Chairman Lugar, Senator Biden, distinguished members of the Senate Foreign Relations Committee. Thank you for the invitation to appear before the committee this morning to discuss the changing face of terrorism and the role that the National Counterterrorism Center is playing in support of the President’s strategy to combat terrorism. This is my first appearance before the SFRC, and it is an honor to engage with you on this critical subject.

I am also pleased to be appearing on this panel alongside Ambassador Crumpton, the State Department’s Coordinator for Counterterrorism (CT). As I’m sure you are aware, Ambassador Crumpton has worked tirelessly over the past year to advance our nation’s CT agenda around the world, and to forge the web of multilateral, bilateral and regional partnerships that is so critical to the success of our strategy in the War on Terrorism. His work has been invaluable in explaining the President’s counterterrorism policy around the world.

In my brief remarks today, I would like to do three things. First, I want to provide a summary picture of the terrorist threat: How we see it, how it has evolved in the period since we were attacked on 9/11, and how it may continue to change over time.

Second, I would like to outline for you the ways in which the National Counterterrorism Center (NCTC), the organization I am privileged to lead, is contributing to the nation’s war effort and to making the American people safer and more secure, both here at home and around the world. At the end of the day, that is our core mission and the single measure of effectiveness that matters most to me and my colleagues at NCTC.

And third, I will offer a brief assessment of our overall counterterrorism efforts, from my perspective after 10 months as Director of NCTC.

I use the words “war effort” quite deliberately, because, as the President has said on many occasions, we are indeed a nation at war. And I believe it is a war that we will be fighting for quite some time into the future. I would be quite happy to be proven wrong on this point, but I expect that my young grandchildren will be well into their adult years before we can say that the war is over.

Preparing ourselves to fight and win this “Long War” requires that we know our adversary and that we understand as much as we can about how the enemy operates. In assessing the changing face of terrorism, I would draw your attention to three distinct incarnations of the terrorist threat; each with its own characteristics and capabilities, and each requiring tailored counterterrorism strategies to defeat it.
First, al-Qa‘ida and its core senior leadership, although significantly degraded, remain our preeminent concern. As committee members are well aware, working with our allies and partners, we have made significant progress in eliminating much of the core al-Qa‘ida leadership. Our actions have disrupted ongoing terrorist planning and operations; we have clearly made it much more difficult for al-Qa‘ida to train, plan and conduct terror attacks.

But the battle is by no means won. It is equally clear that al-Qa‘ida continues actively to plot attacks against the U.S. homeland and our interests abroad. They are resilient, adaptable and committed. They remain our greatest and most immediate concern in the War on Terrorism. UBL and Ayman al-Zawahiri also continue to tell us directly in their audio and video statements that targeting US interests remains a top priority.

The merger between al-Qa‘ida and al-Qa‘ida in Iraq (AQI), the terrorist group formerly led by Abu Mus‘ab Zarqawi, also remains near the top of our list of concerns. While the successful elimination of Zarqawi represents a severe blow to both al-Qa‘ida and AQI, we expect both organizations will carry on with their deadly work. The merger between AQ and AQI is of particular concern because it puts al-Qa‘ida in a position to access a much wider, more diverse pool of terrorist operatives, many of them battle hardened and experienced in terrorist tradecraft.

The second face of our terrorist enemy is represented by the host of other Sunni terrorist groups around the globe who have been inspired by al-Qa‘ida and who subscribe to the violent extremist worldview articulated by the al-Qa‘ida senior leadership. In addition to UBL's and Zawahiri's statements about targeting the U.S., the plethora of audio and video messages from them over the past year reflects al-Qa‘ida efforts to motivate other like-minded violent extremists as well, reaching those who may not be under formal command and control of al-Qa‘ida, but who certainly share their aims.

These groups have traditionally operated in a regional context and been motivated by grievances specific to the politics of their particular region. As their kinship with the al-Qa‘ida belief system has taken hold, these groups have adopted the view that it is the United States that is at the root of most problems affecting Muslims around the world.

We have long been concerned that these groups constitute a significant threat to our allies and interests in key regions around the world. It is also apparent, however, that many members of these groups view themselves as part of a global violent extremist network that aims to advance the al-Qa‘ida agenda and target U.S. interests around the world.

