrative Law] two years ago now, which was the transitional constitution of the Iraqi leadership, somebody had a really good idea. It was probably lost on most of the global community, but before they ran up the new Iraqi constitution they brought in a bunch of schoolchildren who sang the Iraqi national song, and then they went off the stage and the delegates started arguing with each other. I think there was a strong implicit point there, "What are you doing for them? What is their future going to look like?" Too often, I think, we have found ourselves falling back into recriminations about things that may or may not have happened and forgot to look at the future.

**Student:** In the fourth paragraph General Pace talks about the conflict between those who have freedom and the terrorist minority trying to take power from the majority. How does the military intelligence community look at this struggle? It's described to us as a struggle between us and people who want to wipe us off the face of the earth. I think from a military standpoint you can look at it in a very practical manner, in that we can acknowledge that they don't have the capability to wipe us off the face of the earth. But you get a guy like Mohammed Atta, who was educated in Germany, or the July bombers from England, who were second- and third-generation British citizens. How does the military view it if it's not necessarily a fight between freedom and

oppression, but rather a fight between those who live in free societies and those who come to those free societies and are disgusted, or something along those lines?

**Murrett:** To be honest with you, those of us in the military don't think about that as much as a lot of other people do. It's an excellent question. I'll make two points. One, people underestimate the extent to which civilians provide direction to the military. I can give you a lot of personal experience on that from my time on the Joint Staff. The president, the National Security Council, the Senate (especially the Senate Armed Services Committee, which I've spent a fair amount of time chatting with over the years; I've spent a little bit of time with the House, but more with the Senate), the secretary of defense, and the deputy secretary of defense are the people who tell us what to do, and we provide military advice. That's a key phrase. It's in the law. We provide military advice to the civilian leadership. The military very often determines the tactics and the employment, and makes key recommendations on force levels. In terms of functional expertise, it's like any discipline, such as medicine. Every deployment order for the U.S. military is signed by the secretary of defense: every last one. The military does not deploy anywhere unless the civilian leadership signs off and says to do it. Anything of importance gets kicked across for the White House to say how we will do something. All our promotions are signed off by the president, especially from O-6 [colonel] on up. For flag officers they're signed off by the president and have to be confirmed by the full Senate.

The civilian oversight of the military in our country is something we never want to take for granted, despite a lot of discussion we've had in the last couple of weeks, about which I have no opinion. That's very important. You don't want the military making key decisions about running a country anywhere.

The other answer to your question is that a lot of times we deal with things as a military problem and hold a planning exercise on how we're going to act, from the tactical level to the operational level. How are we going to deal with a specific challenge, whether it's maritime, air, or ground-based? Essentially, how are we going to take it apart? We don't often think as much as we probably ought to about how we are actually going to take apart an adversary (although more of us in the intelligence business than in others do). The military tasking from the National Command Authority is usually fairly straightforward: we are told to close with the enemy and destroy the enemy. We just do it on that basis, given the national direction.

About three years ago I had just gotten back from being downrange and I was being interviewed by the press about "Why did you do this? Why did you do that?" I finally got exasperated and gave what I thought was an answer. I said "We came across several Afghans and they were shooting at us and we killed them," which is about as much as that kind of situation calls for.

The statement on the next page gets back to a point I made earlier. It's important that we understand that the conflict we are involved in now—the long war—is very different from things that we've seen before in our history. I think that's going to be a bigger factor in the next three years than it has been before.

Getting back to something I was mentioning earlier, one of the constant themes in the questions that we hear from military audiences around the world, from intelligence professionals

and others, is: "When is it going to end? When is it going to be over with? When can we go back to peace?" This is very American. As General Pace has articulated here, for most of our national experience, if you look back 220 or so years, we have gone to war for around four years and fought a great distance from our shores. We usually do it pretty well, with a lot of allies. (That's a point I'll come back to consistently, because we don't do this by ourselves.) Then we have peace. For those of us in uniform, but also for the nation, I think there will be an increasing challenge in the next few years to finish this conflict, because people want to go back to peace. There will be financial pressures. There will be a lot of other kinds of pressures on the system, too, including on the intelligence organizations (for some very good reasons), because of the American sense of urgency to get this over with and get back to business as usual—but there won't be any business as usual.

The challenges that we face now are no greater than the challenges our parents or grandparents had to deal with. Your great-grandparents had World War I. My parents had World War II. My father and uncles were all pretty heavily involved in the Second World War, and my grandparents were involved in the first World War. They prevailed, and so can we, but this one is going to take longer. I think it's essential to recognize that. We can manage this. We can prevail. We can win.

**Student:** It's interesting that you mention business as usual, because the way this series of actions has been pitched to the American public is that victory, if you can call it that, is the ability to continue business as usual. What do you think about that?

**Murrett:** That's out of the range of the intelligence theme I'm supposed to be keeping to here, but I'll be glad to discuss that. Thomas Friedman would tell you that one of the more important things we need to do today to contend with the global war on violent extremism is play golf more often (that's an example he uses): essentially not to let them win.<sup>8</sup> There's some truth to that.

I think another point related to that is probably a better answer to your question. I tell our folks on the road all the time: "Because we are in a long war, it's important that you pace yourselves and not burn out." It seems counterintuitive: we're in a conflict that is very important and for which we need to have a sense of urgency. But by the same token, we need the people who are in uniform today—both our younger personnel and those who choose to stay in the military—to be able to do things five, ten, or fifteen years from now and not to burn out in the near term. I think that's going to be an increasingly important factor over the next three or four years, especially for the younger people in the military. There is clear evidence in all the services, especially in the Marine Corps and the Army, that increasing numbers of people are reaching a burnout level. Sustainment of that force is a key issue for those of us in uniform, and we're going to have to contend with it through the next several years.

**Student:** At the end of the second paragraph on the second page General Pace says: "the daily life of the average American citizen reflects none of the hardships or shortages we associate with a nation at war." But later on he says that this is a war of attrition. Does he just mean its

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<sup>8</sup> Thomas Friedman, *The World Is Flat: A Brief History of the Twenty-First Century* (New York: Farrar, Straus and Giroux, 2005).

longevity—in the sense you said that we are going to be in this for twenty years and we will need a sustainable force and economy and defense of what we're fighting for? When are we going to see the hardships and the shortages reflected in the average life?

**Murrett:** I think it's always going to be unfair. I think it always has been unfair, and I think we should try to make this as fair as we can. In any conflict there's tremendous unfairness. That is just the nature of it.

**Oettinger:** I think we can relate this to intelligence, because understanding what continues to drive the enemy or what might persuade the enemy to cease and desist is, it seems to me, a necessary function of intelligence. It isn't the same as measuring order of battle in a classical way, but in the sense that we would like to know what it takes to persuade people who are suicidal that this is a dumb thing to do.

**Murrett:** There's language in the statement by Ambassador Negroponte that addresses that, so let's put that point aside for just a second.

Just one other thing that I would reiterate. Professor Oettinger asked me to talk about the balance between meeting the goals mentioned: simultaneously prevailing in the global war on violent extremism and preparing for the future. Balancing the ways to do that is a central function for people like me and in other senior levels in the intelligence community in the sense of not letting what is happening today diminish our future capacity to defend the nation in more conventional conflicts that may transpire, whether they come from Iran or some other place. I'm not saying that projectively, but there are potential adversaries out there and we will need to have conventional military capabilities to contend with them. There is a danger in the intelligence field and in the military field—military intelligence—that we will be too distracted or too focused on what we're doing today to be prepared for an adversary that will take advantage of our current operational tempo and will exploit it in the future. The adversaries out there are always watching and metering our capacity very carefully.

As a fundamental at the strategic level, the really good senior civilians in Washington who provide national warning have what we call the 180 effect. I will take a moment to explain it. If there were a dust-up in Iran, for example, and we had to surge any forces because of something happening there, the focus of the senior strategic warning community would be on Korea, because the best time for someone like Kim Jong Il to take advantage of the United States and our allies would be when we're distracted in another part of the world. That's the 180 effect. To look at it in a different way, the force deployment that we have because of the war on violent extremism today means that the strategic intelligence warning function is still among the most important functions of the DIA. It is more important now than it's ever been, because of the unpredictability of some of the folks we're dealing with.

**Oettinger:** If you want concrete examples of this, look at Israel, with on the one hand the spasmodic force-on-force conflicts with Egypt, Iraq, Jordan, Lebanon, and Syria, and on the other hand the continuing suicide bombers and other kinds of terrorism. It's lasted for over forty years, which is not necessarily cheering in terms of the notion of what constitutes victory and peace and the cessation of hostilities.

**Student:** You were speaking about the opposition's ability to evolve, adapt, and take advantage of our present focus. You also mentioned that we have usually been involved in wars for four or five years. The current conflict might provide the first opportunity for the U.S. military to have the time to figure out its enemy's methods and adapt while still fighting the same enemy. Do you think that ability to prepare for the war that we're in and not the last war will affect our curve in terms of success over time? Will we begin to speed up in terms of succeeding against the enemy?

**Murrett:** I think that is an effect we're seeing today. However, it goes back and forth. It works both ways. We are up against an adaptive thinking enemy. It's like a lot of things in life. You get one step ahead of them. You think you've got it suitcased and they'll leapfrog over it to something else again and so on. The adaptation that will save this opposition is probably more of a factor than it's been in other conventional military battles. I think we'll see that because of a change in tactics they will employ. They will always seek to conduct large-casualty simultaneous attacks that will take advantage of the weakest points in our structure, and to some degree the weakest points in our organization. We've seen that already. Al Qaeda has carried out some maritime attacks.

Getting back to our main theme, this Annual Threat Assessment by the DNI [Appendix 2] is slightly longer, but it's a really good read. I think it is as accurate a compilation of concerns that we have from a national intelligence standpoint as anything I could find for you at the unclassified level. In fact, if this were highly classified it would not look much different, which kind of surprised me the first time I read it.

The beginning is fairly straightforward. I think the five-part construct mentioned on page one is important, where Ambassador Negroponte lists the national intelligence challenges that we face. In terms of important issues confronting U.S. intelligence it is probably as good a list as I can provide for you.

**Oettinger:** I would like to get your views on the middle item: on WMD-related proliferation and the two states of particular concern, Iran and North Korea. That statement does something that some of my colleagues find very objectionable (which also goes back to the WMD Commission report), and that is to identify WMD with nuclear and not give adequate recognition to the biological threats. They are of a very different character and likely require very different intelligence procedures and countermeasures from the nuclear challenge. I don't see any recognition of that here.

**Murrett:** In the intelligence field there is always a discussion of what "WMD" comprises. Most of that discussion typically revolves around two areas. Chemical and biological are generally counted among WMD. Nuclear is always folded in there. The other one that is coming up increasingly is whether or not delivery vehicles, specifically medium-range and long-range ballistic missiles, are also considered WMD. My own belief is that all of them are WMD. I'm particularly concerned about proliferation of medium-range ballistic missiles, such as the Shahab-3 that the Iranians have and some others, which I think should be looked at under the same rubric as the rest of the WMD issue.

I'll just spin off the missile discussion a little bit. Too often the Western democracies think that it is only about us, but in the case of missile technology, especially medium-range ballistic missiles, so often the regional partners are a much larger part of the equation than we recognize. In the United States, in particular, we're not very good at acknowledging that as often as we should. The people in Oman, Qatar, the United Arab Emirates, Kuwait, and Bahrain are far more worried about Iran today than Americans are. We don't acknowledge that. For us it's just about Teheran and Washington and nobody else matters. That's ridiculous. We need to take the regional equities that we have more fully into account, as well as the regional partners that are so important in any situation like this.

I'll give you another geographic concept. This is very appropriate, because the president of China is in Washington today. In terms of all the tensions that have existed on and off between China and Taiwan and certainly with Korea, I am just absolutely flabbergasted at our national capacity to ignore Japan completely and totally. It's unbelievable! In the intelligence business in particular, regional partners like that are absolutely vital. The prospect of maintaining America's and our allies' interests in Asia without Japan and Australia is daunting. I can't imagine how we could begin to approach that task without them. By the same token, when dealing with all the parts of the world that are gradually going from warm to hot we all too often don't take into account the regional partners we have. The proliferation of medium-range ballistic missiles is going to be increasingly important in future years. It's all those countries that are going to be put at risk, and some of them are at risk already. That is an intelligence issue of the highest order.

