Center for Strategic and International Studies (CSIS)

“The Evolving Terrorist Threat and the Importance of Intelligence to Protect the Homeland”

Welcome and Introduction

Welcome:
Dr. John Hamre,
President and CEO,
CSIS

Fran Townsend,
Chairwoman,
INSA
Assistant to the President for Homeland Security and Counterterrorism

Opening Keynote:
Janet Napolitano,
Secretary,
Department of Homeland Security

Location: Washington, D.C.

Time: 8:00 a.m. EDT
Date: Wednesday, September 7, 2011

Transcript by
Federal News Service
Washington, D.C.
MS. : I want to thank you all for joining INSA and CIS (sic) today for a very important discussion on the evolving terrorist threat to our nation and the role of intelligence in protecting the homeland. INSA is really proud to be a part of this event. But before we get started I’d like to mention a couple of upcoming events – before we start this event.

On September 22nd at the University of Maryland we’ll host a symposium on cyberjobs for America to discuss the professions, skill sets and educational requirements for emerging cybercareer fields in the academic world, the government and the private sector. And on Saturday night we will host a gala to celebrate the Defense Intelligence Agency’s 50 anniversary. There’s more important information on these events and others at our website as well as membership at INSA, so I have to put a plug in for us, so please go look at our website.

Before I introduce our host for today I have a couple of administrative announcements. Please make sure your smartphones or any other handheld devices are turned off or at least in the silent mode. Today’s discussions are being transcribed and televised, so please contact Ryan Sickles from CSIS for information on how to get a copy of the transcript.

There will also be an opportunity to submit questions for some of the presentations today. Inside the program provided at registration are a couple of blank pages that are perforated. Should you wish to submit a question for any of the panel discussions, please write it down, tear it out of the program, and a representative from INSA or CSIS will retrieve it and provide it to the moderator for consideration.

There’ll be two programmed breaks for refreshment and rejuvenation. Please be mindful that no food is allowed in the auditorium so during your time please conduct all business swiftly and return to the auditorium promptly so we can begin what is a very full agenda.

Our hosts for today require very little introduction. Dr. John Hamre has been president and chief executive officer of CSIS for 11 years. He is a former deputy secretary of defense and a former defense comptroller. He is currently chairman of the Defense Policy Board. Fran Townsend, chairwoman of INSA, was the assistant to President George W. Bush and chaired the Homeland Security Council from May 2004 to January 2008. She’s held a series of senior positions in the Department of Justice and the U.S. Coast Guard in her distinguished career across government, and is a frequent contributor for CNN.

So please join me in welcoming our hosts. (Applause.)

JOHN HAMRE: Good morning, everybody. My name is John Hamre. I want to thank you all for coming. I know this morning what it’s like to be that warm-up guy for Jay Leno. I’m
really just here so that – getting ready for Fran Townsend. I realize she’s the star. Thank you all for coming. We’re delighted that you can be here.

In thinking about this day, of course, all America and almost every organization is thinking about this 10-year anniversary, and most of the efforts are, frankly, looking backward – they’re looking in a nostalgic way to a terrible past. We thought that the importance of this day is really to look forward – look forward to what – where we are now and what we have accomplished and where we are going. It’s also coming at a time when, frankly, Americans are really unhappy with their government. I’ve never seen the disgust as deep it is now. And there’s a general feeling in the land that nothing is working – government is ineffective and at best – at best ineffective and counterproductive, even as some would – people’s way of thinking.

I think it’s useful to reflect on what’s been accomplished over these last 10 years. It is remarkable for those of us, and I look over the audience as kind of a 12-step program for kind of recovering homeland-security types, you know, where back in the late ’90s we spent some time working together on that, and look what has been accomplished during this last decade – it is astounding. And I think hats off to the intelligence community, which has waged a remarkably successful campaign. I think that for those who say America’s government can’t accomplish things, let’s point them to our intelligence community, what they’ve accomplished.