Our third area of concern with respect to the terrorist threat is the relatively recent emergence of a “homegrown” variant of the traditional terrorist cell or group. Following on the attacks last summer in England, the recent arrests in Canada highlight the growing salience of this trend. We are uncovering the spread of new violent extremist networks and cells that lack formal ties or affiliation with al-Qa‘ida or other recognized terrorist groups. These groups or cells do not fall under the command and control of the AQ senior leadership and indeed operate quite independently.
These new networks are often made up of disaffected, radicalized individuals who draw inspiration and moral support from al-Qa’ida and other violent extremists. Group members are most often young, in their teens and twenties, and from families that are second or third generation immigrants to their western communities. To the outside observer, these terrorists might well appear to be fully assimilated members of their western communities.

We have begun to see cells like these here in the United States as well. Federal and local law enforcement authorities have done outstanding work over the last two years to disrupt the planning of potential homegrown terrorists who aim to strike at the homeland. In one case, two individuals who are US Muslim converts were caught robbing a gas station to support their attack plans in California. Possible targets included Jewish synagogues, the Israeli Consulate in Los Angeles and a National Guard facility.

The challenge of countering these cells is complicated by the fact that they may operate virtually, with much of their communication and planning taking place over the Internet. This network of virtual contacts increases the relative stealth with which these terrorists can organize, communicate and plan potential attacks.

The emergence of this new brand of al-Qa’ida-inspired, homegrown terrorist group poses real challenges to the Intelligence Community and we are grappling with a whole new set of questions: What forces give rise to this violent ideology in immigrant communities that may appear otherwise to be quite well assimilated? How and why are young Muslims becoming radicalized to the point where they embrace this violent ideology? How do we counter those forces? What signs should we be looking for to try to draw early warning of potential problems?

Lastly, I will say a few words about Lebanese Hizballah. Hizballah remains a potent, capable terrorist organization backed by two long-time state sponsors of terrorism. I would not want my emphasis on al-Qa’ida and other Sunni-affiliated terrorist threats to suggest in any way that we are not focused on the potential threat to U.S. interests posed by Shia-inspired terrorism, and more specifically, Hizballah. I can assure you that we are. The behavior of state sponsors, particularly Iran and Syria, also continues to be a high priority, something on which I know Ambassador Crumpton and Secretary Rice are very focused.

That, in brief, is the shape of the terrorist threat as we see it at the National Counterterrorism Center, representing the intelligence community. We certainly focus on other groups that target U.S. interests around the world, such as the FARC in Columbia, but I wanted to focus my remarks today on the principal terrorist enemy, as we define it. We are constantly working to improve our understanding of that enemy so that we can be sure that we are employing the proper tools to defeat him. With your permission, Mr. Chairman, I’d now like to walk you through the work that the NCTC is doing to support the President’s strategy and our nation’s War on Terrorism.
NCTC is a relatively new organization, built on the foundation of the Terrorist Threat Integration Center (TTIC), which was established by the President in early 2003. The Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA) significantly expanded upon TTIC’s initial mission and created the NCTC organization, as it exists today.

As Director, I have a number of responsibilities, but they boil down to two critical missions. The first relates to Intelligence, where I report to Ambassador Negroponte, the Director of National Intelligence. I am his Mission Manager for Counterterrorism, serving as the Intelligence Community’s focal point for all intelligence matters relating to counterterrorism. Wearing this Intelligence hat, I work closely with all of the different elements of the Intelligence Community.

But NCTC has an important role to play beyond the intelligence arena, and it requires that I wear a different hat and that we interact with a broader set of actors. As codified in the IRTPA, NCTC is responsible for conducting Strategic Operational Planning (SOP) for the War on Terrorism for the entire U.S. Government. Wearing that hat, I report to the President and interact constantly with the President’s National Security Council and Homeland Security Council staffs. In a few minutes, I will say more about this strategic operational planning function, which I believe represents something truly innovative, even revolutionary, in the way we do business as a government.

But first, let me say a little more about the intelligence role that NCTC plays in support of the President’s strategy and the War on Terrorism. Wearing this hat, I am responsible for overseeing three key intelligence-related functions: terrorism analysis, information sharing, and mission management.

With respect to terrorism analysis, NCTC’s role in the Intelligence Community is expanding dramatically to fulfill the vision of the IRTPA. Put simply, the law states that NCTC will be the primary organization in the U.S. Government for analyzing and integrating all intelligence information related to terrorism, excluding purely domestic terrorism. To support that analytical effort, NCTC serves as the single place where all terrorism-related information available to the government comes together.

That means NCTC analysts have daily access to an unprecedented array of classified information networks, databases and intelligence sources. Using this data, NCTC analysts, working with counterparts throughout the Intelligence Community, produce daily products that focus on both big picture, strategic terrorism analysis that supports policy development as well as analysis of tactical threat reporting that supports U.S. personnel in the field, both overseas and here at home.

