A Brookings Forum

America's New War Against Terrorism

The Impact on U.S. Foreign Policy, the economy, and the way we live

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RON NESSEN: As you know, President Bush has designated today a national day for prayer and remembrance and there will be a prayer service at the Pentagon, which will be broadcast here in this room for those of you who want to attend beginning at noon.

There are some seats down front for those who don't have seats.

Our briefing this morning will be led by Jim Steinberg, who is the vice president and director of foreign policy studies here at Brookings, a former deputy national security advisor to President Clinton.

Just a reminder that this event is being broadcast live, webcast live, both audio and video and the video and audio will be archived so you can watch it later. There will be a full transcript of this event on the Brookings web site and there is a good deal of background information on terrorism and homeland defense on the web site and also a great deal of information, if you haven't picked it up, on the tables outside this room.

This is the first in what I believe will be a continuing series of briefings on the effects and the response to terrorism in the weeks and months ahead.

To lead this morning's briefing, here is Jim Steinberg.

JAMES STEINBERG: Thank you, Ron, and welcome to Brookings.

This morning, we're going to talk about the broader ramifications of Tuesday's bombings, and I'll start off this morning by talking a little bit about the broad foreign policy and national security implications, followed by Steve Cohen, who will focus particularly on South Asia—Afghanistan and Pakistan. And then Jim Lindsay will talk about some of the military and intelligence implications. And then, finally, Bob Litan, vice president and director of the Economic Studies Program, will talk about the economic consequences.

If you have noticed yesterday, President Bush announced that the effort to stop terrorism and hold states accountable that supported it is now, in his words, "the focus of this administration." So I think it's clear beyond dispute that the events of Tuesday have changed American foreign policy dramatically. But the implications and the choices that the administration faces, I think, have still not fully been fleshed out.

I think it's useful to think about the last time the United States decided that a particular perspective was the focus of our foreign policy. And that, of course, was during the Cold War, when the focus of U.S. foreign policy, national security was on the fight against the Soviet Union, against Communism. And that became the dominant lens through which we saw most of the way in which we interacted with the world.

And we can think a little bit about what the implications for that were. The centrality of our alliances with Europe and with our allies in Asia largely focused on containing the Soviet Union and dealing with communism—our support for anti-communist governments around the world, regardless of their democratic credentials or their internal organizations; our military structure, including a very robust nuclear force posture that was very much designed to deal with that threat; an intelligence community that had as its principal challenge dealing with both the military and political aspects of dealing with the Soviet Union and communism; and of course, you know the history of that period has been seen by many through that particular lens.

Just think about how Vietnam developed and the consequences of our policies there.

And then we had a decade after the fall of the Berlin Wall and the end of the Cold War in which the complaint was that we had no organizing principle, that there was a kind of an uncertainty, a kind of inchoateness about American foreign policy because we didn't have a bumper sticker, we didn't have a central focus, as President Bush has said.

So what would it mean now for us to have counterterrorism as the focus of American foreign policy comparable to what we saw during the Cold War?

Well, we can take a look at each of the elements that were dominant during the Cold War—first of all, alliances and allies.

As we have already seen, one of the immediate foci of the administration's effort has been to try to create a new grand coalition, a coalition against terrorism. And we have to ask: What would it take to create the kind of coalition that has the durability and the depth that the Cold War security alliances had—like NATO, like the alliance with Japan and with Korea?

You can see some of the outlines of that already. The administration has gone to NATO and asked it for—to treat this terrorist attack as an Article V attack against the United States and so trying to analogize the war on terrorism to the kind of military conflict that the alliance was originally designed to address. And similarly, the United States is going to countries around the world and asking for the same kinds of commitment—to act together militarily, politically, and diplomatically to address this threat.

What kind of institutions will we have to build? What kinds of relationships will be possible? What kinds of commitments can we get from other countries comparable to the treaty commitments that we have in Article V? And how much will other countries be willing to make the same kinds of commitments to the United States and to each other that they made during the Cold War?

Then, we can look at the question of how the United States will deal more generally with other countries. Will the principal litmus test of our relationship with countries be how much they do or don't cooperate with us in the fight against terrorism? Will we be prepared to embrace countries that we had formerly cooler relationships with because they're our friends fighting terrorism or distance ourselves from our friends because they're not our allies in that fight?

We can see already in the engagement between the United States and Russia, where Russia—for its obvious internal reasons has an interest in dealing with the problem of terrorism, particularly coming out of Asia and Afghanistan—enthusiastically supporting the United States. We hear talk about even some potential Russian support of the United States militarily, if that would be necessary, if it were decided to take action against Afghanistan—this coming just even days after deep questions about the future of the U.S.—Russian relationship because of issues such as missile defense.

And on the other side, what will happen to our strongest relationships in the Middle East and the Gulf as a result of this? Israel has yet another argument for why we should retain a very strong strategic relationship with Israel, but will we feel the need to put our relationship on the line with countries like Egypt, Saudi Arabia and the Gulf states if they don't give us the support that we need?

I'm not going to talk about the military consequences because Jim will do that. But again, one of the organizing principles of the Cold War—our whole force structure, our whole doctrine built around the kinds of conflicts that we foresaw coming out of the struggle against Communism. What will that mean now for our force structure and for our intelligence community?

I think we are already seeing these sort of stark questions being posed about just how far it means to go to say that this will become the alpha and the omega of American foreign policy as to how countries engage on the problem of terrorism. And I think we'll see this no more clearly than in the case of Pakistan, where the administration has already made clear that it has high expectations about the support that it will get from the government of Pakistan, but also questions about what the United States would be prepared to do if Pakistan doesn't cooperate.