And it’s in that spirit that we partnered with INSA. I – it’s a great partnership; these are wonderful people. They have been the driving force behind this program, and I’m so pleased that we can be with them, and I’m so happy that Fran Townsend is leading this effort. And I turn to Fran now to formally welcome all of you, and then also to get on with our program. Fran. (Applause.)

FRAN TOWNSEND: Thank you very much. You know, as we approach the 9/11 anniversary I couldn’t help but think – I had a child born two weeks before 9/11, and so he is my milestone as time passes. And I think we all have those milestones. We all remember where we were on that morning. And we all remember – it seems so far ago. You know, it’s funny, my kids and I were talking, and they said to me, you know, I – when we were born orange was a color, not a threat level. And it sort of – it made me smile.

And as Dr. Hamre mentions, you know, as we look forward at the many accomplishments that we’ve enjoyed, frankly, one of them is in intelligence. When I came to INSA, I really wanted the organization to focus on homeland security and the intelligence effort. And we are very proud at INSA to have had the Homeland Security Intelligence Council. It was led by a friend and a colleague, Joe Rozek, who is here, who is very proudly presenting that paper today. And this symposium, in many respects, represents the fruits of his labor. I thank Joe for his leadership and chairmanship of that council.

Prior to leaving government service, Joe hosted – served in several senior positions including – I had the privilege of working with him at the White House. He also served in the Defense Department. Joe is a retired U.S. Army special operations officer, having served in the military for 29 years. And so, Joe, thank you for this effort and thank you for your service to the country.
INSA is very proud to be associated with CSIS. I – Dr. Hamre has been a friend, a mentor and a former colleague of mine. Events like this would not be possible without his help, his leadership and the support we’ve gotten from CSIS.

I’d especially like to thank the sponsors who are here – Booz Allen, i2 Group, Lockheed Martin, Microsoft, Mission Essential Personnel and CACI. I see Jack London here; thank you for your generous support.

I now would like to turn the program over to my good friend and colleague Charlie Allen to introduce our keynote speaker, Secretary Napolitano. Charlie is a former CIA officer and undersecretary for homeland security. He has served in the intelligence community and the nation for over 50 years. He is a living legend and mentor to almost everybody in the room who’s worked in this business. Charlie, please join us. (Applause.)

CHARLES ALLEN: Thank you, Fran. Good morning. It is my distinct honor and privilege to introduce a great American and the third and current secretary of homeland security, Janet Napolitano. Secretary Napolitano has been a U.S. attorney, a state attorney general and a two-term governor of Arizona. As secretary of homeland security, she has faced a host of challenges from serious terrorist plots to very significant natural disasters. And she has worked tirelessly to keep the nation safe.

Having worked three years for her predecessor, I know – have some first-hand knowledge of just how an important portfolio she holds and how tirelessly she has worked over the past two-and-a-half years. Please join me in welcoming the secretary of homeland security, Janet Napolitano. (Applause.)

JANET NAPOLITANO: Thank you, Charlie.

MR. ALLEN: Thank you very much.

SEC. NAPOLITANO: Well, thank you, Charlie, and thank you for your service to the country and to the Department of Homeland Security at a critical time at its – when it was being formed. And also thanks to Fran Townsend and Dr. Hamre for this event. They both have been good friends to the Department of Homeland Security. And thanks as well to INSA and the CSIS for inviting me to be the keynote speaker.

At the – at the outset, I want to take a moment to thank our nation’s intelligence professionals for the work that is done every day to keep the country safe from threats that are constantly evolving in terms of origin, attribution, tactics and techniques. At the department – at DHS, we depend on that information every day, whether we are screening airline travelers or checking cargo at our ports of entry, whether we are working against a threat in cyberspace or against critical infrastructure, or whether we’re responding to threats within our own communities.
DHS is a part of the intel community. We benefit from the work that you do, and the country then benefits as well. We also recognize that this work is difficult. Success often is years in the making. And success often never arises to public view. A lot of the work takes place in the background, under the guise of the cameras. Not all of it is as evident as the operation that killed bin Laden. But it’s all important. And it’s all part of a partnership that we have with you to keep the country safe – all the more important over the next days as we approach the 10th anniversary of 9/11.