My 2nd area of responsibility in the Intelligence field relates to Information Sharing, where we are working hard to address the shortcomings that were all too apparent in the period after September 11. I believe we have had significant success in this critical area.

I’ll start with a very simple and straightforward example of information sharing that benefits the entire counterterrorism community in a very real way. Three times a day,
NCTC chairs a secure video-teleconference with all of the key members of the Intelligence Community, as well as other counterterrorism players from around the government.

In those meetings, we share the latest threat information, discuss the steps various departments and agencies are taking to mitigate the threat, and provide a forum for interagency coordination on intelligence tasks. One of the good news stories that we have seen during my tenure is the way in which this kind of information sharing has become institutionalized, a matter of habit and routine rather than an ad hoc arrangement dependent on personalities or personal relationships.

NCTC also provides a critical information sharing backbone for the CT community with our maintenance of the government’s central data base on known or suspected international terrorists. The NCTC database, known as the Terrorist Identities Datamart Environment, or TIDE, contains all-source intelligence information provided by all of the various members of the Intelligence Community, up to the very highest levels of classification. Today there are over 300,000 record entries in the TIDE database, reflecting over 200,000 unique terrorist identities.

This database serves a critical purpose as it supports all of the various watch-listing efforts that go on around the government. The classified information in TIDE is used to produce an unclassified extract that goes to the FBI’s Terrorist Screening Center. That information is then used to compile the TSA’s No-Fly List, the State Department’s Visa and Passport Database, DHS’s Border System and the FBI’s National Crime and Information Center.

While I would not claim the system is foolproof or perfect, it represents a major step forward for our government in the effort to solve the problem of disparate, incomplete and disconnected watch lists.

A further example of information sharing can be found in NCTC’s management of what we believe is the most effective classified counterterrorism website in the world, something we call NCTC Online, or NOL. Put simply, we gather disseminated intelligence on the terrorist threat from throughout the Counterterrorism Community by virtue of our access to almost thirty networks and databases. We then post that intelligence on a single NOL website, where it can be accessed by policymakers, intelligence analysts, and a host of other consumers around the government.

This site aims to provide one-stop information for the consumer of terrorism intelligence information, whether that person sits in an office in downtown Washington, or deployed in a forward headquarters in a combat zone, or in an embassy overseas. Today, there are approximately 5,000 cleared consumers in the federal family who take advantage of NOL offerings, which contain approximately five million different intelligence products or reports.

The third broad area of our NCTC responsibilities in the intelligence area can be summarized under the heading of Mission Management. As Ambassador Negroponte’s
designated Mission Manager for Counterterrorism, I am responsible for understanding the needs of our customers around the community, for monitoring and improving the quality of our collective activities and analysis on terrorism issues, for identifying and closing key information gaps that prevent us from understanding the terrorism problem as well as we might, and for ensuring the most efficient use of our CT intelligence resources across the board.

This Mission Manager role is new and reflects a concept introduced by Ambassador Negroponte based on the WMD Commission report. In support of this role, we have established a Mission Management directorate whose sole purpose is to advance these broad aims, serve as an advocate within the CT community, and bring about greater integration of our intelligence efforts.

All of these various analysis and information sharing activities are aimed at one thing: ensuring that we provide the best possible information and analysis to those who need it, when they need it, to fight and win the War on Terrorism. I can think of no more important mission in the intelligence field.

A few minutes ago, I mentioned that I wear a second hat as NCTC Director, one related to Strategic Operational Planning for the War on Terrorism. Let me say a few words about that function.

At first blush, “strategic operational planning” almost seems like a contradiction. How can planning be both strategic and operational? The answer to that question can be found in the gap that we are trying to fill between the development of policy and strategy at a high level, and the ground level tactical operations of front line departments and agencies that seek to implement policy and strategy. This is a gap that has existed for as long as I have served in government, and that covers over four decades of service.

For developing broad policy and strategy, we have the well-developed, time-tested mechanism, of the National Security Council (NSC) system and more recently the Homeland Security Council (HSC) process. The NSC and HSC serve to frame policy issues for discussion, debate and ultimately decision by the Principals and the President. It is a system well known to everybody in this room. At the other end of the spectrum, there are the individual departments and agencies responsible for conducting operations in the field that support the policy and strategy of the United States. What has long been missing is that piece in the middle, the space between policy and operations.