So with that, let me turn to Steve Cohen and ask him to comment about that and then we'll hear from Jim Lindsay about the military.

STEPHEN PHILIP COHEN: Well, I'd like to preface my remarks by a few sentences—sentences about what kind of war we're fighting and what kind of war our president has declared and Congress is also likely to declare.

The president has declared war on terrorism and he's declared war on certain unknown people. And this war is going to be fought in part in South Asia, and South Asia is the Middle East with nuclear weapons. It's a very dangerous region. It's a region where we have little diplomatic, political experience and we have few friends or few enduring friends there.

Our favorite wars—America's favorite wars—have been total wars—the Revolutionary War, Civil War, World War I and World War II, and even the Cold War was a total war and we achieved victory when you saw the first McDonald's go up in Moscow. Clearly, this was an ideological war, but we won that war and the Russians are more like us than they were before.

This is not a total war. We can take a few people. We can roll up a few networks, but there will be others behind them. And as Powell said, there's many people out there who hate us or dislike us. And these people—the psychology of these people has to be understood.

They're not crazy. They're not cowards. You know, I think that flying an airplane to your death is not an act of cowardice. It's an act of insane courage. And we, in our own tradition, we've praised individuals who've given their lives during the war for a particular act.

And I think it's very important that we understand the psychology as well as the organizational structure of the people who perpetrated this act.

In fact, the people who have done this like what they've done and they like the television coverage. They like the attacks on the mosques and they like the attacks on Asians and Middle Eastern-looking people. For them, this is proof that America is a racist, aggressive, imperialist country. And this will confirm the justice and the legitimacy of what they've done. They're trying to bring the war home to America.

From our perspective, this is probably going to evolve into a limited war. We will devote many more resources to it, but it's not going to be the beginning and end of our foreign policy. There are other important, even vital, interests out there.

But for the people who have done this and for their supporters, it is a total war—psychologically, it's a total war.

We can talk about this later, but when we're dealing with an enemy that—like North Vietnam, for example—that regards this as a life-and-death matter, I think, in the extreme case, if they're shrewd enough and other terrorists groups have done this kind of thing, we'll be seeing videos of the so-called martyrs on our television screens in the not-too-distant future.

They want to emphasize to us that there's a human face to them. They're not simply faceless, mindless—you know—aggressors. And I think that—and this will hurt us even more.

Now, I was held up by a bomb scare in the Saudi embassy and I couldn't get through the crowd and …

Now, the situation in South Asia and Pakistan is, as I said, like the Middle East with nuclear weapons.

Osama bin Laden resides in Afghanistan as a guest of the Taliban government. He went, I think, in '96. The Taliban took over '93-'94. When they seized power in Afghanistan, they were welcomed by the United States as well as other countries, especially Pakistan, which has been one of their backers from the beginning.

The Taliban brought a sense of order and law to the region—their order and their law. But before the Taliban, Afghanistan was in a state of a civil war. And for the most part, the Taliban were welcomed by Afghans until they began to implement some of their Eighth Century, medieval ideologies, and alienated many Afghans and certainly alienated the rest of the world—especially with their attitude towards women and, now of course, blowing up the Bamiyan statutes.

But there's a symbiotic relationship between the Taliban and Osama bin Laden and a few other Arab Afghans, which is the term used to describe them, who reside in Afghanistan. The relationship is that the Taliban provide territory and these people must have a territorial base to function from. And the Arab Afghans, or the Arabs really, provide the money and the technical resources for the Taliban.

The Taliban are busy fighting a war against a group up in the north, the Northern Alliance, and they need this outside support.

The other major supporter of the Taliban are the Pakistanis. And Pakistani individuals and Pakistani soldiers allegedly—allegedly—allegedly retired—we don't quite know the relationship—are directly involved in supporting the Taliban government.

And Pakistan serves as the gateway for almost all of Afghanistan's imports. If Pakistan wanted to, it could shut Afghanistan off tomorrow simply by refusing to allow transit through Pakistan to Afghanistan. And I think that's going to be one of the things that Collin Powell will ask the Pakistanis to do—to put such tremendous pressure on the Taliban that they have no resort except to turn over Osama bin Laden.

I think the most likely outcome—immediate outcome—will be that Osama bin Laden will be nowhere to be found. He could be smothered with a pillow, which is a typical Afghan way of doing these things, or choke on a chicken bone. In other words, he'll be eliminated, but the question for America and for the Afghans and for the Pakistanis is will his network be eliminated? Will the people who organize this be eliminated?

I don't know whether the Taliban would go that far. They're dependent on Arab money for their own survival. The solution—the ideal solution—is a restructuring of the Afghan government to provide a government in Afghanistan which the Pakistanis would feel comfortable with.

Pakistan wants a government in Kabul which is not going to turn against Pakistan. And so far, not much diplomatic or political effort has been put into this task. That's a long-range task, and I don't think we're going to be able to wait to see a change of government in Kabul—unless the Pakistanis put tremendous pressure on the Taliban to transform themselves into something else.

I don't think that's going to be possible because everything we hear of Mohammed Omar, who is the spiritual leader of the Taliban, indicates that he has a very narrow, restricted view of the world and he's not going to compromise on this issue.

The problem with working with Pakistan is that—not the problem but the fact of working with Pakistan on this—and I think we will probably get some Pakistani assistance in identifying and perhaps logistic support in going after the terrorist camps and Osama bin Laden and his followers—the problem is that the Pakistanis are going to want to ask us for something in return.