Now, I’m often asked where do we stand vis-à-vis 9/11 in terms of our nation’s security. And I think it’s fair to say that we are a stronger nation now. 9/11 was a national tragedy; a day of tremendous pain and suffering for our country. In fact, people from over 90 countries perished on 9/11 as a result of it being the worst terrorist attack ever on American soil.

So this week we take time to remember and to honor those we lost. But we also look to where we are 10 years after 9/11 and the role that the intelligence community continues to play in our counterterrorism efforts. So I think there is no doubt that the United States is stronger now than it was prior to 9/11. We have bounced back from the worst attack ever on our soil. We have made progress on every front to protect ourselves.

And our experience these past 10 years, I think, has also made us smarter about the threats we face and how best to deal with them. So we’ve used the knowledge we have gained, and some of you have helped to supply, to make ourselves more resilient – and resilient not just to terrorist attacks, but to threats and disasters of all types.

So we know that 9/11 was a big wake-up call. And it prompted significant changes in how our nation protects itself. And one of those changes, of course, was the creation of the Department of Homeland Security – the department I am pleased to lead – which brought together 22 separate agencies into a single department to unify our nation’s efforts to protect the homeland. And as a result, 9/11 also prompted changes in the intelligence community.

Now, a decade ago I think it is fair to say that our intelligence and law enforcement agencies were aware of potential threats to the homeland from terrorist organizations like al-Qaida. But we didn’t necessarily have the systems in place to anticipate, to protect, to prevent, to communicate the information we had in the most effective way. Essential information sharing that was needed to confront the threat was, I think, impeded by long-standing cultural, legal and institutional barriers, stove-piped government organizations and a lack of overall coordination and cooperation.

And I think that was a result, in part, because we had not been successfully attacked on American soil. It took that successful attack to confront us – to lead us to make some fundamental changes in how we collect intelligence, but more importantly how we share and communicate intelligence across the country.

So today federal agencies like the Office of the Director of National Intelligence, the National Counterterrorism Center, the Terrorist Screening Center and a robust information-sharing environment have, I think, strengthened our analysis, improved our ability to have
accurate watch lists and databases, and created a need-to-share culture as compared to a need-to-know culture. It has led to enhanced coordination tools and capabilities.

And I believe that as a result of that the intelligence community is producing better intelligence than at any time. Terrorism investigations by the Department of Justice and the FBI have led to the arrest of more than two dozen Americans on terrorism-related charges just since 2009. And they’ve also resulted in numerous thwarted plots, many of which are not publically known, but those in the IC know them.

Now, at DHS we work every day, and we work often literally side by side. We have people detailed in all of these organizations. And we work with other federal, state, local, tribal, territorial and – well, and importantly private-sector partners to enhance the sharing of information and the security of communities across the country.

And that is result – resulted in more effective passenger screening, strengthened borders, enhanced protection of critical infrastructure and more prepared and resilient communities. And I think we’ve seen an example of that resilience these past two weeks because Mother Nature herself has been fairly robust and has been showering us with hurricanes and winds and storms all up the Atlantic seaboard and up into New England.

And because communities are better prepared and local officials have better training and better equipment and they have practiced and exercised, they are more resilient; they are more able to respond. And we get now into the position where FEMA, the Federal Emergency Agency (sic), is a team with them as opposed to working over them, and we’re working with a number of states right now.

We have a name in the Department of Homeland Security for that partnership that encompasses the state, the local, the tribal, the territorial, the private sector and all of its security parts. We call it the homeland security enterprise. It is a whole-of-government approach – indeed, it’s a whole-of-nation approach to how we protect ourselves and how we move not just from counterterrorism but also terrorism prevention.