Regarding the Al Qaeda discussion, I'll make one other point from an intelligence perspective. Most of the national and international discourse in the intelligence community has now divided the adversary we have in the global war on violent extremism into three categories. You can have a longer discussion of what we think about that, but it's reflected in this statement. The first category is what we call "old Al Qaeda": essentially the personnel that can date their allegiance to Osama Bin Laden back to the training camps in Afghanistan pre 9/11, and who have been pretty much decimated. There are a couple of key operatives left, but not many. Zarqawi is one of them. For the most part, that organization has been disrupted. It's not quite dysfunctional, but it's pretty close to it.

The second of the three groups is what we call the AQAN—the Al Qaeda-associated networks. The threat assessment gives some examples of these organizations. Jemaah Islamiya is one of them. They have a semiofficial or official affiliation with Al Qaeda.

The third one is what we in the intelligence business typically call "the like-mindeds." These are groups such as those that perpetrated the attacks in London this past summer. They have no connection of any type with Al Qaeda or the AQAN, but they do share their goals and methods to some degree. From an intelligence standpoint they are the toughest ones to deal with, because they're not part of an overarching construct for command and control. SIGINT and HUMINT can't register any connection that they have with the parent organization.

I've talked about Iraq enough already, so I'll skip over that part of the assessment. Afghanistan does not get as much attention as it should nowadays, because of the success that Hamid Karzai has had over the past three years. Since he became the leader of that nation he has faced four critical challenges that the DNI thinks are key: containing the insurgency, building

central government capacity and extending its authority, further containing warlordism, and confronting pervasive drug criminality. The one that's getting bigger now than it was before is drug-related crime, which is pretty worrying for our people.

We already covered WMD to some degree, and the linkage between WMD, Iran, and North Korea. There's pretty good language here about that. If I showed you something more highly classified it would not look a lot different.

One of the things we should not forget is that the most determined violent extremists who are out there, and are going to be out there for some time in the future, have a very high interest in mounting additional large-casualty attacks against the United States, our allies, and our interests overseas. They're going to figure it out. It may happen next week or it may not happen for five years, but it's going to happen again.

The challenge that we're going to have the next time it happens is how we're going to react. That is going to test us greatly. I think the response we saw in the UK after the attacks were mounted last summer was a sterling example of how you can respond to a terrorist attack. I hope we do as well the next time that we lose a large number of our countrymen, probably here in the United States. When it happens, people should not be surprised. That's part of the national warning function we have as intelligence professionals.

The assessment identifies Iran and North Korea as the states of highest concern. There are compelling words on page six about the clandestine uranium enrichment program that has existed in Iran. I was surprised to see that much detail in the document, but it's useful to have it in the public domain, as is the discussion about the regional context that we alluded to earlier. Again, from an intelligence standpoint and from a military standpoint, Iran poses the greatest potential threat to Persian Gulf states—and, by the way, to the United States. Too often we look at it just in our own terms and disregard the concerns of other nations.

North Korea is a more or less unique case from an intelligence warning standpoint. It's probably the toughest I&W [indications and warning] problem we have outside of terrorism.

**Oettinger:** I'm still concerned by the emphasis in the statement on nuclear and the downplaying or the almost blankness on bio, especially in a region where chemical and biological agents were used extensively—as it happens, by the Iraqis against the Iranians as well as against the Kurds. One would assume that the Iranians, who don't seem to be at all stupid, would have some biochemical programs after their experience with the Iraqis. From our point of view those programs have the drawback of being dual use. They can be all over the place, using stuff that looks quite innocent and therefore poses a tough intelligence problem. Can you say anything about whether we just close our eyes, we have nothing, there is nothing, or what?

**Murrett:** Chemical and biological weapons, the associated delivery vehicles, and particularly weaponization of biological weapons, are tracked very carefully. I'll give you another example, so we can move a little bit away from anything controversial. Syria is a country that we track very carefully, because of the delivery mechanisms they have for WMD-associated substances. They have some programs to which the intelligence community pays a lot of attention, and I think does so in a reasonably objective fashion. Chemical is a lot easier to track than bio, because of the skill

and testing that are involved. What is even easier than either of them, of course, are the delivery vehicles, although the proliferation of short-range and medium-range ballistic missiles is worrying today just because of the numbers that we're seeing out there.

One of the challenges we have as a nation with our allies is the extent to which we just sit back and watch all these things being proliferated and not do anything about them. We're doing that a lot today. North Korea is selling conventional weapons to Asia and the Middle East and ballistic missiles to several Middle Eastern countries. We see North Korean missile technology going across the Indian Ocean on a ship and being delivered to a country such as Syria or Iran. We just kind of let it happen. We don't interdict as much as we could. We could interdict a whole lot if we chose to, all over. It's a tough policy decision. But we shouldn't underestimate the amount of WMD-associated capabilities that the intelligence community is able to track. That's reflected in the language you see here, especially in terms of Iran and North Korea.

Another key issue with Iran is how long the Israelis are going to sit back and watch. This is not political. It's just a key issue that you have to factor into the matrix: whether or not the Israelis will allow Iran to become a nuclear power. I don't have the answer to that question, but it will certainly be discussed over the course of the next two or three years. The longer you wait the more difficult the deterrence will be.

We don't have time to go through the assessment of the Middle East and South Asia. I can't tell you how important Pakistan has been in the global war on violent extremism. Most of the senior Al Qaeda we have captured we apprehended in concert with the Pakistani government, or the Pakistanis did it by themselves. The best examples were Khalid Sheikh Mohammed, who was the 9/11 planner, and Ramzi Yussuf, who was the primary tactician for 9/11. They were rolled up by the Pakistanis. If you talk to the senior Al Qaeda who were in Afghanistan prior to the attacks, they will tell you the biggest surprise—the contingency that they never planned for—was that Pakistan would align itself with the United States and Great Britain. They didn't think that was going to happen. They had no backup plan for it. They thought they could "turn Kabul into Grozny"; that was the expression several of them used. They thought they could hold out in Afghanistan for a very long time, because they never thought that Musharraf would throw in his lot with the West.

The India-Pakistan situation is calm now, but as someone who used to have to work warning I could tell you that's one you can't take for granted. In 2002 it got very warm, ranging into hot. You don't want to take for granted that these two nuclear powers, which are viscerally opposed to each other, will settle down. In some ways it's a bigger consideration. Right now it's going well. They're talking to each other. They seem to be getting along okay, but it can go south in a hurry.

There are a few words here on Russia. In terms of bilateral agreements on intelligence, we're kind of disappointed. We thought Russia would be further along today, just in terms of our being able to deal with them, than they are today. I tend to be more positive in dealing with the Russians than some other people are. Probably the biggest cause for disappointment in terms of bilateral agreements and just international engagement has been the tremendous gap that has grown in the past five years between Russia and the other former Warsaw Pact countries. Hungary is doing great. Czechoslovakia is doing great. The alliance between the West and Poland

is one of the most significant developments we have had in the last five or six years, and that is going to last generations. People seem to be ignoring it so far. They think it's a temporary marriage of convenience, but it's not. By that standard the situation with Russia is even more disappointing, because we thought they would kind of keep pace with the other former Warsaw Pact countries.

**Oettinger:** Marshall Goldman<sup>9</sup> describes Russia as a kleptocracy.

**Murrett:** Russia is just hard to deal with, even when you only want to have navy-to-navy discussions or take part in rescue operations. I was the combatant command J-2 when the *Kursk* sank in the Barents Sea. We really wanted to save those guys.<sup>10</sup> That was very hard.

The Poles are not hard to deal with. The Hungarians are not hard to deal with. The Czechs are not hard to deal with. That gap is probably the reason why a lot of us are very disappointed.

I won't go into detail on Central Asia or Latin America, although we ought to pay more attention to Latin America than we do, especially Colombia.

**Oettinger:** It's oil versus drugs.

**Murrett:** Yes, but the Uribe government down there in Bogotá is really trying to make things better, and they deserve more credit than they get. Too often the squeaky wheel gets the grease. There are very courageous people in Colombia who are trying to bring the country forward into the twenty-first century, and they're doing so at immense personal hazard.

The situation in Africa, including in the Horn of Africa, is going to get a lot worse before it gets better. We'll probably see some military engagements, certainly in both the Sudan and Chad, some time in the next year. The Gulf of Guinea region, including Nigeria, poses a challenge across all the West African nations.

Things in China seem to be getting better from a military standpoint. The rhetoric has also calmed down in the last year or so. The economic imperative to engage with China is huge.

India is really moving out. They're more or less sitting out the global war and their economy is taking off. So is their income.

I won't talk about energy security, but there are some good words in the assessment. Getting back to what Dr. Oettinger was saying earlier, the assessment does focus on pandemics and epidemics, which we hope will not be too big a factor in the next five years, but certainly there is an intelligence component in terms of keeping track of foreign medical technologies. People have

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<sup>9</sup> Marshall Goldman is Kathryn Wasserman Davis professor of Russian economics (emeritus), Wellesley College, and Senior Scholar at Harvard University's Davis Center for Russian and Eurasian Studies.

<sup>10</sup> An explosion caused K-141 *Kursk*, a Russian nuclear cruise missile submarine, to sink in the Barents Sea on August 12, 2000. Despite indications that some crew members were still alive, Russia initially turned down offers by several nations, including the United States, to assist in locating the submarine and rescuing any survivors. By the time the submarine was found, all hands had perished.

already forgotten about the SARS [severe acute respiratory syndrome] crisis, which happened three years ago.

The final paragraph of the assessment is an excellent segue into the last thing I will talk about, which is the WMD Commission. It says “We must transform our intelligence capabilities and cultures by fully integrating them from local law enforcement through national authorities in Washington to combatant commanders overseas. The more thoroughly we do that, the more clearly we will be able to see the threats lurking in the shadow of the future and ward them off.” That sums up what we have talked about here today, particularly from a military standpoint.

We've got about twenty minutes and it's a beautiful day outside. Why don't we have some discussion?

**Student:** You are one of the world's experts on naval threats. If you look at the sea surface in comparison to the land surface, and consider that most of the sea is under the surface, there's a lot that could pose problems. There could be terrorism coming from the sea or terrorism at sea, organized crime, drug trafficking, and that sort of thing, as well as the threat that North Korea and Iran might use submarines and boats of that sort if there were a war. In Norway we really worry about sea terrorism against oil platforms and oil pipelines. The coastlines are huge and Norway has a very porous coastline, as does the United States. It's a natural place to hide. I just read an article the other day that said the United States has been using a Swedish submarine in training exercises. It may have been lying on the bottom of the Pacific for six months, and the Navy has been trying to look for it and can't find it.<sup>11</sup>

**Murrett:** It hasn't been there the whole time. The poor crew wouldn't want to stay on the ocean bottom in a submarine for six months.

**Student:** Could you talk a little about the major threats coming from the sea?

**Murrett:** Do you have anything else to do until tomorrow morning? I'll be glad to speak about that. There are different ways to answer your question. The first has to do with threats from the standpoint of the technology, weapons, and platforms that are being proliferated today around the world, which could present a big challenge for the Navy personnel who are going to have to contend with this stuff, as Mitch and I are. The proliferation of capabilities is pretty impressive and in some respects scary. I'll give you specific examples: air-independent-propulsion submarines, wake-homing torpedoes, and supersonic turbo-guidance cruise missiles. I can give you many more. Ballistic missile technologies will be able to home in on maritime targets. Those are conventional kinds of capabilities that are being proliferated to a lot of countries that could be adversaries in the future.

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<sup>11</sup> “For almost a year the US Navy has been hunting a Swedish submarine, the *HMS Gotland*, off America's west coast. The hunt is, of course, a one year training programme—but the Americans now want to extend the contract with the Swedish Navy. Time after time, as part of the Americans' training in tracking down smaller vessels, the Swedish submarine and its crew have eluded their pursuers.” Quoted from <http://www.freerepublic.com/focus/keyword?k=sub>

There are also unconventional maritime capabilities, which we have seen played out in living color, because one of the best ways to get large amounts of ordnance from one place to another is over water. You saw that in the attack on the *Cole* and the attack on the merchant vessel *Lindbergh*, which is probably the biggest single disappointment that Al Qaeda has had in the last five years. They thought they were going to drive up insurance rates for oil carriers and severely curtail the oil industry in the Middle East by sinking a VLCC [very large crude carrier], a French-flagged tanker. They came close to sinking it, but they botched the attack at the last minute. Two years ago the attacks on oil platforms in the northern Gulf caused some U.S. Navy and Coast Guard casualties, and last year there was an attack on ships at Port Aqaba, Jordan. Most of the maritime attacks don't get that much press, but they are out there, and they will continue just because the maritime domain makes those kinds of attacks relatively easy. I also think the maritime-based oil platforms are highly vulnerable.