What this will be, I'm sure at the top of the list will be economic relief for Pakistan, lifting of some of the sanctions, perhaps renewal of military cooperation with Pakistan. They will also ask for support or a larger American role in the Kashmir peace process.

That presents this administration with a real problem because we have made our policy in South Asia an India-first policy. And I back that policy. But it runs some risk of becoming an India-only policy. And clearly, Pakistan—whether we like it or not—is an important country when we're dealing with the Taliban, and of course, the Taliban are central to dealing with Osama bin Laden.

It's like a series of Russian matrushka dolls, nesting dolls, and this is going to require extended careful diplomacy. Among other scenarios, you could envision a worsening of India-Pakistan relations over—if somebody misinterprets America working with Pakistan. If either Pakistan exaggerates the new relationship with the U.S. or India exaggerates it, then you could see—risk a revival of India-Pakistan conflict.

And since both countries are nuclear-armed, you know, this crisis is indirectly linked to a potential nuclear crisis in South Asia.

MR. STEINBERG: Just before we go on, Jim, I mean, one other of the dolls in Steve's nest is China, and the relationship that China has in this region.

Obviously, China is a very important friend of Pakistan, has a lot of influence and plays a very important role. China's a country that worries about terrorists and believes that the terrorists in Afghanistan are training separatists in Xinjiang Province.

At the same time, China has been pursuing a strategy of trying to improve relations with Taliban—or leave it at a neutral—in order to try to persuade the Taliban to direct the terrorist activities in a different direction.

So you can see the president's already put a priority on engaging with President Jiang Zemin. The question of how we would try to influence Pakistan is very much involved with what we may try to do with China to get China to influence Pakistan and the Taliban.

So, once again, you can see how, if you choose this as your focus, all of a sudden, your relationships with key international partners could become very different. And if we decide that China's a potential partner in this kind of terrorism fight, how will that affect our overall set of choices with China on issues ranging from human rights to missile defense to regional security.

JAMES M. LINDSAY: Thank you, Jim.

Lawyers are fond of saying that hard cases make for bad law. And looking at and listening to a lot of the commentary in recent days about the intelligence community and the defense community, I'm about to add that crises seem to make for bad policy analysis and policy prescriptions.

Let me say a little bit about the intelligence community.

The airwaves are full of criticism of the intelligence community. Don Imus had a member of the Senate on this morning who went on at great length of how we're spending $30 billion and got so little for it.

While it's clear that—from Tuesday's attacks—the intelligence community failed to provide us with warning of these attacks, it is not clear that we had an intelligence failure.

Intelligence failure imply that all the evidence was there and we failed to add it up or we failed to look in places that we obviously should have. Perhaps, it will turn out with further examination that we have had a massive intelligence failure, but then again, perhaps not.

What we do know, it's important to keep in mind, is that the intelligence community has had a number of successes over the years in trying to foil terrorist plots, aided often by the law enforcement communities, with which they've worked very closely.

Remember Mr. Ressam coming across the border in December of 1999, foiling a plot to blow up the Lincoln Tunnel. The Washington Post today reported special efforts to foil terrorist attacks in places like the Balkans, Jordan and Egypt, and there are probably other successes that perhaps we don't know about and the intelligence community may not even know about.

One other thing I think it's important to keep in mind is it is not as if the intelligence community was unaware of Osama bin Laden. The CIA has been authorized since 1998 to mobilize its resources to disrupt Osama bin Laden's network, and I remind you that it was only a few weeks or months ago that the standard criticism of America's antiterrorism-counterterrorism programs was that it was too fixated on Osama bin Laden.

There was a lot of criticism of people in the Clinton administration for pursuing Osama bin Laden that bordered on an obsession and that made him larger than life and larger that he was.

That, of course, was when the idea of simultaneously hijacking four planes and using them as diet cruise missiles was more the stuff of a Tom Clancy or Robert Ludlum novel.

Likewise, lately, there are a lot of calls for improving human intelligence, putting spies on the ground to deal with this. And again, this is not an idea that hasn't occurred to the intelligence community already.

The real problem is how do you penetrate a network of tightly close—a secretive network often held together by family ties and clan affiliation. It's easier said that done. It requires more than simply training more Americans to speak Arabic or Pashtun. And likewise, it's not at all clear that lifting restrictions on who American intelligence can recruit in the battle that will solve things.

Indeed, there are reasons, very good reasons, why those restraints exist on which Steve can talk at great length.

You often have competing objectives. We have tended to place sanctions on many countries—Pakistan—over a policy we don't like the detonation of nuclear warheads, which limit our contact on a military-to-military basis and has a potential to limit our ability to gain information.

None of this is to say that we oughten in the weeks and months to come to have an honest autopsy of what happened in the intelligence community and look for places to improve things. We certainly do need such a full examination. But I think it's important to be honest about the task that we face.

Terrorists, particularly people like Osama bin Laden—it's clear from Tuesday's attack—are extraordinarily sophisticated, dedicated, and clever. And that poses great problems.

And I would refer people to Sebastian Mallaby's piece in yesterday's Washington Post that was quite brilliant. He tells a story of the phone call from an IRA terrorist after a failed attempt to blow up Margaret Thatcher back in the early 1980s. And the caller said quite chillingly that: Keep this in mind. We only have—you have to be lucky always. We only have to be lucky once.

It's an extraordinary challenge to face, and it is going to place great demands on the intelligence community.