Now, the threat picture today is somewhat similar and importantly somewhat different than it was on 9/11. Terrorism didn’t begin on 9/11 and it did not end with the death of Osama bin Laden. So today’s threat picture is in many ways more complex, it evolves faster and it requires us to be flexible and adaptable.

Today in addition to the direct threats we continue to face from al-Qaida, we also face growing threats from other foreign-based terrorist groups that are inspired by al-Qaida-like ideology and – but that have few operational connections to core al-Qaida. And perhaps most critically, we face a threat environment where violent extremism is neither constrained by international borders nor limited to any single ideology.

Indeed, one of the most striking elements of today’s threat picture is that plots to attack the United States increasingly involve United States citizens and residents. Based on the latest intelligence and law enforcement actions, we are operating on the assumption that individuals
prepared to carry out terrorist attacks might be in the United States and could carry out acts of violence with little or no warning.

So over the past two years we have seen terrorist groups inspired by al-Qaida seek to recruit individuals who are either Westerners or have connections to the West but may be unknown to those in the IC – unknown to the authorities. So the increasingly savvy use of the Internet, mainstream and social media and information technology by these groups adds an additional layer of complexity to an already complex threat picture. And that’s why we are working with such a broad range of partners to gain a better understanding of behaviors, of tactics, of techniques, of other indicators that could point to evolving terrorist activity and working with our partners to design the best ways to mitigate or prevent that activity.

So one of the things that we have worked on is improved information sharing and public awareness. We have worked hard to build and strengthen a new homeland security enterprise architecture to reduce risks and prevent a successful attack. The architecture is based on the simple but powerful premise that in this day and age, homeland security begins with hometown security. In other words, all of us are now stakeholders in the effort to keep our families, our communities, our businesses, our social networks, our places of worship secure and resilient.

This realization translates into a number of critical features that did not exist 10 years ago and which address some of the key recommendations of the 9/11 commission. For example, we now have 72 recognized state and major urban area fusion centers throughout the country. Fusion centers serve as a focal point where information about threats can be gathered, analyzed and shared – and shared on a real-time basis among federal, state, local, tribal, territorial and private-sector partners.

The fusion centers support the JTTFs – the FBI’s Joint Terrorism Task Forces – who have been very successful in investigating and prosecuting terrorism cases. So the fusion centers become an essential part of the construction of the homeland security enterprise, the homeland security architecture – portals of entry where we can convey information quickly and, just as importantly, receive information back into Washington about tactics and trends and behaviors that are being seen across the country.

In addition to the fusion centers, we have greatly expanded and enhanced the Nationwide Suspicious Activity Reporting initiative which trains state and local law enforcement to recognize the behaviors and indicators related to terrorism, to crime and to other threats. This initiative, we call it SAR, standardizes how those observations are documented, analyzed and shared with DHS, with the FBI, with other IC partners and across the country.

In addition to the SARs (ph) initiative, and coordinated with it, we launched the new National Terrorism Advisory System in April – the NTAS. The NTAS replaces the old color-code system of alerts. It’s designed to deliver timely, detailed information about specific and credible threats to the public, government agencies, to first responders, transportation hubs and the private sector.
How does it work? Well, we assume in at our base level that we live in an era of enhanced threats. That’s the base. The existence of threats to the United States is not going to disappear. So that – we start there. But when we have specific and credible threats – and there is a multiagency board that does that threat analysis on a daily basis. They then can make a recommendation to me to issue an NTAS advisory.

And the NTAS advisory can be limited in terms of the population it’s designed to reach. And it’s also designed to expire in two weeks unless there is refreshed intelligence that says there is a specific or credible threat. That prevents the accumulation of threats or old threats over time, which became a problem with the color-code system and caused us to always be at orange whenever you entered an airport. So the new NTAS system has come into place and it also is linked very closely with the SAR initiative.

And then we’ve moved to individual citizens. And we’ve expanded the “if you see something, say something” campaign. This is a simple and effective slogan to raise public awareness of – to be vigilant and to be vigilant to indicators of terrorism or crime. It emphasizes the importance of reporting suspicious activity to the proper law enforcement authorities across the country who then have training themselves on how to deal with those reports.