One of the things that we do in the U.S. intelligence community, to include specific functional organizations such as the Office of Naval Intelligence, is red team things. The red team concept means that you try to put yourself in the position of someone who is going to attack you, and you look at the softest places and the easiest places to attack. From a red team perspective it's pretty clear that our economic infrastructure at sea remains highly vulnerable.

**Student:** Since you've spent so many years in the military, you've seen the changing role and the new focus on using special forces around the world. We also see that a lot of the conventional forces are starting to take over some of the work the special forces used to do before, and the special forces are taking on even more highly specialized tasks. Could you talk a little bit about where you see special forces moving in the future and the new tasks they are going to take on?

**Murrett:** That is a dynamic across all the military services, and for our key allies. The dynamic that you're seeing play out is that the special forces elements in all of the services are increasingly focused exclusively on the high-end missions. I should choose my words carefully here now. Those forces include conventional and unconventional SOF [special operations forces] missions: SOF as opposed to special forces. There is a difference. Special forces train foreign military forces, like the Japanese or Chinese. That's their mission. SOF actually conduct the operations themselves.

At the same time, the more conventional, usually light infantry units, most of them airborne, and the ground forces—in our case both Marine and Army—are all becoming almost as capable as the SOF elements were seven or eight years ago of executing light, agile, usually air-inserted missions. You're seeing the same dynamic play out across all the services, whether it's the SEALs [Sea-Air-Land units] in the Navy, different elements of the Army that I won't mention by name, components of the Marine Corps called the MEU SOCs [Marine Expeditionary Units, Special Operations Capable] that deploy forward, and also special elements of the Air Force that do primarily transport and insertion. That is identified as a key element, along with intelligence, in the QDR [Quadrennial Defense Review] that the Defense Department put out earlier this spring.

I spent a lot of my time in the Army, as I described earlier, and most of my associates were from units like that who are in far better physical condition than I am. A MEU SOC has twenty-four mission sets, and SOF have about an equal number. The total number is not important, but at

least three-quarters of a SOF mission set within the U.S. Army (about which other experts can talk a bit better than I can) can be executed by the airborne units, like the Second Army's First Airborne Brigade. Almost all of those missions can be executed by infantry forces. By the same token, almost all of the special warfare personnel we have in the Navy, the SEALS especially, actually perform those missions as well. It's a very narrow set when you really get down to it.

**Student:** What's the mission of the Navy SEALS in regard to the war on terror? Is it like the Green Berets in the Army?

**Murrett:** The Green Berets are totally separate. The Green Berets are about training foreign military forces. They are not SOF units associated with U.S. Special Operations Command and the Ranger regiments, which are the ones that actually conduct the special forces missions.

Getting back to your question, the SEALS do some liaison in foreign countries such as Norway, where they take part in coordinated exercises with the Norwegians. There are very few in the UK and the United States. Most of the high-end special forces are dedicated to unilateral missions. We work closely with key allies. That's all I can say about that.

**Student:** You talked a little bit about red teaming before, and I was wondering if you could talk about what happened at Millennium Challenge 2002.<sup>12</sup> Was it an intelligence problem that needed to be corrected? Was it a problem with tactics? How do you see that relating to the modern threat of maritime warfare and modern terrorism, as well as conventional terrorism from Iranian cruise missiles?

**Murrett:** I think it was all those things. At its heart (I had a fair amount to do with the planning, although I wasn't there for the execution) it was about trying to have a better organized or integrated military approach to a problem. The scenario was not as important as what we were trying to accomplish. I think that we have learned a great deal since Millennium Challenge 02, because of the real-world deployment of forces, and we have actually taken that to the next level. We've got some work to do, but I think the key task is improving the interaction among all kinds of forces across the services and across the coalitions we have in various parts of the world. That's what the exercise was actually trying to get at.

**Student:** We read a book last week about the ability of special forces to provide what they call the ground truth in Afghanistan and Iraq. Was there an intelligence failure in there not being other HUMINT sources on the ground prior to insertion of special forces? This may not be a military intelligence question, but why don't we know the ground truth before we insert even special forces?

**Murrett:** You need both. This gets a little bit sensitive. Afghanistan is a good example. A lot has come to light just in the last year about what transpired in Afghanistan in the winter of 2001 and

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<sup>12</sup> Millennium Challenge 2002, conducted from July 24 to August 15, 2002, was the largest wargame in history. The results proved controversial, with the red team initially achieving such overwhelming success that the game was halted and then restarted, leading to charges that the game was scripted to reinforce desired results.

the early spring of 2002. It's a great story in terms of the huge intelligence success that we had across the interagency, between the military and the CIA, to enable the success we had in Operation Enduring Freedom.

I don't think you'll ever find a situation where you won't need both of those elements. You will always have some advance force operations, usually denied, seldom wearing uniforms, that will provide a certain level of situational awareness and will be followed by some dramatic and kinetic input. I'm still very impressed by the effort that took apart Afghanistan. It was multinational. Pakistan played an absolutely key role.

As an intelligence issue, there's something that was vital to the success we had in Afghanistan. In the abstract, what the CIA and the Green Berets bring to any war fight before it starts can be summed up in three key words: relationships of trust. We had people in the U.S. intelligence community and among our key allies who had relationships of trust with people who really didn't matter, such as Hamid Karzai, Ahmed Shah Masood, and many others. Those guys were neglected and not cared about, and overnight they became rock stars, because they had relationships of trust with a lot of Afghanis who were willing to risk their lives for them. That changed the whole dynamic.

There's an important lesson for intelligence professionals in there as well. If you were invested today in Colombia, Sri Lanka, Chad, or India—places not getting much attention—things can change pretty dramatically. The relationships of trust that you have built, some of them clandestine, can suddenly become important. That illustrates the breadth that we need as a national intelligence structure. If we're lucky, we may never need to call upon them. That is something the CIA discovered.

**Student:** You mentioned that you foresee military engagement in Sudan within the next year...

**Murrett:** I would rather call it peacekeeping. It would be very different from anything that we're doing now. Speaking personally, I think that for both Chad and the Sudan—both sides of the border there—the best option would be Blue Berets: a multinational force under the agency of the United Nations. We would contribute to that and participate in it, but I don't really see it as warfighting, except for the Janjaweed, who are just beyond salvation. Most of the other groups that you see (I think six or seven of them come into play in the border regions between Chad and the Sudan) can be dealt with and restored to a status quo situation. The Janjaweed I'm not too sure about. I think we may actually have to fight them. I would hope that our French and Polish partners would be as interested in that as we are. I don't foresee any unilateral action. My own preference would be for U.S. forces to be a small fraction of the total Blue Beret coalition.

I do think we need to do something about the Sudan. I don't think that we in the West can collectively stand back and watch thousands of people starve.

**Student:** Do you think the U.S. public is ready to accept the costs of putting forces on the ground in the Sudan?

**Murrett:** Yes, more so than a lot of other things we might do. From a warfighting aspect, I don't see anything in the Sudan or Chad that I regard as particularly challenging if it's done in the way that I described, with a United Nations mandate.

**Student:** You've mentioned China a couple of times, saying that in some respects, such as business, they are certainly an ally but in others they're not. There is still some suspicion between the two countries. What is the current situation in terms of intelligence sharing between the two countries? As China begins to exert more independence in some military examples, how do you see that developing over the next few years?

**Murrett:** The intelligence exchange with China is not extensive. The biggest concern we have with China today is the growth of their conventional military forces, which is pretty dramatic. Just from a pure order of battle standpoint their army, navy, and air force are growing in ways that are pretty pronounced. I think any objective assessment will tell you that if you project it out, just based on things that are already going on there, within five or ten years they're going to have force levels that are considerable. That ought to be a concern to us. It's a bigger concern for Japan, Australia, the Philippines, and India than it is for us.

If ever there was a bilateral relationship to look at, it should be what's going on between the United States and China. Having said that, we ought to look at it in a broader context. I think it's a situation that is crying out for an elegant diplomatic solution. Our trading equities with each other are incredible. I would hope the diplomats could be very effective in managing the relationship between the United States and China. In one of the statements before the Chinese president's visit to the United States there was a throwaway line that they were placing tremendous importance upon the president's visit because the United States is China's most important strategic partner. When I first saw that I said, "Boy, this is the dumbest thing I've ever seen!" But if it's not us, then who is it? It's sure not India. It's not Japan. It's not Russia. Any economist would tell you it's the United States. I hope we can engage them pretty effectively in the years ahead.

**Oettinger:** Sir, you've taken us literally around the globe, and we're reaching the witching hour. Thank you so much.

### Acronyms

AQAN	Al Qaeda-associated network
CIA	Central Intelligence Agency
DEA	Drug Enforcement Administration
DIA	Defense Intelligence Agency
DNI	director of national intelligence
FBI	Federal Bureau of Investigation
HUMINT	human intelligence
INR	Bureau of Intelligence and Research (U.S. Department of State)
JIC	joint intelligence center
MEU SOC	Marine Expeditionary Unit, Special Operations Capable
NGA	National Geospatial-Intelligence Agency
NRO	National Reconnaissance Office
NSA	National Security Agency
ODNI	Office of the Director of National Intelligence
SEAL	Sea-Air-Land unit (U.S. Navy)
SIGINT	signals intelligence
SOF	special operations forces
UK	United Kingdom
WMD	weapons of mass destruction

## **Appendix 1**

For Official Use Only  
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Senate Armed Services  
Committee



**POSTURE STATEMENT OF  
GENERAL PETER PACE, USMC  
CHAIRMAN OF THE  
JOINT CHIEFS OF STAFF**

**BEFORE THE 109TH CONGRESS  
SENATE ARMED SERVICES COMMITTEE**

**7 FEBRUARY 2006**

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Senate Armed Services  
Committee

Chairman Warner, Senator Levin, distinguished members of the Committee, it is my pleasure to report to you on the posture of the U.S. Armed Forces. On behalf of all Soldiers, Sailors, Airmen, Marines, Department of Defense Civilians, and our families, thank you for your continued bipartisan support. That support has been exemplified this past year by Congressional visits to our troops in Iraq, Afghanistan, and elsewhere around the world; visits to those hospitalized; your funding for operations; your support of transformation and recapitalization initiatives; and the improved pay and benefits you have provided to our Service members and their families.

Our successes in the War on Terrorism are due in large measure to the dedicated and patriotic sacrifice of our Nation's Service members. I want to thank them and their families for all they have done and continue to do to maintain our freedom.

We are in a long war. Our enemy intends to destroy our way of life. They seek to expel American influence from the Middle East, overthrow the existing secular governments of the region, and establish a fundamentalist religious empire on which to base eventual global domination. To accomplish this they intend to defeat the United States and our Allies – not militarily, but by targeting our unity and our will. They aim to undermine our resolve by attacking civilians; taking hostages; inflicting casualties on Coalition forces; and using propaganda. They believe they can win against the world's most powerful nation because they see us as lacking the moral stamina to persevere in defense of our beliefs.

This is not a struggle between America and Islam. Rather it is a conflict between those who love freedom and a terrorist minority attempting to take power from the majority. Our opponents are loosely networked and transnational. They are ruthless, adaptive, and convinced that they will win. They intend to do so by destroying the resolve of the America people by gradual attrition. They are a patient foe.

For the first time, America's All Volunteer Force is fighting a long war. Our troops and their families know their Nation truly appreciates their service and values their sacrifice. Sustaining our troops and upholding the resolve of our Nation requires our collective leadership. We must underscore for the American public both the nature and importance of the conflict we are fighting.

We traditionally think of war in conventional terms such as the Second World War during which the average American had a family member serving in combat, and shared their sacrifice on the home front through the rationing of goods. This is not the conflict in which we find ourselves today. Thankfully, the daily life of the average American citizen reflects none of the hardships or shortages we associate with a nation at war.

Unlike past wars, territory conquered and enemy armies destroyed are not apt measures of success. The true metrics are public perception and the resolve of free peoples to determine their own future. Our national commitment to a long-term effort is key in this fight, because the enemy neither expects nor intends to defeat us in the short term.

It is also important to acknowledge that the U.S. military has a significant role to play but that it will not win this war operating alone. Our interagency partners play vital roles in bringing to bear all the elements of national power to ensure long term success.