What about the defense community? Proposals are going to be flowing in the days and weeks to come about things like homeland defense, reorganizing our defense posture, spending a lot more money on defense. Quite clearly, for Democrats and Republicans, the events of this week have given them the key to get out of the Social Security lockbox. There's no more talk about not dipping into the Social Security surplus.

But I think it's also important to be really honest with ourselves about the problems we face on the defense front.

And that is the obstacles America has faced in the war against terrorism in the past and the ones we will face in the future are not primarily organizational or financial in nature. The obstacles are political and diplomatic.

We've already spent tremendous amounts of money on our military—more than $300 billion. We have the world's most destructive military force. We saw it in the Gulf War. We saw it again in the Kosovo war.

But again, the reality is that this war we're talking about fighting is one that is going to go on for quite a while and it requires a great deal of political and diplomatic support.

And maintaining that political and diplomatic support is difficult. The political space, as President Bush has said, to basically call the countries of the world to say: You're either with us or against us didn't exist before Tuesday.

If President Clinton had gotten up at any point in his presidency and had given a speech talking about a real war against terrorism that might involve sustained military combat in Southeast Asia, he would not only have gotten no support from our allies, it is not clear he would have gotten support from the American people.

I mean, clearly, going back before Tuesday, the thought of losing 5,000 Americans in a single day simply would have been beyond belief.

And indeed, now, I think the American—one clear change that has come, I think the American public clearly is willing to shed blood in this matter.

Another issue it's important to keep in mind is that the Defense Department does not lack the wherewithal to carry out an attack on terrorism. But clearly, if you study the history of the military as an organization, it's been fundamentally organized around fighting large, set-piece battles—special operations, commando attacks have been much lower priority.

And clearly, the military is going to have to rethink some of its doctrine as it prepares for the days and weeks ahead.

It is also what—I'm talking about the news talk on television says and radio shows around the world—about launching this war is we have to ask some really tough questions about how effective will military force be in accomplishing our goals.

There's a lot of cheap talk about waging war in Afghanistan. I would merely point out that, number one, Britain learned the price of fighting in the Khyber Pass. The Soviet Union did as well. But what make sit particularly difficult, again, is keep in mind the nature of the adversary we face.

Osama bin Laden, if he does manage to avoid the pillow or the chicken bone, is not going to hang around in clearly identifiable camps. I would be quite surprised if these terrorist camps haven't already emptied out as people flee because they don't want to be targets.

Beyond that, as you talk about waging war—as I think Steve ably pointed out—if, in fact, the countries that are implicated as helping Osama bin Laden in this effort aren't simply the international pariahs like Afghanistan or Iraq but become countries like Pakistan or other countries that are more pivotal in the Middle East or elsewhere, you run very real military risks of triggering wider wars and the real question of whether or not you can sustain a diplomatic front in fighting this battle—because one thing is important to keep in mind is that military force is extraordinarily good at destroying things, but the real problem we're going to have in these countries if we go in with massive force is who will be able to build a peaceful society when things are settled.

I'll stop there.

MR. STEINBERG: Thank you, Jim. Bob.

ROBERT LITAN: Well, I think probably the last thing that people want to talk about right now is the economy. That's why I'm last.

[Laughter.]

And—because, clearly, the human tragedy, the foreign policy issues and so forth are, and should be, a dominant concern.

Nonetheless, the economic issues will surface in importance—obviously, next week—because the markets are likely to open next week and attention will turn to them.

I'm just going to give you a few brief thoughts with the caveat that, just as there is fog in war, there's a lot of fog on the economic scene, and I'm just briefly going to tick off a few things in the short run and the long run to expect.

I think the fog is actually greater in the short run. The reason is that, if you look ahead, the main thing to worry about is a drop in consumer spending triggered off a drop in consumer confidence. We just got a bad number, by the way, yesterday from the Michigan index, which indicated that, even before this event, consumer confidence had dropped by that index by about 10 percent.

So we don't know how consumers are going to react, but generally speaking, so far all the reports are that people are tightening their belts. That's on the negative side.

On the positive side, you're going to get fiscal stimulus from that military spending. Originally, it was going to be $20 billion. Now, I see in the paper today it's going to be $40 billion. We don't know how long it's going to take to spend that money but, clearly, you have a stimulative action to military spending and the larger the military response, the bigger that source of fiscal stimulus will be.

You've had some speculation that there's going to be reconstruction that's going to follow all this. I think a lot of that is overdone. You're not going to rebuild anything like the World Trade Center overnight, and I wouldn't expect a big source of stimulus from that direction.

But the bottom line is that, in a sufficiently aggressive military posture, you could actually have a positive economic effect from this, especially when you take account of the fact that the Federal Reserve is likely to reduce interest rates more steeply and at a faster pace than would have been thought possible last week.

I'm not saying we're going to have a positive impact. I'm just tell you that to reflect the uncertainty because, on the flip side, on the negative side, look at the bad news that was hitting us just before this event. On Friday, everyone was spooked about the unemployment rate going from 4.5 to 4.9, which was unexpected. Yesterday, we got

bad news on the unemployment insurance front—that the UI claims went up to 430,000 a week, which is a high for this period.

And then, of course, you had a lot of concern about what was going to happen in the stock market, although I will say parenthetically that I agree with those people who say that closing the markets for this extended period of time is probably a good thing. It has, I think, allowed people to get their wits about them.

It may well be true that, when the markets open up, we'll get a decline in prices, but I think there's now been enough rethinking about this and enough stuff on the media so that I do not think there will be massive selling after any initial wave of selling.

The real question is what's going to happen in the next three or six months on the markets, and that will depend on the course of the economy.