So you have the “see something, say something” and it ties into the SAR initiative. And it covers reporting of activities from federal buildings to transit systems to major sports and entertainment venues. We have partnerships, and they’re too many to list here, but active “see something, say something” partnerships with Major League Baseball, with the NFL as they open football season, with the U.S. Tennis Association as they conduct the U.S. Open – places where large numbers of people can gather.

Now, like all good architecture, these elements learn from and build on the past. For example, we need to counter the threat of violent extremism that’s arising in our own communities – the so-called home-grown extremist. We have developed a curriculum, and beta-tested it with law enforcement officials from around the country, to help do that. We’ve trained nearly 50,000 front-line law enforcement officers and we have worked with hundreds of communities and local organizations over the last 18 months or so to implement community-oriented policing strategies that have been successful in the past at other crime reduction efforts. We’ve now tailored them to combat the rise of violent extremism.

We’re using some of the same law enforcement techniques that were so successful in combating crime in the past -- say, against gangs in Los Angeles – and translating that into how we train local law enforcement to watch out for and know about the techniques, the training, the tactics, the warning signs of violent extremism.

In addition, that training encompasses protection of privacy, civil rights and civil liberties. We are highly cognizant that in our efforts to protect the security of the country we also have to protect the values of the country. And those values are found in the Constitution and in our respect for and embracement of civil liberties and civil rights. So we build those protections into the training and into the actions that we take.
And finally, we recognize that in this threat environment that’s ever changing and ever growing we need to expand who is trained and who can watch effectively for signs of a terrorist act. More and more often we are – we are tipped, not necessarily by the – by the – by the federal intelligence community but by those who are trained in our local communities and, indeed, by individual citizens.

So we expanded our reach. We have become, I think, smarter as well as stronger. We know how to analyze – or better analyze, I should say, threat information acquired at the local level and to share it where that may be appropriate. We know that communities and their local law enforcement must be equipped to respond to a variety of potential threats and to build an understanding of these threats into their work over the long run. And we know much more about how to fulfill our essential security missions while at the same time maintaining our deep commitment to the Constitution.

Let me add that in this sense of a homeland security architecture – a homeland security enterprise, one of the fundamental concepts is that of shared responsibility. We have recognized and witnessed the tremendous role that the public plays. According to one recent outside analysis from 1999 through 2010, 86 plots against Americans were foiled. And they were foiled by tips by – from a range of sources, including individuals.

What is most critical to note is that the information originated with the public and is credited with stopping almost one-third of those terrorist plots. In other words, the kind of awareness and vigilance we are urging through the “see something, say something” campaign I think is already saving lives and helping to thwart nearly 3 in 10 plots since 1999. And when you add the additional training for federal, state and local law enforcement, you can see that more than 80 percent of the plots detailed in that outside report came from – they were foiled by information generated from the country at large. So we need to view that as an essential source of intelligence and intelligence analysis.

Now, the Department of Homeland Security, DHS, exists in large part to minimize the risk of another 9/11-style attack against the United States, to maximize our ability to respond and recover from any crisis – whether it’s a terrorist attack or another disaster. We have, I think – and credit goes to many in this room because building a government department is not easy; combining 22 different agencies is not easy – but we have, I think, built the foundation of a new homeland security enterprise, better designed to meet the terrorist challenge of today. And the intelligence community has been an essential part – and will be and continues to be an essential part of that enterprise.

We have, I think, successfully protected the country over the past 10 years as a result of a lot of hard work, commitment and involvement from those of you in this audience and those of you across the country. So thanks are owed. But commitment needs to be renewed. Threats have not gone away. They have continued to grow; they have continued to evolve. Our work becomes more and more essential every day.
And so that partnership and the utility and the use of intelligence in the right way to protect the United States is an essential part of the homeland security enterprise that we are constructing.