To defeat our enemies and protect our Nation, we must simultaneously prevail in the War on Terrorism and prepare for the future. The proposed Fiscal Year 2007 Budget ensures we have the ability to conduct a broad spectrum of operations. Major conventional conflict, counter-insurgency, counter-terrorism, antiterrorism, stability operations, humanitarian assistance at home and abroad, disaster relief, forward presence, global deterrence, support to civil authorities, and homeland defense each require the application of tailored forces. The proposed budget funds this wide range of military capabilities, and

provides our forces with the superbly trained and equipped men and women we need to defend America and its interests.

As stated in our recently completed biennial review of the National Military Strategy, we are well positioned to accomplish our missions. Our Armed Forces stand ready to defend the homeland, deter conflict, and defeat adversaries. Allies and coalition partners play important roles in meeting these challenges. If an unanticipated contingency should occur, our formidable capabilities and those of our many partners around the world will ensure we prevail.

The Quadrennial Defense Review (QDR) underscores the need to address today's operational requirements and those of tomorrow. It emphasizes the importance of winning the War on Terrorism, accelerating transformation, strengthening Joint Warfighting, and taking care of our most precious resource – our people. The QDR represents a significant effort to understand what capabilities are needed over the next two decades and is part of an ongoing continuum of change for the nation's armed forces. In particular, it underscores the value of speed and precision as force multipliers. The QDR reflects an unprecedented level of collaboration and teamwork amongst the senior civilian and military leaders of the Department. Our senior defense leaders will continue this dialogue, and we will develop roadmaps this year to achieve the Review's goals for the future.

### **Win the War on Terrorism**

Iraq remains the central front in the War on Terrorism. Our mission there is clear. We are fighting to defeat terrorists and to help the Iraqis build a democratic, secure, and economically sound nation – an ally in the War on Terrorism. Our ultimate victory in Iraq will profoundly affect the security of the United States, our allies, and the entire globe.

The past year in Iraq has seen significant challenges, but also remarkable successes. This month's Defense Department's Report to

Congress on “Measuring Stability and Security in Iraq” describes the situation in detail. The steadily growing participation in three national elections in 2005 vividly illustrated the determination of the Iraqi people – Shia, Sunni, and Kurd – to embrace democracy. Entrepreneurial activity has significantly increased. Most importantly, the Iraqi people are increasingly taking greater responsibility for their own security. These successes demonstrate genuine progress and flow directly from the hard work of our troops and interagency partners.

Effective governance, the rule of law, economic growth, and social well-being can only flourish on a strong foundation of security. Over the course of the next year, we will continue to aggressively assist Iraqi security forces to assume greater responsibility for a stable and secure Iraq. Commanders on the ground will continue to make force level recommendations based on conditions not timetables.

The War on Terrorism is not restricted to the boundaries of Iraq. We are combating terrorism in Afghanistan, where our forces continue to root out Al Qa’ida and Taliban in partnership with the Afghan National Army. Likewise, our Provincial Reconstruction Teams, consisting of civilian and military professionals from the U.S. and our Coalition partners, assist Afghans at the local level in building a stable and free society. An indicator of our accomplishments in Afghanistan, as well as a catalyst for continued success, is the North Atlantic Treaty Organization’s initiative to take on more responsibility for security and development. These international efforts reach beyond Afghan borders and help the region choose stability over conflict.

We are combating terrorism in Southeast Asia. The Abu Sayaf Group in the southern Philippines and Al-Qa’ida’s partner Jemaah Islamiyah in Indonesia present these friendly nations unique challenges. We are forging relationships, building capacity, sharing information, and conducting focused training with these valued allies. We are also working with other nations to strengthen maritime security in the Strait

of Malacca and other strategic waterways. Our efforts contribute substantively to regional security and freedom of the seas.

In Africa, we continue to partner with regional organizations and individual nations to improve their capacity to combat terrorism, secure borders and coastlines, and reduce ungoverned space. The Combined Joint Task Force-Horn of Africa and the Trans-Saharan Counter-Terrorism Initiative – developed in coordination with the Department of State – improve the ability of countries to foster security and stability within their own borders.

In addition to regional initiatives, an array of coalition and interagency partners continue to work with us globally against the proliferation of Weapons of Mass Destruction. Legislation authored over a decade ago for cooperative threat reduction and counter-proliferation of Weapons of Mass Destruction anticipated one of today's most serious challenges. We continue that effort. The Proliferation Security Initiative expands international intelligence sharing, coordinated planning, and capabilities integration. Similarly, our ability to execute counter-proliferation operations is enhanced by the Weapons of Mass Destruction Maritime Interdiction initiative.

Defense of the homeland itself remains a key mission in the War on Terror. Our efforts to defeat employment of Weapons of Mass Destruction by terror groups, as well as a strong response capability should those efforts fail, are critical. Terrorist attacks here at home against the Nation's citizens, its infrastructure, and its leadership must be prevented. Our efforts to date have been successful but constant vigilance is necessary.

We are also confronting the threat of narco-terrorism. Ongoing multilateral operations promote security, improve effective border control, deny safe havens, and impede the ability of narco-terrorists to destabilize societies. Combating drug trafficking has particular importance for strengthening security and democracy in our hemisphere.

Engagement with our Latin American neighbors to shape events and forestall crises is vital to protecting democracy for us all.

Strategic communication is a significant component of the War on Terror. Terrorists rely upon propaganda to deliver their message and justify their actions and are not constrained by truth. We must counter those efforts. Our actions, policies, and words must reflect and reinforce our strategic goals and national ideals. What we communicate to our friends and foes is at least as important, if not more so, as what we do on the battlefield. We need a more cohesive U.S. government effort in this area.

In the War on Terror, our allies and coalition partners execute key roles in defeating terrorists on and off the battlefield. Their capabilities and regional expertise are complementary to our own. As we move ahead in combating terror, we do so increasingly in combination with other nations who understand the danger terrorism poses to their citizens.

### **Accelerate Transformation**

As the threats to our Nation evolve, so must the capabilities of our Armed Forces. Transformation today remains vital to the defense of the United States tomorrow. It is a process, not an end state.

Transformation is more than harnessing advanced technology. Transformation includes rethinking our doctrine and operational concepts; adapting professional education and training to meet new challenges; restructuring our organizations and business practices to be more agile and responsive; improving our personnel policies; and reforming our acquisition and budget processes. Nowhere is this more evident than in our effort to increase interagency collaboration. Defeating terrorists requires more than the use of military force. We must harness and synchronize all the instruments of national power to win the War on Terrorism.

Advancing a transformational mindset and culture that readily embraces interagency integration begins with our Nation's strategic guidance documents. Interagency collaboration is a theme throughout our National Security Strategy, Quadrennial Defense Review, National Defense Strategy, National Military Strategy, Joint Strategic Capabilities Plan, Security Cooperation Guidance, and Unified Command Plan.

Nonetheless, we can still do more to enhance interagency effectiveness. Twenty years ago, there were serious institutional obstacles to our Armed Services operating as a Joint team. Today, in no small part due to the 1986 Goldwater-Nichols legislation, the U.S. military is increasingly a true Joint force, interoperable and moving towards interdependence.

The Goldwater-Nichols legislation established a system of incentives and requirements to foster Jointness among military officers. We need to find similar ways to encourage interagency expertise. Rewarding interagency work experience, education, and training will facilitate better synergy between departments. Likewise, we need and should reward individuals and agencies that rapidly deploy and sustain civilian expertise in tandem with our military. Shared deliberate and crisis planning capacity among our interagency partners will also improve our Nation's readiness for contingencies.

We are working to better integrate our Nation's diplomatic, military, intelligence, information, and economic instruments to forestall and address crises overseas, and to be ready to deal with catastrophic terrorism, natural disasters, and pandemic disease at home. Defense support to civil authorities is an essential component of protecting the Nation. Hurricanes Katrina and Rita brought this home. The American people expect their Armed Forces to respond in times of crisis. Teamwork among our Armed Forces and federal, state, and local government agencies – as well as private and volunteer organizations – is vital to the security of our Nation's citizens. Accordingly, we are

preparing now to deal with circumstances that have the potential to overwhelm local government and private institutions. U.S. Northern Command is expanding its ability to take action swiftly in a variety of incidents, including providing military support to large-scale disaster relief operations and responding to the outbreak of pandemic disease.

While transformation will allow us to better deal with contingencies at home, it will also improve our ability to boost the capacity of other nations to defeat terrorism and stop its spread while contributing to the security and stability of nations. The Army's Joint Center for International Security Force Assistance at Fort Leavenworth and the Marine Corps' Foreign Military Training Units are breaking new ground in this endeavor. Likewise, International Military Education and Training is a proven means of creating friendships that pay long term dividends when international classmates later work alongside U.S. forces in overseas operations. Constraints on our ability to implement this important program warrant review. These and other initiatives are examples of the value of developing capabilities and relationships to help promote security and stability worldwide, potentially precluding a need to commit significant amounts of U.S. resources to stabilize troubled nations abroad.

Our foreign assistance framework was designed to influence and reward behavior during the Cold War. We need a new foreign assistance framework for the War on Terrorism to develop the security capabilities of fledgling democracies and advance regional stability. The support we provide other countries is essential to helping them police their own land and eradicate terrorist safe havens. Continual assessment of the countries that we assist, and the aid we allot, ensures that we are helping appropriate nations in the right way.

It is not enough for us to be successful in responding to today's challenges. We need to shape the future with like-minded allies and partners. An essential element of this process is the transformation of

our Global Posture. We are implementing a new Global Posture for defeating terrorism, deterring conflict, and bolstering the security of both established and nascent democratic states. This realignment will better position us to shape the future. This is well illustrated in U.S. European Command's reorientation of its forces from Cold War-era basing to an expeditionary forward presence that supports our friends and helps deny havens for our foes.

In addition to transforming our conventional force posture, while maintaining a reliable nuclear force, we are shifting from our Cold War strategic deterrence to a New Triad with broadened focus on conventional long range strike. Prompt global conventional strike capabilities are required in the War on Terror as well as in future contingencies. In parallel with our efforts to develop a conventional long range strike capability, we are improving our missile defenses and national command capability. Your support for these efforts will turn our traditional triad into a strategic deterrence capability relevant to tomorrow's challenges.

Finally, as we transform our warfighting forces, the Department will do the same for the acquisition and budget processes that provide material resources for our troops. Transforming the way capabilities are developed, fielded, and integrated enhances our capacity to execute a wide range of missions.

### **Strengthen Joint Warfighting**

The U.S. Armed Forces' capacity to operate as an integrated joint team is one of America's chief advantages on the battlefield. By jointly employing our Armed Services we leverage their complementary capabilities as a team.

We can and should go beyond our current level of Jointness. Strengthening our Joint Warfighting ability enables us to make strides forward in the War on Terrorism. It also accelerates transformation. To maximize our operational performance, we will transition from an

interoperable force into an interdependent force. While doing this, we must maintain the expertise, culture, and traditions of the Services from which our military competence flows.

Joint Professional Military Education of our military and civilian professionals provides the foundation of our force. We intend to better integrate our interagency and international partners in these successful education programs. In addition, our Joint Exercise Program provides valuable training for the Combatant Commanders' Joint and multi-national forces. At home, we are working with the Homeland Security Council and the Department of Homeland Security to establish a national security exercise program to help prepare senior leaders across the Federal government to confront crises more effectively.

In strengthening Joint Warfighting, we continue to review, develop, and disseminate doctrine and operating concepts. The Joint Chiefs in consultation with the Combatant Commanders ensure that our doctrine and concepts provide a solid foundation for Warfighting. Those same concepts and doctrine also help shape the strategic guidance which drives operational execution.

Our education and training, as well as our doctrine and operational concepts, are kept relevant by capturing lessons gained from experience. Our professional development and organizational agility is significantly enhanced by lessons learned from the War on Terrorism, and other operations, including disaster relief at home and abroad.

As seen in deployments to the Asian Tsunami, Hurricane Katrina, and the Pakistan earthquake, our standing, rapidly deployable Joint Task Force headquarters dramatically improve our operational responsiveness. To enhance this capability, we will organize, man, train, and equip selected three-star and two-star Service headquarters to rapidly deploy as Joint Task Force headquarters.

We are adapting our organizational structure to better exploit the intelligence we collect. The creation of Joint Intelligence

Operations Centers at our Combatant Commands increases support to units in the field. In addition, the Joint Functional Component Command – Intelligence, Surveillance and Reconnaissance, set up this year under the leadership of U.S. Strategic Command, deconflicts competing demands by coordinating the allocation of intelligence collection assets. These initiatives bring the analytical firepower of the Intelligence Community to bear for our troops on the ground, in the air, and on the sea.