Now, when there's a lot of uncertainty, people like to grab at historical precedents. And about the only one we've got in any recent time is what happened in the Gulf War. Well, I printed off some data for the Gulf War and, basically, what happened then is that after the initial invasion by Iraq, GDP did fall. It fell steeply in the fourth quarter of 1990, fell again in '91, and started to recover in the second quarter of '91 in response to lower interest rates.

Now, there's a surface resemblance between this and the Gulf War but I don't want anyone to believe that it goes beyond this surface resemblance because, last time, a lot of the drop in consumer spending and confidence and GDP was associated with a big ratchet up in energy prices. That has not yet happened. It could happen, depending on the nature of the military response.

We could get a spike, but in the absence of an energy spike, the effects need not be as bad.

In addition, last time, we had a huge budget deficit, not a budget surplus. And so, it's not in the cards that we have to go through a rerun of what happened in the Gulf War.

On the other hand, this time around, we have bad world economic climate that we did not have last time, and so this even comes, obviously, at a bad time for the state of the world economy.

I'm not going to spend a lot of time on the sectoral impacts. You know those. This is not good news for airlines, for travel, for entertainment, for leisure activities. We all know that. About the only areas of the economy that benefit are people that are in the security business and people in the defense business.

Now, the final point I will raise—just two points: what about the longer run?

Well, first, a good way to think about the longer run impact is that, whoever did this to us has put a security tax on the United States of uncertain amount, of uncertain length, but probably it's going to be a tax that will exist for some time. All that extra money going into airline security, that will go into backup security, that will go into change in the way buildings are constructed, change in the way buildings are located—we may not see big buildings of the kind of the World Trade Center built any more in this country—so more sprawl. Just play out that scenario. Whatever the security tax adds up to, it will be a tax on us.

And the reason I say it's a tax is because it's money that we should not have to spend. It's a waste of money. So we will end up getting in measured terms the same level of output in goods and services but the inputs for those will go up because we're spending all this money on security.

So this is like a one-shot ratchet downward, if you will, of our productivity in the country.

We've had great productivity growth in the last five years. This will be a dampening effect on future productivity growth although it's amount is uncertain.

The second area of long-term impact—and I'll just leave this in terms of speculation—is, you know, in Washington, most people are expecting a cancellation of the World Bank-IMF meetings. I assume that's going to happen. I have not yet seen any reporters write about the following cancellation: What's going to happen to the WTO talks in November?

They are scheduled for Qatar, right in the middle of this region. I would not be surprised to see a cancellation of those talks, which by the way, is not the end of the world because—I mean, sure, the antiglobalization forces will cheer a cancellation, but the point is that President Bush was having trouble getting trade promotion authority passed even before this happened.

Postponing all this and attending to these more short-run immediate things actually could turn out to be a plus on the trade front. But I just throw this out to you that I think people will start to speculate what the effects will be in that arena.

I'll just remind you, by the way, I'm not saying this is going to happen, that we're going to repeat, you know, a World War II scenario—or a World War I scenario—but remember that what happened between World War I and World War II was a tremendous retrogression from globalization.

People who said that globalization was an inevitable process, was going to continue no matter what obviously have not read history. Manmade events can change things. And we do not know what the impact of this event will be on the continuous march to globalization.

I will quit there.

MR. STEINBERG: Thanks, Bob. Very provocative and interesting.

We're ready to turn to questions.

For those of you in the audience, if you could raise your hand if you have a question and then, when you're recognized, wait for the microphone to reach you, stand up to ask your question, and please identify yourself.

And for those of you watching and listening to the live webcast, if you'd like to ask a question of the panel, you can send your questions by email to question@brookings.edu. And we'll try to include as many of your questions as time allows as well.

QUESTION: I'm Kevin Galvin from Seattle Times.

Most of the discussion this morning has been on the battle in Southwest Asia, but there's likely to be a battle on the domestic front as well. And I'd like to hear about any concerns you have about the domestic policy response, particularly as it pertains to balancing civil liberties and security.

MR. STEINBERG: Let met speak to this a bit and then, Bob, you may want to—and Jim may want to add as well.

I think that we have seen throughout American history—and particularly during the Cold War and subsequently—a lot of discussion at various crisis moments about tradeoffs between national security and civil liberties and what price we have to pay to deal with problems.

To go back to my sort of original analogy—you can go back to the Cold War period and the McCarthy era to think about the way in which they played out. And you're seeing it now.

The first action or at least one of the first actions that we saw yesterday in the Senate was an amendment to Title III to change the wiretap laws to provide greater flexibility to do surveillance in connection with various kinds of computer Internet-based surveillance in connection with terrorism.

I think that there is without—I think it's obviously difficult to predict for sure, but I think that, on the whole, and I think you've heard this voice fairly loudly from many quarters, that people will take the view—it's a bit glib, but I think there's a kernel of truth in it—that the terrorists will have won if we see a dramatic change in the balance that the country has historically drawn between civil liberties and law enforcement-national security and that there will be a lot of reluctance and caution about dramatic changes in the balance.

But there are a couple of areas where I do think that we may well see a change, and you can argue whether it's for better or for worse.

First, as we saw from the Senate action yesterday, there's clearly a need to update the way we think about the role and function of law enforcement in connection with new technologies, and particularly new communications technologies.

We have not sorted through—although there have been several statutes in the 1990s, in particular EPCA (ph), which tried to figure out what sort of—the analogy was to Title III and the appropriate level of surveillance with respect to the Internet, with respect to modern encryption and the like.