The goal of our SOP function is straightforward: to bring all instruments of national power to bear in support of our counterterrorism strategy, and to do so in a coordinated, integrated fashion. As laid out in the IRTPA, “all instruments” means diplomatic, financial, military, intelligence, homeland security and law enforcement activities. The NCTC charter in this regard is extremely simple in one sense, yet remarkably complex in its execution. Let me explain.

First, there is a deliberative planning process. This means taking our national level counterterrorism strategy and policy and breaking it down into strategic goals, tangible
objectives and sub-objectives, and ultimately into discrete tasks. These tasks are then assigned to a lead agency or department for execution. Finally, we must prioritize the tasks.

As NCTC builds this plan, we employ a fully collaborative, fully participatory interagency process. This means bringing planners, terrorism experts and other subject matter specialists from all of the relevant departments and agencies into the strategic operational planning process, under the direction and leadership of NCTC. This process, which involves hundreds of people across the CT community, has been underway for a number of months now.

NCTC has worked hard to make this process work in a way that leverages the skills, abilities and expertise of all of the relevant departments and agencies. Make no mistake. The product that emerges from this planning process is an interagency product, not simply the work of a small group of planners working out at NCTC.

After we have built a strategic operational plan, and run it through the NSC process for approval, we move to implementation of the plan. This second phase involves what the IRTPA describes as “interagency coordination of operational activities.” This means the coordination, integration and synchronization of departmental operations. We are just beginning to work out how this will function in practice.

The third phase of our SOP process involves an assessment process. NCTC is charged with monitoring, evaluating and assessing the execution and effectiveness of the plan. The fourth and final phase involves adjusting and revising the plan, at which point we begin the cycle anew.

The point I would highlight here is that we are creating a rigorous, iterative planning process to support the President’s strategy. As General Eisenhower once noted, “Plans are nothing; planning is everything.” We have taken that message to heart.

Chairman Lugar, in your invitation to this hearing, you indicated that you would like to hear my assessment of U.S. counterterrorism efforts in the period since I assumed my duties at NCTC last year. I firmly believe that we are making great progress in our counterterrorism efforts, progress that should give us great satisfaction. While I cannot go into great detail about many of our operational successes given the open nature of this hearing, I can make a few general observations about our overall progress.

We are taking concrete steps to improve our collective understanding and analysis of the terrorist threat and the enemy we face. We are working diligently to correct the deficiencies in information sharing that have plagued us in the past and to institutionalize patterns of cooperation and collaboration so that they become a permanent part of the interagency landscape.

And lastly, with our strategic operational planning efforts, we at NCTC are leading the government’s efforts to provide the connective tissue that will link the President’s bold
and visionary counterterrorism strategy with the operations and activities of our colleagues on the front lines of the War on Terrorism.

All of this work marks a new, more collaborative and more integrated approach to winning the War on Terrorism. As a government, we have come together in ways that I have never seen during my four decades of government service. We at NCTC are honored to be a part of that interagency team effort. Indeed, our government work force at NCTC is made up almost entirely of officers from other departments and agencies, men and women who bring the skills, experience, and expertise from their home agencies to the fight every day.

NCTC has come a long way in a short time, but we are in many ways a work in progress, taking on new responsibilities and functions even as we develop capability. I often say that we’re building the airplane at NCTC even as we are being asked to fly it. But I believe strongly that we have made real, tangible progress toward making the American people safer and more secure.

All of this makes me relatively optimistic about the long-term picture. As a government, we have done an incredible amount to make our country safer and more secure. We have taken the fight to the enemy and achieved great successes in the field. For that, we owe a great debt of gratitude to our men and women in uniform and to the intelligence professionals in the field, all of whom are confronting the enemy on the front lines of the War on Terrorism. And this is not only an American effort. Working with our partners around the world, in ways we often cannot talk about publicly, we are jointly making real headway in the War on Terrorism.

Here at home, we have made the homeland a hostile place for terrorists and those who provide them with material support. The fact that we have not been attacked here in the homeland since 9/11 is not an accident. And while we take great satisfaction in the record since 9/11, it would be foolhardy to think that we will not be attacked again. As I noted earlier, this is a Long War, with many battles yet to be fought and with setbacks certain to come along the way. But I remain confident and optimistic about the ultimate outcome.

As I hope you can see, Mr. Chairman, we are clear eyed about the road ahead and the work we still have in front of us. The enemy is capable, determined, resilient and focused on doing us serious harm. Our efforts to defeat that enemy and win the Long War must be equally determined and focused.

Thank you for your attention. I look forward to addressing your questions.