We are also harnessing technological developments to enable faster sharing of data among agencies, but we cannot rely solely upon technology. Intelligence collection, analysis, fusion, and dissemination depend upon our intelligence professionals. Human Intelligence is a vital enabler for collecting, understanding, and communicating information on threats and contingencies. Service programs for recruiting, training, and retaining key intelligence specialties have been refined to ensure we meet the increasing demand for intelligence personnel.

We continue to examine how best to re-capitalize and invest in our Intelligence, Surveillance, and Reconnaissance capabilities. Sensor platforms that collect across multiple mediums are one approach. High altitude, long loiter unmanned aerial vehicles are another. Space based platforms should focus on surveillance capabilities that we cannot readily replicate elsewhere.

In addition to benefiting our surveillance, space based platforms also play a central role in communications. Our deployed forces' strategic, operational, and tactical connectivity depends on the use of global, high bandwidth communications currently only available via satellites. As the gap between operational demands and military satellite communications capacity grows, we will continue to rely upon commercial vendors for the foreseeable future. We are also exploring alternatives to space-based communications.

Networked ground, air, and maritime communications systems are the means with which the U.S. Armed Forces share information and work together as a team. New Joint acquisition strategies to replace Service-unique communications systems will advance our communications capacity across the electromagnetic spectrum. Common secure networks with allies will further increase coalition capability. In addition, the exponentially increasing importance of cyberspace requires that we increase our efforts to operate effectively both offensively and defensively throughout the Information Domain.

In the realm of logistics, we are actively working to leverage our unmatched capabilities. The Joint Staff, the Services, the U.S. Transportation Command, and the Defense Logistics Agency work together to meet the personnel, equipment, and materiel needs of our Combatant Commanders. However, both the challenge of adapting to changing operational requirements and the demand to increase efficiencies require that we continue to enhance our logistics capabilities. Along these lines, we are working to improve unity of effort, domain-wide visibility, and rapid and precise logistics response.

Reconstituting the force presents real challenges. Our weapons systems and vehicles have experienced extensive use in Iraq and Afghanistan. Supplemental appropriations have helped us repair and refit during combat operations, nonetheless, we have more work ahead to ensure our forces remain combat-ready. Your support for resetting the future force is critical.

As we reset, the combat power of our Total Force is being increased. By moving the Reserve Component from a strategic reserve to an operational reserve, we ensure it will be accessible, ready, and responsive. The Services have already rebalanced approximately 70,000 positions within or between the Active and Reserve Components. We plan to rebalance an additional 55,000 military personnel by the end of the decade and also continue converting selected military positions to

civilian billets. This revised Total Force structure will provide us with greater combat capability and leverage the complementary strengths of our Active, Reserve, and Civilian workforces.

**Improve the Quality of Life of our Service members and our families**

Taking care of our people is fundamental to the ethos of the American Armed Forces. Our men and women in uniform are our most precious resource. We must continue to ensure their welfare and that of the families who support them. The most advanced ship, aircraft, or weapon system is of limited value without motivated and well-trained people. Our experiences in Iraq and Afghanistan remind us that the Nation's security rests in the capable hands of the individual Soldier, Sailor, Airman, and Marine.

Quality of life, of course, transcends material considerations. Our young men and women join the Armed Services to patriotically and selflessly serve something larger than themselves. They serve with pride, and their families willingly bear the burden of sacrifice, because they believe they make a difference.

A clear indication that our personnel in uniform understand the importance of their service and appreciate the quality of life that we provide them is their decision to stay in our Armed Forces. Our retention levels are over one hundred percent of Service goals. To underscore the point that our men and women serve because they know they are making a difference, units that have deployed multiple times to combat have seen the highest rates of retention. We are also seeing success in our recruiting.

We are grateful to the Administration and to the Congress for closing the pay gap between the private sector and the military, as well for vastly improving military housing and enabling our family members to enjoy a good standard of housing if they choose to live in the local community.

To our families, protecting our troops in combat is the most important measure of quality of life. Since April 2004, all Defense Department personnel in Iraq, both military and civilian, have been provided Interceptor Body Armor. However, as the threat has changed, we have continually improved body armor to ensure our troops have the latest and the best possible protection. Our latest improvements defeat armor piercing rounds and include shoulder armor and side plates.

In addition to body armor, armored vehicles are important to force protection. Thanks to your support we have had great success increasing production and fielding up-armored Humvees to protect our troops. Nearly all the approximately 40,000 tactical wheeled vehicles in the U.S. Central Command area of responsibility now have armor protection. We will continue to adapt as the threat evolves.

Improvised Explosive Devices illustrate the asymmetric challenges we will face in the future. The Joint Improvised Explosive Device Defeat Organization spearheads our effort to meet that threat. With the development and testing of technologies, tactics, techniques, and procedures we are learning to defeat the tactics of our adversaries and increasing the survivability of our Service members. Our transformational work with private industry to experiment with emerging technologies promises to break new ground in this vital endeavor. Thank you for helping us provide the best possible protective equipment for our troops.

Taking care of our troops and their families also means taking care of our wounded. During World War II, Korea, Vietnam, and Desert Storm twenty-four to thirty percent of Americans injured in combat eventually died from their wounds. Today, due to tremendous improvements in our military medical system, nine of ten troops wounded in Iraq and Afghanistan survive. This dramatic improvement is the direct result of the hard work of our Forward Surgical Teams and Combat Support Hospitals, and the rapid evacuation of the seriously wounded to higher

level care facilities in the United States. In Vietnam, it took forty-five days on average to return wounded back to the United States. It now takes four days or less.

Our remarkable medical professionals return to duty over half of our wounded in less than seventy-two hours. Advances in medicine, technology, and rehabilitation techniques enable us to provide much better care for those more seriously wounded. We make every attempt to bring willing Service members back to duty – or return them to society empowered to continue to make a difference. Congressional funding for this effort is greatly appreciated. In particular, thank you for your support for our two new Advanced Amputee Training Centers – at Walter Reed Army Medical Center, here in our Nation’s capital, and Brooke Army Medical Center at Fort Sam Houston, Texas.

## **Conclusion**

I testify before you today with tremendous pride in the bravery, sacrifice and performance of today’s Armed Forces. Around the world, in every climate, and often far from home and family, America’s men and women in uniform are making a difference. They do so willingly and unflinchingly – volunteers all. Their valor and heroism are awe inspiring and they serve this nation superbly, as have so many who have gone before them. It is an honor to serve alongside them.

The past year saw the U.S. Armed Forces engaged in combat in Iraq and Afghanistan while we also provided humanitarian assistance to victims of the Asian tsunami, hurricanes along the U.S. gulf coast, and the earthquake in Pakistan. There are likely equal challenges and opportunities ahead for the U.S. Armed Forces in 2006. The imperatives to defend our homeland, defeat global terrorism, and transform for the future remain. With your continuing support, our military stands ready for the challenges and opportunities ahead.

Thank you for your unwavering support in time of war.

## **Appendix 2**

### ***Annual Threat Assessment of the Director of National Intelligence for the Senate Armed Services Committee***

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#### **Statement by the Director of National Intelligence, John D. Negroponte, to the Senate Armed Services Committee 28 February 2006**

Chairman Warner, Ranking Member Levin, Members of the Committee, thank you for the invitation to offer the Intelligence Community's assessment of the threats, challenges, and opportunities for the United States in today's world. I am pleased to be joined today by my colleague, DIA Director LTG Michael Maples.

Let me begin with a straightforward statement of preoccupation: terrorism is the preeminent threat to our citizens, Homeland, interests, and friends. The War on Terror is our first priority and driving concern as we press ahead with a major transformation of the Intelligence Community we represent.

We live in a world that is full of conflict, contradictions, and accelerating change. Viewed from the perspective of the Director of National Intelligence, the most dramatic change of all is the exponential increase in the number of targets we must identify, track, and analyze. Today, in addition to hostile nation-states, we are focusing on terrorist groups, proliferation networks, alienated communities, charismatic individuals, narcotics traffickers, and microscopic influenza.

The 21<sup>st</sup> century is less dangerous than the 20<sup>th</sup> century in certain respects, but more dangerous in others. Globalization, particularly of technologies that can be used to produce WMD, political instability around the world, the rise of emerging powers like China, the spread of the jihadist movement, and of course, the horrific events of September 11, 2001, demand heightened vigilance from our Intelligence Community.

Today, I will discuss:

- Global jihadists, their fanatical ideology, and the civilized world's efforts to disrupt, dismantle and destroy their networks;
- The struggle of the Iraqi and Afghan people to assert their sovereignty over insurgency, terror, and extremism;
- WMD-related proliferation and two states of particular concern, Iran and North Korea;
- Issues of political instability and governance in all regions of the world that affect our ability to protect and advance our interests; and
- Globalization, emerging powers, and such transnational challenges as the geopolitics of energy, narcotics trafficking, and possible pandemics.

In assessing these themes, we all must be mindful of the old dictum: forewarned is forearmed. Our policymakers, warfighters, and law enforcement officers need the best intelligence and analytic insight humanly and technically possible to help them peer into the onrushing shadow of the future and make the decisions that will protect American lives and interests. This has never been more true than now with US and Coalition forces in Iraq and Afghanistan--and the citizens and fledgling governments they help to protect--under attack. Addressing threats to their safety and providing the critical intelligence on a myriad of tactical and strategic issues must be--and is--a top priority for our Intelligence Community.

But in discussing all the many dangers the 21<sup>st</sup> century poses, it should be emphasized that they do not befall America alone. The issues we consider today confront responsible leaders everywhere. That is the true nature of the 21<sup>st</sup> century: accelerating change affecting and challenging us all.

#### **THE GLOBAL JIHADIST THREAT**

Collaboration with our friends and allies around the world has helped us achieve some notable successes against the global jihadist threat. In fact, most of al-Qa'ida's setbacks last year were the result of our allies' efforts, either independently or with our assistance. And since 9/11, examples of the high level of counterterrorism efforts around

the world are many. Pakistan's commitment has enabled some of the most important captures to date. Saudi Arabia's resolve to counter the spread of terrorism has increased. Our relationship with Spain has strengthened since the March 2004 Madrid train bombings. The British have long been our closest counterterrorism partners--the seamless cooperation in the aftermath of the July attacks in London reflected that commitment--while Australia, Canada, France and many other nations remain stout allies. Nonetheless, much remains to be done; the battle is far from over.

Jihadists seek to overthrow regimes they regard as "apostate" and to eliminate US influence in the Muslim world. They attack Americans when they can, but most of their targets and victims are fellow Muslims. Nonetheless, the slow pace of economic, social, and political change in most Muslim majority nations are among the factors that continue to fuel a global jihadist movement. The movement is diffuse and subsumes three quite different types of groups and individuals:

- First and foremost, al Qa'ida, a battered but resourceful organization;
- Second, other Sunni jihadist groups, some affiliated with al-Qa'ida, some not;
- Third, networks and cells that are the self-generating progeny of al-Qa'ida.

**Al-Qa'ida Remains Our Top Concern.** We have eliminated much of the leadership that presided over al-Qa'ida in 2001, and US-led counterterrorism efforts in 2005 continue to disrupt its operations, take out its leaders and deplete its cadre. But the organization's core elements still plot and make preparations for terrorist strikes against the Homeland and other targets from bases in the Pakistan-Afghanistan border area; they also have gained added reach through their merger with the Iraq-based network of Abu Mus'ab al-Zarqawi, which has broadened al-Qa'ida's appeal within the jihadist community and potentially put new resources at its disposal.

Thanks to effective intelligence operations, we know a great deal about al Qa'ida's vision. Zawahiri, al Qa'ida's number two, is candid in his July 2005 letter to Zarqawi. He portrays the jihad in Iraq as a stepping-stone in the march toward a global caliphate, with the focus on Egypt, Syria, Jordan, Lebanon, Saudi Arabia, the Gulf states, and Israel. Zawahiri stresses the importance of having a secure base in Iraq from which to launch attacks elsewhere, including in the US Homeland.

In Bin Ladin's audio tape of late January 2005, al-Qa'ida's top leader reaffirms the group's commitment to attack our Homeland and attempts to reassure supporters by claiming that the reason there has been no attack on the US since 2001 is that he chose not to do so. The subsequent statement by Zawahiri is another indication that the group's leadership is not completely cutoff and can continue to get its message out to followers. The quick turnaround time and the frequency of Zawahiri statements in the past year underscore the high priority al-Qa'ida places on propaganda from its most senior leaders.