And I think that that balance is likely to shift a little bit. There was a lot of thinking in the '90s to say: Well, the Internet is the new frontier. It ought to have greater degree of liberty and freedom. There's been a lot of concern about privacy on the net and the like.

And so there was a tendency to draw the balance somewhat more towards civil liberties with respect to these new communications technologies than we had with respect to the old ones, the telephone and wires. And I suspect that we're now going to move back towards saying: Now, why should we have greater freedom there, particularly since we do know, and we have a lot of evidence, that terrorist organizations use very effectively these technologies.

So I think you'll see a greater willingness to see the much-maligned at the time Carnivore-type technologies to be allow with appropriate court-ordered safeguards. I think, also, you'll see a greater willingness to find ways to allow law enforcement and national security to have access to plain text.

We've got a case right now, a very prominent case, in the criminal system about the kinds of authorities that law enforcement can have to go in and put a device on your computer, for example, to record keystrokes. And I think that there will be some greater willingness to see those tools of investigation.

I think the second area where we're going to have a real debate about civil liberties has to do with non-Americans in the United States and the question about what kinds of rights those individuals have. I mean, you've seen extreme versions already discussed about the possibility of using non-civil courts, non-Article III courts to deal with these kinds of challenges, which I find quite disturbing, and I would be surprised if we went that far.

But for a long time, there's been a problem with the fact of people who enter the United States who overstay their visas, where there's no mechanism at all that exists in this country to try to enforce visa restrictions.

And I think that that's going to be a place where there will be more attention—the kinds of rights and the way in which we try to keep track and keep awareness of non-U.S. citizens.

And I think there are some dangers there because, obviously, as my colleagues have said, there are some risks here about these becoming viewed as targeted at racial, ethnic or national groups. But I do think that that's an area—and my guess is from what we're already seeing about the nature of the individuals involved here—that there will be some greater attention not only to sort of surveillance coming into the United States—there's a lot of concern about the Canadian border and how that's become a pathway both for this attack and for the previous millennium episode—but also sort of what—how we sort of pay attention to visitors, particularly from suspect countries where we have concerns in the future.

I don't know whether others want to comment on this.

MR. LITAN: Yes, I just want—in our last good total war against the Japanese, we did intern tens of thousands of Americans because they were of Japanese ethnic origin.

MR. STEINBERG: Jim?

QUESTION: Karen Degan (ph) from the Washington Post.

Just following up on that. This whole question that has been raised about these flight schools and who went there and how their visas were issued would seem to me to be a very low-tech non-intrusive way to keep track of people that the FBI apparently has looked at somewhat sporadically, but not really kept up on despite the fact that bin Laden himself and other people have talked about training pilots and we know that most pilots come here to train.

That seems to me to be one of the most obvious intelligence failures. It's not complicated. It's not sophisticated. It's not interceptions. It's not anything but doing what journalists all over the country have done in the last three days, which is to spend two hours doing Internet searches and it's real, real easy to find where the red flags are.

Would you expect there to be some kind of recrimination for this in addition to, hopefully, a change in the way they do business?

MR. STEINBERG: Do I expect recriminations? I think recriminations are a way of life in Washington under ordinary circumstances. These are extraordinary circumstances.

I think, in part, motivated by a justifiable desire to find out what we could have done better, I think also partly motivated by raw politics and partly motivated by a psychological need to believe that, if only we had spent a little bit more, had a better organization, we would be safe. Because the alternative way of looking at it is, even if we are the most powerful country in the world and spend billions of dollars and have lots of dedicated people doing this, it's still possible to be vulnerable. That is not a psychologically satisfying point of view.

Let me just try to point out—take the particular case of flight training schools.

If you were to—I presume you quite rightly will follow them very closely from now on. What that is going to mean is that people trained to do this won't go to flight schools in the United States. They'll go to flight schools elsewhere or perhaps they'll end up recruiting people out of existing air forces.

I mean, the problem you have is that a terrorist has an inherent advantage. They get to pick the time and manner and place of the attack. They get to probe your defense or your standard operating procedures to look for places where you are vulnerable. And then they attack you there. And traditionally, what they tend to do is wait until you're flatfooted, when you're not expecting things.

And to go back to the question about civil liberties, I mean, one of the real questions here to think about is—we're all talking about how it's a new America and we're going to change and this is in the heat of anger and the grief over what has happened in New York.

But as we go out months and years, are Americans still going to be willing to put up with long lines in the airport, with the long waits as you want to cross a border. There are going to be—the reality of this when sort of the shock wears off, Americans are going to be faced with whether or not they want to put up with living in what could, you know, sort of be the desire to turn this into an armed camp and not have anybody here or to curtail civil liberties or freedom of movement.

And clearly, going back in American history, as Jim points out, there are ample instances—whether it's the Alien and Sedition Acts during the quasi-war with France (?) or the Espionage Act in World War I or what happened during the McCarthy era in which we overcompensated.

But again, the intelligence challenge is that they're always looking for places you're not looking, and they study you.

Back there.

QUESTION: Thank you. I'm Gota Mawakari (ph), formerly with the Times of India, currently with the National Endowment for Democracy here.

My question is to the panel. I wonder who would like to comment on it. Can we realistically speaking examine the scope of leverage that the United States has in the region. For instance, Professor Cohen might like to say something on what is Pakistan's capacity to deliver on the promises that it might make?

It's a state in crisis. There's a tremendous struggle, perhaps, going on between the military and the—at least the elite of the military, which is ruling the country, and other sections of the military, including ISI, as well as the fundamentalist movements within the country, which runs the schools that train the Taliban.