Thank you very much. (Applause.)

MR. ALLEN: Great comments.

SEC. NAPOLITANO: Thank you, Charlie.

MR. ALLEN: (Really good ?). Secretary Napolitano has agreed to take a few questions. We’ve received some questions already from Intelligence and National Security Alliance members, and more are being gathered. So I’d like to run through a few of these. Some of them you covered very – (chuckles) – expertly in your remarks.

One area that you might want to speak about a little more is the role that your components have played in countering terrorism at and beyond the borders in order to prevent the threat from coming into the homeland. When I was at Homeland Security I came very impressed with ICE and CBP and TSA and the courageous and valiant work that goes on every day.

SEC. NAPOLITANO: Well, thank you. And you’re exactly right. We have an intelligence and analysis division at the department, but a lot of that work is translated into, you know, what does a TSA operator need to be looking for? What does a border patrol officer need to be looking for? That means that we have to have current data; we have to have current watch lists.

We have to have our computer systems talking with each other across different departments. And so some of the major evolutions we’ve seen in the department over the last few years is the ability to really use the data that we have and push the borders outwards so that we don’t wait until something or someone enters the country, we maximize our ability to keep that passenger or that cargo out of the country.

And I’ll give you an example. On Christmas Day 2009, Abdulmutallab – a guy named Abdulmutallab boarded a plane in Amsterdam and he had PETN located around his groin and he was going to blow up a plane – a U.S.-bound plane, but he was going to blow it up over Canada. And it turned out that in our after-action analysis – obviously he was unsuccessful – and the passengers on that plane deserve a lot of credit for that. But in looking back we say, well, what happened? How did this guy get on a U.S.-bound plane with explosives?

And it turned out that there was information about him that CBP had on this side of the ocean that TSA did not have on that side of the ocean, and because the TSA databases and the CBP databases were not linked to each other. That is no longer the case. And we are able now at airports that are last points of departure to do a lot of work before a passenger even gets to the airport for pre-screening of that passenger.
And when you hear the head of TSA, John Pistole – who used to be the deputy director of
the FBI – talk about moving to a more intelligence- and risk-based process within airports – the
reason he’s able to do that is because we, indeed, have combined a number of computer systems
and pushed that data outwards so that we can better protect the homeland.

MR. ALLEN: Secretary, you spoke rather deeply already about making certain that the
relevant information gets in the hands of law enforcement so that – at the state and local level so
they’re aware of the threat and that they have the tools needed to respond when they have
specific or actual information. Is there anything you plan to do in the next 18 months to
strengthen the relationship with the state and local beyond what you just addressed?

SEC. NAPOLITANO: Well, we’re going to continue a lot of the work we’ve already
begun. We do, for example, regular checks with the sheriffs in the counties along the Southwest
border – say what are you actually seeing? Is there spillover violence from the drug cartels or
not? We don’t just rely on what we see in the newspapers or what have you; we really go to the
people on the ground that know that information.

I think, Charlie, we’re going to continue to try to provide training and underwrite the
costs of some of that training because state and local authorities are really strapped for cash. I
know we are too; this will be an issue I think with the DHS budget and the budget for FLETC,
the training center that we operate. But we want to do more by way of training, particularly in
countering violent extremism and also training in some of the precepts of intel analysis.

And, if I might add, I talked about the 72 fusion centers. One of the things we’ve done is
move our own intel analysts out to the fusion centers. So they are co-located there. They are
seeing the bulletins or the JIBs or whatever that’s coming their way. And they can themselves
help train personnel at the local level in some of the, you know, some of the elements of good
analysis.

MR. ALLEN: Great. Secretary, thank you very much for coming this morning and
sharing your thoughts with us. You continue to make great progress over at the department, and
I think the nation is greatly encouraged by what you’re doing. And we just – INSA wishes you
the very best in the months ahead.

SEC. NAPOLITANO: Thank you very much. Thanks for having me. (Applause.)

(END)