Attacking the US Homeland, US interests overseas, and US allies--in that order--are al-Qa'ida's top operational priorities. The group will attempt high-impact attacks for as long as its central command structure is functioning and affiliated groups are capable of furthering its interests, because even modest operational capabilities can yield a deadly and damaging attack. Although an attack using conventional explosives continues to be the most probable scenario, al-Qa'ida remains interested in acquiring chemical, biological, radiological, and nuclear materials or weapons to attack the United States, US troops, and US interests worldwide.

Indeed, today, we are more likely to see an attack from terrorists using weapons or agents of mass destruction than states, although terrorists' capabilities would be much more limited. In fact, intelligence reporting indicates that nearly 40 terrorist organizations, insurgencies, or cults have used, possessed, or expressed an interest in chemical, biological, radiological, or nuclear agents or weapons. Many are capable of conducting simple, small-scale attacks, such as poisonings, or using improvised chemical devices.

**Al-Qa'ida Inspires Other Sunni Jihadists.** The global jihad ist movement also subsumes other Sunni extremist organizations, allied with or inspired by al-Qa'ida's global anti-Western agenda. These groups pose less danger to the US Homeland than does al-Qa'ida, but they increasingly threaten our allies and interests abroad and are working to expand their reach and capabilities to conduct multiple and/or mass-casualty attacks outside their traditional areas of operation.

**Jemaah Islamiya (JI)** is a well-organized group responsible for dozens of attacks killing hundreds of people in Southeast Asia. The threat of a JI attack against US interests is greatest in Southeast Asia, but we assess that the group is committed to helping al-Qa'ida with attacks outside the region.

The **Islamic Jihad Union (IJU)**, which has allied itself with al-Qa'ida, operates in Central Asia and was responsible for the July 2004 attacks against the US and Israeli Embassies in Uzbekistan.

The **Libyan Islamic Fighting Group (LIFG)** was formed to establish an Islamic state in Libya, but since the late 1990s it has expanded its goals to include anti-Western jihad alongside al-Qa'ida. LIFG has called on Muslims everywhere to fight the US In Iraq.

**Pakistani militant groups**--primarily focused on the Kashmir conflict-- represent a persistent threat to regional stability and US interests in South Asia and the Near East. They also pose a potential threat to our interests worldwide. Extremists convicted in Virginia in 2003 of providing material support to terrorism trained with a Pakistani group, Lashkar-i-Tayyiba, before 9/11.

**New Jihadist Networks and Cells.** An important part of al-Qa'ida's strategy is to encourage a grassroots uprising of Muslims against the West. Emerging new networks and cells --the third element of the global jihadist threat-- reflect aggressive jihadist efforts to exploit feelings of frustration and powerlessness in some Muslim communities, and to fuel the perception that the US is anti-Islamic . Their rationale for using terrorism against the US and establishing strict Islamic practices resonates with a small subset of Muslims. This has led to the emergence of a decentralized and diffused movement, with minimal centralized guidance or control, and numerous individuals and small cells--like those who conducted the May 2003 bombing in Morocco, the March 2004 bombings in Spain, and the July 2005 bombings in the UK. Members of these groups have drawn inspiration from al-Qa'ida but appear to operate on their own.

Such unaffiliated individuals, groups and cells represent a different threat than that of a defined organization. They are harder to spot and represent a serious intelligence challenge.

Regrettably, we are not immune from the threat of such "homegrown" jihadist cells. A network of Islamic extremists in Lodi, California, for example, maintained connections with Pakistani militant groups, recruited US citizens for training at radical Karachi madrassas, sponsored Pakistani citizens for travel to the US to work at mosques and madrassas, and according to FBI information, allegedly raised funds for international jihadist groups. In addition, prisons continue to be fertile recruitment ground for extremists who try to exploit converts to Islam.

**Impact of Iraq on Global Jihad.** Should the Iraqi people prevail in establishing a stable political and security environment, the jihadists will be perceived to have failed and fewer jihadists will leave Iraq determined to carry on the fight elsewhere. But, we assess that should the jihadists thwart the Iraqis' efforts to establish a stable political and security environment, they could secure an operational base in Iraq and inspire sympathizers elsewhere to move beyond rhetoric to attempt attacks against neighboring Middle Eastern nations, Europe, and even the United States. The same dynamic pertains to al-Zarqawi. His capture would deprive the movement of a notorious leader, whereas his continued acts of terror could enable him to expand his following beyond his organization in Iraq much as Bin Laden expanded al-Qa'ida in the 1990s.

**Impact of the Islamic Debate.** The debate between Muslim extremists and moderates also will influence the future terrorist environment, the domestic stability of key US partners, and the foreign policies of governments throughout the Muslim world. The violent actions of global jihadists are adding urgency to the debate within Islam over how religion should shape government. Growing internal demands for reform around the world--and in many Muslim countries--further stimulate this debate. In general, Muslims are becoming more aware of their Islamic identity, leading to growing political activism; but this does not necessarily signal a trend toward radicalization. Most Muslims reject the extremist message and violent agendas of the global jihadists. Indeed , as people of all backgrounds endorse democratic principles of freedom, equality, and the rule of law, they will be able to couple these principles with their religious beliefs--whatever they may be--to build better futures for their communities. In the Islamic world, increased freedoms will serve as a counterweight to a jihadist movement that only promises more authoritarianism, isolation, and economic stagnation.

## **EXTREMISM AND CHALLENGES TO EFFECTIVE GOVERNANCE AND LEGITIMACY IN IRAQ AND AFGHANISTAN**

The threat from extremism and anti-Western militancy is especially acute in Iraq and Afghanistan. In discussing Iraq, I'd like to offer a "balance sheet" to give a sense of where I see things today and what I see as the trends in 2006. Bold, inclusive leadership will be the critical factor in establishing an Iraqi constitutional democracy that is both viable as a nation-state and responsive to the diversity of Iraq's regions and people.

Let me begin with some of these encouraging developments before turning to the challenges:

- The insurgents have not been able to establish any lasting territorial control; were unable to disrupt either of the two national elections held last year or the Constitutional referendum; have not developed a political strategy to attract popular support beyond their Sunni Arab base; and have not shown the ability to coordinate nationwide operations.
- Iraqi security forces are taking on more demanding missions, making incremental progress toward operational independence, and becoming more capable of providing the kind of stability Iraqis deserve and the economy needs in order to grow.
- Signs of open conflict between extreme Sunni jihadists and Sunni nationalist elements of the insurgency, while so far still localized, are encouraging and exploitable. The jihadists' heavy-handed activities in Sunni areas in western Iraq have caused tribal and nationalist elements in the insurgency to reach out to the Baghdad government for support.
- Large-scale Sunni participation in the last elections has provided a first step toward diminishing Sunni support for the insurgency. There appears to be a strong desire among Sunnis to explore the potential benefits of political participation.

But numerous challenges remain.

### **The Insurgency and Iraqi Security Forces**

Iraqi Sunni Arab disaffection is the primary enabler of the insurgency and is likely to remain high in 2006. Even if a broad, inclusive national government emerges, there almost certainly will be a lag time before we see a dampening effect on the insurgency. Insurgents continue to demonstrate the ability to recruit, supply, and attack Coalition and Iraqi Security Forces, and their leaders continue to exploit Islamic themes, nationalism, and personal grievances to fuel opposition to the government and to recruit more fighters.

The most extreme Sunni jihadists, such as those fighting with Zarqawi, will remain unreconciled and continue to attack Iraqis and Coalition forces.

These extreme Sunni jihadist elements, a subset of which are foreign fighters, constitute a small minority of the overall insurgency, but their use of high-profile suicide attacks gives them a disproportionate impact. The insurgents' use of increasingly lethal improvised explosive devices (IEDs), and the IED makers' adaptiveness to Coalition countermeasures, remain the most significant day-to-day threat to Coalition forces, and a complex challenge for the Intelligence Community.

Iraqi Security Forces require better command and control mechanisms to improve their effectiveness and are experiencing difficulty in managing ethnic and sectarian divides among their units and personnel.

### **Sunni Political Participation**

A key to establishing effective governance and security over the next three to five years is enhanced Sunni Arab political participation and a growing perception among Sunnis that the political process is addressing their interests. Sunnis will be focused on obtaining what they consider their demographically appropriate share of leadership positions in the new government--especially on the Constitutional Review Commission. Debates over federalism, central versus local control, and division of resources are likely to be complex. Success in satisfactorily resolving them will be key to advancing stability and prospects for a unified country. Although the Kurds and Shia were accommodating to the underrepresented Sunnis in 2005, their desire to protect core interests--such as regional autonomy and de-Ba'thification--could make further compromise more difficult.

In the aftermath of the December elections, virtually all of the Iraq parties are seeking to create a broad-based government, but all want it to be formed on their terms. The Shia and the Kurds will be the foundation of any governing coalition, but it is not yet clear to us whether they will include the main Sunni factions, particularly the Iraqi Consensus Front, or other smaller and politically weaker secular groups, such as Ayad Allawi's Iraqi National List. The Sunni parties have significant expectations for concessions from the Shia and Kurds in order to justify their participation and avoid provoking more insurgent violence directed against Sunni political leaders.

### **Governance and Reconstruction**

During the coming year, Iraq's newly elected leadership will face a daunting set of governance tasks. The creation of a new, permanent government and the review of the Constitution by early summer will offer opportunities to find common ground and improve the effectiveness and legitimacy of the central government. There is a danger, however, that political negotiations and dealmaking will prove divisive. This could obstruct efforts to improve

government performance, extend Baghdad's reach throughout the country, and build confidence in the democratic political process.

Let me focus on one of those tasks--the economy. Restoration of basic services and the creation of jobs are critical to the well-being of Iraqi citizens, the legitimacy of the new government, and, indirectly, to eroding support for the insurgency. At this point, prospects for economic development in 2006 are constrained by the unstable security situation, insufficient commitment to economic reform, and corruption. Iraq is dependent on oil revenues to fund the government, so insurgents continue to disrupt oil infrastructure, despite the fielding of new Iraqi forces to protect it. Insurgents also are targeting trade and transportation. Intelligence has a key role to play in combating threats to pipelines, electric power grids, and personal safety.

### **Afghanistan**

Like Iraq, Afghanistan is a fragile new democracy struggling to overcome deep-seated social divisions, decades of repression, and acts of terrorism directed against ordinary citizens, officials, foreign aid workers, and Coalition forces. These and other threats to the Karzai government also threaten important American interests--ranging from the defeat of terrorists who find haven along the Afghanistan-Pakistan border to the suppression of opium production.

Afghan leaders face four critical challenges: containing the insurgency, building central government capacity and extending its authority, further containing warlordism, and confronting pervasive drug criminality. Intelligence is needed to assist, monitor, and protect Afghan, Coalition, and NATO efforts in all four endeavors.

The volume and geographic scope of attacks increased last year, but the Taliban and other militants have not been able to stop the democratic process or expand their support base beyond Pashtun areas of the south and east. Nevertheless, the insurgent threat will impede the expansion of Kabul's writ, slow economic development, and limit progress in counternarcotics efforts.

Ultimately, defeating the insurgency will depend heavily on continued international aid; effective Coalition, NATO, and Afghan government security operations to prevent the insurgency from gaining a stronger foothold in some Pashtun areas; and the success of the government's reconciliation initiatives.

### **WEAPONS OF MASS DESTRUCTION AND STATES OF KEY CONCERN: IRAN AND NORTH KOREA**

The ongoing development of dangerous weapons and delivery systems constitutes the second major threat to the safety of our nation, our deployed troops, and our allies. We are most concerned about the threat and destabilizing effect of nuclear proliferation. We are also concerned about the threat from biological agents--or even chemical agents, which would have psychological and possibly political effects far greater than their actual magnitude. Use by nation-states can still be constrained by the logic of deterrence and international control regimes, but these constraints may be of little utility in preventing the use of mass effect weapons by rogue regimes or terrorist groups.

The time when a few states had monopolies over the most dangerous technologies has been over for many years. Moreover, our adversaries have more access to acquire and more opportunities to deliver such weapons than in the past. Technologies, often dual-use, move freely in our globalized economy, as do the scientific personnel who design them. So it is more difficult for us to track efforts to acquire those components and production technologies that are so widely available. The potential dangers of proliferation are so grave that we must do everything possible to discover and disrupt attempts by those who seek to acquire materials and weapons.

We assess that some of the countries that are still pursuing WMD programs will continue to try to improve their capabilities and level of self-sufficiency over the next decade. We also are focused on the potential acquisition of such nuclear, chemical, and/or biological weapons--or the production technologies and materials necessary to produce them--by states that do not now have such programs, terrorist organizations like al-Qa'ida and by criminal organizations, alone or via middlemen.