It has a very porous border with Pakistan. So it's easy to say: Okay, close your border. But how do they have they capacity to do it? The northwest in particular is a haven for gunrunners and drug smugglers. Is it possible to do anything?

Maybe, does India have a role in trying to build some kind of a—well, intelligence network that would be useful to the United States?

And secondly, is there any scope for economic leverage in the region? Especially on countries like Saudi Arabia and the United Arab Emirates, the two other countries which recognize the regime in Afghanistan but which are actually two of the main sources of funding for the groups that operate, I think at least, within Afghanistan?

Thank you.

MR. COHEN: As to the case of Pakistan, we're dealing with a country that has failed five or six times. I mean it's not a joke anymore. Pakistan may have nine lives, but we're not quite sure whether they're going to be around long enough to use them all up.

And if Pakistan went the way of Afghanistan or went the way of an Iraq or went the way of some kind of militant Islamic dictatorship, it would make Afghanistan look like child's play. It would have nuclear weapons. It would have a mass professional military establishment to draw on. It would have built-in enemies in India, the U.S., presumably other countries—possibly Iran. It would be a major catastrophe for everybody.

But so far, you know, America hasn't paid much attention to Pakistan, and the Pakistanis—well, the Pakistan, even the ISI, while they disagree with us on a number of issues, on the question of Osama bin Laden, there's no particular support there.

You know, they see the Taliban as important for Pakistani security. Not all Pakistanis view it this way. Most Pakistanis are appalled by the Taliban and are afraid desperately—desperately afraid—that Pakistan will go the way of the Taliban. But the senior intelligence people, some of the military, see the Taliban as their little colony, their dependant, their junior ally. And they want to protect that relationship. But they have no particular connection to or affection for Osama bin Laden. So I think we can expect good cooperation from the Pakistanis.

It is, I would say though, a moment of truth for Pakistan. I mean, they are going to have to choose—in the phrase of the civil rights song—which side are you on. You know, are they with us or against us on this issue?

I think that most Pakistanis would be with us, but they're worried about a reaction in their street, in their bazaars. Anything which appears to be helping the Americans will generate some anger in Pakistan—and because of two issues. One is Palestine and Israel and the other is Kashmir.

You know, most Pakistanis are convinced that we have been anti-Islamic anti-Pakistani, too pro-Israeli, too pro-India now, even though the Indians think we've been too pro-Pakistani. So this requires enormously skillful diplomacy to demonstrate that we are interested in justice also. We may not agree within the particular polices, but we are—you know, we share your concern on that issue and extract cooperation from the Pakistan government. I think we have a lot of levers and I think the Pakistanis will wind up by our side in any operation against Osama bin Laden.

The more difficult question is beyond that, when you have to roll up his networks elsewhere, and there are Pakistanis involved perhaps or others who are in Pakistan and the Pakistanis regard their war against India in Kashmir or their actions against India in Kashmir as legitimate. They see this as a struggle for freedom, which is a position we have certainly not taken.

We almost put Pakistan on the terrorist list, state-supported terrorist list, twice. And the argument not to do that was: If you do that, you're not going to get any cooperation from Pakistan. So this presents American diplomacy with a very, very difficult, delicate problem.

And your second question?

MR. STEINBERG: Economic leverage. The Saudis in particular.

MR. COHEN: Yes, on the Taliban or …

MR. STEINBERG: Yes, yes. I think your question was …

QUESTION: It was funding that comes from …

MR. COHEN: Oh, to Osama?

QUESTION: [Inaudible.]

MR. COHEN: Yes, it comes from a lot of countries. Often it comes under the pretext of helping the freedom fighters in Palestine or Kashmir. And it's channeled into—not unlike the IRA funding-raising operations, in fact, or the Tamil Tiger fund-raising operations—it's channeled into a fund and Osama bin Laden gets some of that and he has a fortune of his own. And then it's diverted to these kinds of operations.

He operates in part on his own, but he also operates as sort of the Ford Foundation of the terrorists. He will make grants, provide support for operations which function not only in Afghanistan—that's only a small part of the zone—but throughout a number of countries, including the United States. I mean, we obviously have these kinds of cells operating here, funded by him and by others.

MR. STEINBERG: I think Steve points to a broader problem, which is—you know, we may have leverage and more leverage than we've exercised up to now, but we have to be fairly judicious about deciding how hard we want to do that because there may be countries that do want to help. But if we push them to do things that then cause a reaction there, we may end up with unintended consequences in terms of destabilizing governments that are supportive generally of us and how you get that balance right and how sort of black and white you make the issue of either you do everything or you're not with us, I think, will be one of the big challenges that we face.

Right here.

QUESTION: Al Millikan, Washington Independent Writers.

Do you see any changes happening in United States foreign policy that affect civilians in hostile territory around the world, whether when U.S. bombing causes collateral damage with civilian causalities or when U.S.-controlled economic sanctions seem to hurt the weak and vulnerable women and children the most?

And how much do you think this affects the minds and hearts of our enemies as well as the minds and hearts of Americans?

MR. LINDSAY: I think that the events of Tuesday have clearly deeply angered Americans, and many Americans really want to lash out and there's a desire for retaliation to be quick and decisive. It's understandable.

We also, in responding, have to be guided by our own principles and—which has always argued that, in the use of military force, we should be careful and attempt not to put innocent civilians—they call them noncombatants—at harm. And I think we've not always lived up to that, but we've always regarded those departures as departures from a norm that we aspire to.