We are working with other elements of the US Government regarding the safety and security of nuclear weapons and fissile material, pathogens, and chemical weapons in select countries.

### **Iran and North Korea: States of Highest Concern**

Our concerns about Iran are shared by many nations, by the IAEA, and of course, Iran's neighbors.

Iran conducted a clandestine uranium enrichment program for nearly two decades in violation of its IAEA safeguards agreement, and despite its claims to the contrary, we assess that Iran seeks nuclear weapons. We judge that Tehran probably does not yet have a nuclear weapon and probably has not yet produced or acquired the necessary fissile material. Nevertheless, the danger that it will acquire a nuclear weapon and the ability to integrate it with the ballistic missiles Iran already possesses is a reason for immediate concern. Iran already has the largest inventory of ballistic missiles in the Middle East, and Tehran views its ballistic missiles as an integral part of its strategy to deter--and if necessary retaliate against--forces in the region, including US forces.

As you are aware, Iran is located at the center of a vital--and volatile--region, has strained relations with its neighbors, and is hostile to the United States, our friends, and our values. President Ahmadinejad has made numerous unacceptable statements since his election, hard-liners have control of all the major branches and institutions of government, and the government has become more effective and efficient at repressing the nascent shoots of personal freedom that had emerged in the late 1990s and earlier in the decade.

Indeed, the regime today is more confident and assertive than it has been since the early days of the Islamic Republic. Several factors work in favor of the clerical regime's continued hold on power. Record oil and other revenue is permitting generous public spending, fueling strong economic growth, and swelling financial reserves. At the same time, Iran is diversifying its foreign trading partners. Asia's share of Iran's trade has jumped to nearly match Europe's 40-percent share. Tehran sees diversification as a buffer against external efforts to isolate it.

Although regime-threatening instability is unlikely, ingredients for political volatility remain, and Iran is wary of the political progress occurring in neighboring Iraq and Afghanistan. Ahmadinejad's rhetorical recklessness and his inexperience on the national and international stage also increase the risk of a misstep that could spur popular opposition, especially if more experienced conservatives cannot rein in his excesses. Over time, Ahmadinejad's populist economic policies could--if enacted--deplete the government's financial resources and weaken a structurally flawed economy. For now, however, Supreme Leader Khamenei is keeping conservative fissures in check by balancing the various factions in government.

Iranian policy toward Iraq and its activities there represent a particular concern. Iran seeks a Shia-dominated and unified Iraq but also wants the US to experience continued setbacks in our efforts to promote democracy and stability. Accordingly, Iran provides guidance and training to select Iraqi Shia political groups and weapons and training to Shia militant groups to enable anti-Coalition attacks. Tehran has been responsible for at least some of the increasing lethality of anti-Coalition attacks by providing Shia militants with the capability to build IEDs with explosively formed projectiles similar to those developed by Iran and Lebanese Hizballah.

Tehran's intentions to inflict pain on the United States in Iraq has been constrained by its caution to avoid giving Washington an excuse to attack it, the clerical leadership's general satisfaction with trends in Iraq, and Iran's desire to avoid chaos on its borders.

Iranian conventional military power constitutes the greatest potential threat to Persian Gulf states and a challenge to US interests. Iran is enhancing its ability to project its military power--primarily with missiles--in order to threaten to disrupt the operations and reinforcement of US forces based in the region--potentially intimidating regional allies into withholding support for US policy toward Iran--and raising the costs of our regional presence for us and our allies.

Tehran also continues to support a number of terrorist groups, viewing this capability as a critical regime safeguard by deterring US and Israeli attacks, distracting and weakening Israel, and enhancing Iran's regional influence through intimidation. Lebanese Hizballah is Iran's main terrorist ally, which--although focused on its agenda in Lebanon and supporting anti-Israeli Palestinian terrorists--has a worldwide support network and is capable of attacks against US interests if it feels its Iranian patron is threatened. Tehran also supports Palestinian Islamic Jihad and other groups in the Persian Gulf, Central and South Asia, and elsewhere.

## **NORTH KOREA**

North Korea claims to have nuclear weapons--a claim that we assess is probably true--and has threatened to proliferate these weapons abroad. Thus, like Iran, North Korea threatens international security and is located in a historically volatile region. Its aggressive deployment posture threatens our allies in South Korea and US troops on the peninsula. Pyongyang sells conventional weapons to Africa, Asia, and the Middle East, and has sold ballistic

missiles to several Middle Eastern countries, further destabilizing regions already embroiled in conflict. And it produces and smuggles abroad counterfeit US currency, as well as narcotics, and other contraband.

Pyongyang sees nuclear weapons as the best way to deter superior US and South Korean forces, to ensure regime security, as a lever for economic gain, and as a source of prestige. Accordingly, the North remains a major challenge to the global nuclear nonproliferation regimes.

## **GOVERNANCE, POLITICAL INSTABILITY, AND DEMOCRATIZATION**

Good governance and, over the long term, progress toward democratization are crucial factors in navigating through the period of international turmoil and transition that commenced with the end of the Cold War and that will continue well into the future. In the absence of effective governance and reform, political instability often compromises our security interests while threatening new democracies and pushing failing states into failure.

I will now review those states of greatest concern to the United States, framing my discussion within the context of trends and developments in their respective regions.

### **MIDDLE EAST and SOUTH ASIA**

**Middle East.** The tensions between autocratic regimes, extremism, and democratic forces extend well beyond our earlier discussion about Iran, Iraq and Afghanistan to other countries in the Middle East. Emerging political competition and the energizing of public debate on the role of democracy and Islam in the region could lead to the opening of political systems and development of civic institutions, providing a possible bulwark against extremism. But the path to change is far from assured. Forces for change are vulnerable to fragmentation and longstanding regimes are increasingly adept at using both repression and limited reforms to moderate political pressures to assure their survival.

We continue to watch closely events in **Syria**, a pivotal--but generally unhelpful--player in a troubled region. Despite the Syrian military withdrawal from Lebanon last year, Damascus still meddles in its internal affairs, seeks to undercut prospects for an Arab-Israeli peace, and has failed to crackdown consistently on militant infiltration into Iraq. By aligning itself with Iran, the Bashar al-Assad regime is signaling its rejection of the Western world. Over the coming year, the Syrian regime could face internal challenges as various pressures--especially the fallout of the UN investigation into the assassination of the former Lebanese Prime Minister-- raise questions about President Bashar al-Assad's judgment and leadership capacity.

Syria's exit from **Lebanon** has created political opportunities in Beirut, but sectarian tensions--especially the sense among Shia that they are underrepresented in the government--and Damascus's meddling persist. Bombings since March targeting anti-Syria politicians and journalists have fueled sectarian animosities.

**Egypt** held presidential and legislative elections for the first time with multiple presidential candidates in response to internal and external pressures for democratization. The Egyptian public, however, remains discontented by economic conditions, the Arab-Israeli problem, the US presence in Iraq, and insufficient political freedoms.

**Saudi Arabia's** crackdown on al-Qa'ida has prevented major terrorist attacks in the Kingdom for more than a year and degraded the remnants of the terror network's Saudi-based leadership, manpower, access to weapons, and operational capability. These developments, the Kingdom's smooth leadership transition and high oil prices have eased, but not eliminated, concerns about stability.

**HAMAS's** recent electoral performance ushered in a period of great uncertainty as President Abbas, the Israelis, and the rest of the world determine how to deal with a majority party in the Palestinian Legislative Council that conducts and supports terrorism and refuses to recognize or negotiate with Israel. The election, however, does not necessarily mean that the search for peace between Israel and the Palestinians is halted irrevocably. The vote garnered by HAMAS may have been cast more *against* the Fatah government than *for* the HAMAS program of rejecting Israel. In any case, HAMAS now must contend with Palestinian public opinion that has over the years has supported the two-state solution.

### **SOUTH ASIA**

Many of our most important interests intersect in **Pakistan**. The nation is at the frontline in the war on terror, having captured several al-Qa'ida leaders, but also remains a major source of extremism that poses a threat to Musharraf,

to the US, and to neighboring India and Afghanistan. Musharraf faces few political challenges in his dual role as President and Chief of Army Staff, but has made only limited progress moving his country toward democracy. Pakistan retains a nuclear force outside the Treaty on the Non-Proliferation of Nuclear Weapons and not subject to full-scope IAEA safeguards and has been both recipient and source--via A.Q. Khan's proliferation activities--of nuclear weapons-related technologies. Pakistan's national elections scheduled for 2007 will be a key benchmark to determine whether the country is continuing to make progress in its democratic transition.

Since **India and Pakistan** approached the brink of war in 2002, their peace process has lessened tensions and both appear committed to improving the bilateral relationship. A number of confidence-building measures, including new transportation links, have helped sustain the momentum. Still, the fact that both have nuclear weapons and missiles to deliver them entails obvious and dangerous risks of escalation.

## EURASIA

In **Russia**, President Putin's drive to centralize power and assert control over civil society, growing state control over strategic sectors of the economy, and the persistence of widespread corruption raise questions about the country's direction. Russia could become a more inward-looking and difficult interlocutor for the United States over the next several years. High profits from exports of oil and gas and perceived policy successes at home and abroad have bolstered Moscow's confidence.

Russia probably will work with the United States on shared interests such as counterterrorism, counternarcotics, and counterproliferation. However, growing suspicions about Western intentions and Moscow's desire to demonstrate its independence and defend its own interests may make it harder to cooperate with Russia on areas of concern to the United States.

Now, let me briefly examine the rest of post-Soviet Eurasia where the results in the past year have been mixed.

Many of the former Soviet republics are led by autocratic, corrupt, clan-based regimes whose political stability is based on different levels of repression; yet, at the same time, we have seen in Georgia, Ukraine, and Kyrgyzstan the emergence of grassroots forces for change.

**Central Asia** remains plagued by political stagnation and repression, rampant corruption, widespread poverty and widening socio-economic inequalities, and other problems that nurture nascent radical sentiment and terrorism. In the worst, but not implausible case, central authority in one or more of these states could evaporate as rival clans or regions vie for power--opening the door to an expansion of terrorist and criminal activity on the model of failed states like Somalia and, when it was under Taliban rule, Afghanistan.

## LATIN AMERICA

A gradual consolidation and improvement of democratic institutions is the dominant trend in much of Latin America. By the year's end, ten countries will have held presidential elections and none is more important to US interests than the contest in Mexico in July. Mexico has taken advantage of NAFTA and its economy has become increasingly integrated with the US and Canada. Committed democrats in countries like Brazil and Chile are promoting economic growth and poverty alleviation. And despite battling persistent insurgent and paramilitary forces with considerable success, Colombia remains committed to keeping on a democratic path. Nonetheless, radical populist figures in some countries advocate statist economic policies and show little respect for democratic institutions.

In **Venezuela**, President Chavez, if he wins reelection later this year, appears ready to use his control of the legislature and other institutions to continue to stifle the opposition, reduce press freedom, and entrench himself through measures that are technically legal, but which nonetheless constrict democracy. We expect Chavez to deepen his relationship with Castro (Venezuela provides roughly two-thirds of that island's oil needs on preferential credit terms). He also is seeking closer economic, military, and diplomatic ties with Iran and North Korea. Chavez has scaled back counternarcotics cooperation with the US.

Increased oil revenues have allowed Chavez to embark on an activist foreign policy in Latin America that includes providing oil at favorable repayment rates to gain allies, using newly created media outlets to generate support for his Bolivarian goals, and meddling in the internal affairs of his neighbors by backing particular candidates for elective office.

In **Bolivia**, South America's poorest country with the hemisphere's highest proportion of indigenous people, the victory of Evo Morales reflects the public's lack of faith in traditional political parties and institutions. Since his election he appears to have moderated his earlier promises to nationalize the hydrocarbons industry and cease coca eradication. But his administration continues to send mixed signals regarding its intentions.

**Haiti's** newly elected government has substantial popular support but will face a wide variety of immediate challenges, including reaching out to opponents who question the legitimacy of the electoral process. President-elect Preval's strong backing among the urban poor may improve his chances for reducing the unchecked violence of slum gangs, and the recent renewal for six months of the mandate for the UN Stabilization Mission will give his administration some breathing room. The perception among would-be migrants that the US migration policy is tough will continue to be the most important factor in deterring Haitians from fleeing their country.

## SOUTHEAST ASIA

Southeast Asia includes vibrant, diverse, and emerging democracies looking to the United States as a source of stability, wealth, and leadership. But it is also home to terrorism, separatist aspirations, crushing poverty, ethnic violence, and religious divisions. Burma remains a dictatorship, and Cambodia is retreating from progress on democracy and human rights made in the 1990s. The region is particularly at risk from avian flu, which I will address later at greater length. Al-Qa'ida-affiliated and other extremist groups are present in many countries, although effective government policies have limited their growth and impact.

The prospects for democratic consolidation are relatively bright in **Indonesia**, the country with the world's largest Muslim population. President Yudhoyono is moving forward to crack down on corruption, professionalize the military, bring peace to the long-troubled province of Aceh, and implement economic reforms. On the counterterrorism side, Indonesian authorities have detained or killed significant elements of Jemaah Islamiya (JI), the al Qa'ida-linked terrorist group, but JI remains a tough foe.

The **Philippines** remains committed to democracy despite political turbulence over alleged cheating in the 2004 election and repeated rumors of coup plots. Meanwhile, Manila continues to struggle with the thirty-five year old Islamic and Communist rebellions, and faces growing concerns over the presence of JI terrorists in the south.

Thailand is searching for a formula to contain violence instigated by ethnic-Malay Muslim separatist groups in the far southern provinces. In 2005, the separatists showed signs of stronger organization and more lethal and brutal tactics targeting the government and Buddhist population in the south.

## AFRICA

Some good news is coming out of Africa. The continent is enjoying real economic growth after a decade of declining per capita income. The past decade has also witnessed a definite, albeit gradual, trend toward greater democracy, openness, and multiparty elections. In **Liberia**, the inauguration of Ellen Johnson Sirleaf as President, following a hotly contested multi-party election, was a positive harbinger of a return to democratic rule in a battered nation.

Yet, in much of the continent, humanitarian crises, instability, and conflict persist. Overlaying these enduring threats are the potential spread of jihadist ideology among disaffected Muslim populations and the region's growing importance as a source of energy. We are most concerned about Sudan and Nigeria.

The signing of a Comprehensive Peace Agreement in **Sudan** last year was a major achievement, but the new Government of National Unity is being tested by the continuing conflict in Darfur, and instability in Chad is spilling over into western Sudan, further endangering humanitarian aid workers and assistance supply lines. Gains in stabilizing and improving the conditions in Darfur could be reversed if the new instability goes unchecked.

The most important election on the African horizon will be held in spring 2007 in **Nigeria**, the continent's most populous country and largest oil producer. The vote has the potential to reinforce a democratic trend away from military rule--or it could lead to major disruption in a nation suffering frequent ethno-religious violence, criminal activity, and rampant corruption. Speculation that President Obasanjo will try to change the constitution so he can seek a third term in office is raising political tensions and, if proven true, threatens to unleash major turmoil and conflict. Such chaos in Nigeria could lead to disruption of oil supply, secessionist moves by regional governments, major refugee flows, and instability elsewhere in West Africa.

## GLOBALIZATION AND RISING ACTORS

To one degree or another, all nations are affected by the phenomenon known as globalization. Many see the United States as globalization's primary beneficiary, but the developments subsumed under its rubric operate largely beyond the control of all countries. Small, medium, and large states are both gaining and losing through technological and economic developments at a rate of speed unheard of in human history.

Such recalibrations in regional and global standing usually emerge in the wake of war. But globalization isn't a war, even though its underside--fierce competition for global energy reserves, discrepancies between rich and poor, criminal networks that create and feed black markets in drugs and even human beings, and the rapid transmission of disease--has the look of a silent but titanic global struggle.

One major recalibration of the global order enabled by globalization is the shift of world economic momentum and energy to greater Asia--led principally by explosive economic growth in China and the growing concentration of world manufacturing activity in and around it. India, too, is emerging as a new pole of greater Asia's surging economic and political power. These two Asian giants comprise fully a third of the world's population--a huge labor force eager for modern work, supported by significant scientific and technological capabilities, and an army of new claimants on the world's natural resources and capital.

## **CHINA**

China is a rapidly rising power with steadily expanding global reach that may become a peer competitor to the United States at some point. Consistent high rates of economic growth, driven by exploding foreign trade, have increased Beijing's political influence abroad and fueled a military modernization program that has steadily increased Beijing's force projection capabilities.

Chinese foreign policy is currently focused on the country's immediate periphery, including Southeast and Central Asia, where Beijing hopes to make economic inroads, increase political influence, and prevent a backlash against its rise. Its rhetoric toward Taiwan has been less inflammatory since Beijing passed its "anti-secession" law last spring. China has been reaching out to the opposition parties on Taiwan and making economic overtures designed to win favor with the Taiwan public--although Beijing still refuses to deal with the elected leader in Taipei.

Beijing also has expanded diplomatic and economic interaction with other major powers--especially Russia and the EU--and begun to increase its presence in Africa and Latin America.

China's military is vigorously pursuing a modernization program: a full suite of modern weapons and hardware for a large proportion of its overall force structure; designs for a more effective operational doctrine at the tactical and theater level; training reforms; and wide-ranging improvements in logistics, administration, financial management, mobilization, and other critical support functions.

Beijing's biggest challenge is to sustain growth sufficient to keep unemployment and rural discontent from rising to destabilizing levels and to maintain increases in living standards. To do this, China must solve a number of difficult economic and legal problems, improve the education system, reduce environmental degradation, and improve governance by combating corruption.

Indeed, China's rise may be hobbled by systemic problems and the Communist Party's resistance to the demands for political participation that economic growth generates. Beijing's determination to repress real or perceived challenges--from dispossessed peasants to religious organizations--could lead to serious instability at home and less effective policies abroad.

## **INDIA**

Rapid economic growth and increasing technological competence are securing India's leading role in South Asia, while helping India to realize its longstanding ambition to become a global power. India's growing confidence on the world stage as a result of its increasingly globalized business activity will make New Delhi a more effective partner for the United States, but also a more formidable player on issues such as those before the WTO.

New Delhi seeks to play a key role in fostering democracy in the region, especially in Nepal and Bangladesh, and will continue to be a reliable ally against global terrorism, in part because India has been a frequent target for Islamic terrorists, mainly in Kashmir. India seeks better relations with its two main rivals--Pakistan and China--recognizing that its regional disputes with them are hampering its larger goals on the world stage. Nevertheless, like China, India is using its newfound wealth and technical capabilities to extend its military reach.

On the economic front, as Indian multinationals become more prevalent, they will offer competition and cooperation with the United States in fields such as energy, steel, and pharmaceuticals. New Delhi's pursuit of energy to fuel its rapidly growing economy adds to pressure on world prices and increases the likelihood that it will seek to augment its programs in nuclear power, coal technologies, and petroleum exploration. Like Pakistan, India is outside the Nonproliferation Treaty.

### **THREATS TO GLOBAL ENERGY SECURITY**

World energy markets seem certain to remain tight for the foreseeable future. Robust global economic expansion is pushing strong energy demand growth and--combined with instability in several oil producing regions--is increasing the geopolitical leverage of key energy producer states such as Iran, Saudi Arabia, Russia, and Venezuela. At the same time, the pursuit of secure energy supplies has become a much more significant driver of foreign policy in countries where energy demand growth is surging--particularly China and India.

The changing global oil and gas market has encouraged Russia's assertiveness with Ukraine and Georgia, Iran's nuclear brinksmanship, and the populist "petro-diplomacy" of Venezuela's Hugo Chavez. Russia's recent but short-lived curtailment of natural gas deliveries to Ukraine temporarily reduced gas supplies to much of Europe and is an example of how energy can be used as both a political and economic tool. The gas disruption alarmed Europeans--reminding them of their dependence on Russian gas--and refocused debate on alternative energy sources.

Foreign policy frictions, driven by energy security concerns, are likely to be fed by continued global efforts of Chinese and Indian firms to ink new oilfield development deals and to purchase stakes in foreign oil and gas properties. Although some of these moves may incrementally increase oil sector investment and global supplies, others may bolster countries such as Iran, Syria, and Sudan that pose significant US national security risks or foreign policy challenges. For example, in Venezuela, Chavez is attempting to diversify oil exports away from the US.

### **THE SECURITY THREAT FROM NARCOTICS TRAFFICKING**

In addition to the central US national security interest in stemming the flow of drugs to this country, there are two international threats related to narcotics: first, the potential threat from an intersection of narcotics and extremism; and second, the threat from the impact of drugs on those ineffective and unreliable nation states about which we are so concerned.

Although the worldwide trafficking-terrorist relationship is limited, the scope of these ties has grown modestly in recent years. A small number of terrorist groups engage the services of or accept donations from criminals, including narcotics traffickers, to help raise operational funds. While the revenue realized by extremists appears small when compared to that of the dedicated trafficking organizations, even small amounts of income can finance destructive acts of terror.

The tie between drug trafficking and extremism is strongest in Colombia and Afghanistan. Both of Colombia's insurgencies and most of its paramilitary groups reap substantial benefits from cocaine transactions. In Afghanistan, the Taliban and Hizb-i Islami Gulbuddin gain at least some of their financial support from their ties to local opiates traffickers. Ties between trafficking and extremists elsewhere are less robust and profitable. North African extremists involved in the 2004 Madrid train bombings reportedly used drug income to buy their explosives.

Most major international organized crime groups have kept terrorists at arm's length, although some regional criminal gangs have supplied fraudulent or altered travel documents, moved illicit earnings, or provided other criminal services to members of insurgent or terrorist groups for a fee.

Narcotics traffickers--and other organized criminals--typically do not want to see governments toppled but thrive in states where governments are weak, vulnerable to or seeking out corruption, and unable--or unwilling--to consistently enforce the rule of law. Nonetheless, a vicious cycle can develop in which a weakened government enables criminals to dangerously undercut the state's credibility and authority with the consequence that the investment climate suffers, economic growth withers, black market activity rises, and fewer resources are available for civil infrastructure and governance.

### **THE THREAT FROM PANDEMICS AND EPIDEMICS**

In the 21<sup>st</sup> century, our Intelligence Community has expanded the definition of bio-threats to the US beyond weapons to naturally occurring pandemics. The most pressing infectious disease challenge facing the US is the

potential emergence of a new and deadly avian influenza strain, which could cause a worldwide outbreak, or pandemic. International health experts worry that avian influenza could become transmissible among humans, threatening the health and lives of millions of people around the globe. There are many unknowns about avian flu, but even the specter of an outbreak could have significant effects on the international economy, whole societies, military operations, critical infrastructure, and diplomatic relations.

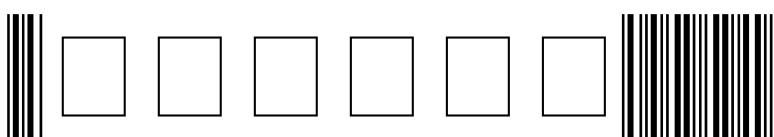
Avian flu is not something we can fight alone. An effective response to it is highly dependent on the openness of affected nations in reporting outbreaks where and when they occur. But for internal political reasons, a lack of response capability, or disinclination to regard avian influenza as a significant threat, some countries are not forthcoming. In close coordination with the Department of Health and Human Services, the Intelligence Community therefore is tracking a number of key countries that are--or could be--especially prone to avian influenza outbreaks and where we cannot be confident that adequate information will be available through open sources. The IC also coordinates closely with the Department of Homeland Security (DHS) and provides input to the national Bio Surveillance Integration System at DHS.

### **Conclusion**

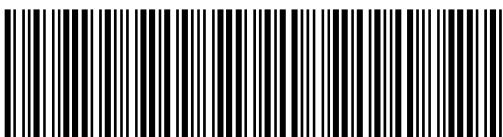
Each of the major intelligence challenges I have discussed today is affected by the accelerating change and transnational interplay that are the hallmarks of 21<sup>st</sup> century globalization. As a direct result, collecting, analyzing, and acting on solid intelligence have become increasingly difficult. To meet these new and reconfigured challenges, we need to work hand-in-hand with other responsible nations. Fortunately, the vast majority of governments in the world are responsible and responsive, but those that are not are neither few in numbers nor lacking in material resources and geopolitical influence.

The powerful critiques of the 9/11 Commission and the WMD Commission, framed by statute in the Intelligence Reform and Terrorism Prevention Act of 2004 and taken to heart by the dedicated professionals of our Intelligence Community, have helped make us better prepared and more vigilant than we were on that terrible day in September 2001. But from an intelligence perspective, we cannot rest. We must transform our intelligence capabilities and cultures by fully integrating them from local law enforcement through national authorities in Washington to combatant commanders overseas. The more thoroughly we do that, the more clearly we will be able to see the threats lurking in the shadow of the future and ward them off.

Thank you very much.



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