I think one of the challenges of the Bush administration is to try to fashion a military response—and we are clearly going to have a military response—that is both just and proper and effective. And that requires balancing lots of competing calculations and pressures, and I think that the administration—I hope—will ignore a lot of the blood lust that we hear coming from the cheap seats on television and think thoroughly about it.

And I think that Americans will reach down and find their better impulses on this, and that it doesn't serve either our interests or our values to attack people willy nilly.

QUESTION: …with USA Today.

We've had several references to the Persian Gulf War as the last war that we fought and we see some of the same leaders now—Powell and Rumsfeld and Cheney—working on this issue. Could you talk about the lessons of the Gulf War that do apply to this situation, you know, the valuable lessons perhaps those leaders learned?

And also if you see lessons from the Gulf War that do not apply, that would be inappropriate or dangerous to think apply also to this situation?

MR. STEINBERG: Well, I think the most important lesson—and you can see it, you know, very dramatically in the way Secretary Powell is pursuing the diplomatic campaign, is that, for the United States, perhaps the single most important thing to achieve in these coming days and weeks is to make sure that this does not become cast as a war between the United States and the terrorists or a war between the United States and Afghanistan or, God forbid, another war between the United States and Iraq.

I mean, this has to be viewed as something which is an attack on principles, on values, on the broader community, and not just the Western community but particularly to have support among Arab countries, among Muslim countries, among countries that were sort of non-aligned in the traditional Cold War sense because the political power of the coalition is as important as the military power, and even more so in this case, because the military apparatus that will need to be put into the field isn't the same as having to fight the Iraqi Republican Guard.

And so the ability to transform this into something in which no reasonable country could fail to be on the side of the United States is the single most important thing to achieve both in terms of assembling the coalition and, equally important, in holding the coalition together.

And I think that one of the things that gets a little bit less attention but was really one of the great achievements during the Persian Gulf War was that they not only held the coalition together in terms of getting the appropriate UN resolutions and building the diplomatic support, but also, as the conflict began, holding that coalition together through very skilful diplomacy with Israel, for example, to make sure that Israeli needs were being addressed without forcing Israel into a retaliation that might have split the coalition and made it harder for the Arab states to be engaged, to understand that there were other key partners—like Indonesia, for example, the largest Muslim-majority country in the world—which can send a very strong signal to your coalition.

And so I think that the challenge is going to be—one, to seize this extraordinary moment. And any of you who've watched the coverage from aboard has to be struck by the fact—and I think, you know, just speaking as an American, it's really tremendously powerful and really gives you a tremendous sense of good feeling about our other human beings across the world, how much others have felt the pain that America is feeling.

You've seen, in Germany and in Britain, but all over the world, this tremendous—I think unprecedented—solidarity with the United States. It's a tremendous asset the administration has to work with here. So the trick is to get people lined up, to make them feel that they are part of the consultations, strategy development things, and then to pursue the options—military, diplomatic, economic, whatever is chosen—in ways that don't split that coalition from the outset. And that's why some of the issues that Jim

talked about are so important and it will be critically important to recognize that you need this coalition not to support just one strike, but to support the long-term effort.

Whatever the value of a military operation here, what is going to be needed is the support of the intelligence networks of these countries, of their law enforcement and the like because, you know, when—there's no magic number but roughly there are some 60 countries in which groups affiliated with Bin Laden and Al Qaida operate.

That means you need a lot of intelligence support, a lot of law enforcement support. Most of the successes have been achieved through coordination with other intelligence services, and so you want to make sure that that first military strike—if there is one—doesn't mean the end of the coalition and, you know, sort of winning a battle but means losing the war.

I think that that's the challenge that will be different from what happened at the end of the Gulf War, which was the question of how do you make this be a coalition that lasts more broadly. And that's why I think we need to think about this whole question about what does it mean to have alliances in a world in which the enemy is not an aggressive state but a terrorist group, and what would it take to have—as we've had in NATO—these very elaborative consultative mechanisms, a sense that we don't do things unilaterally, that we take seriously the obligations to others.

MR. COHEN: Can I add something to that?

I get the—to me the comparison between the Gulf War and this situation is that, in the Gulf War, we fought a limited war when we should have fought a total war. We should have aimed for the elimination of the regime, not simply the defeat of the Iraqi Army. And I think we missed an opportunity, or this president's father missed an opportunity, to go all the way and eliminate a regime, which is chronically and inherently and essentially, I think, an evil regime.

Now, they're promising to go after any government which supports terrorism or tolerates terrorism on its soil. That's a lot of governments. And it may be, you know, we're going to wind up declaring war and attempting to transform the governments of a whole range of countries—Libya, Iraq, Iran, Afghanistan. Afghanistan is a fairly easy one, but the others are—there are others that are more difficult—North Korea, perhaps. Some countries used to support terrorism. They might support terrorists again. I mean, are we going to declare war on all of these countries also? That's an enormous undertaking.

I think that the failure in the Gulf War was to actually declare total war. War is fought for a political objective. What's the political objective? What's the political objective of this war? Is it to destroy the states that support terrorism? Is it to destroy the terrorists? How can we identify maybe 3,000 people around the world who would fall in this category?

I think the administration has to think through carefully exactly what its objectives are, what the goals are, in fighting this war.

MR. STEINBERG: If I can just add, sort of, two quick things.

One, I think it is quite clear that Jim is right that one of the lessons of the Gulf War is the importance of maintaining an international coalition.

I think, however, it was very hard to do so in the Gulf War. It was tested a number of times. I think it may be even more difficult to sustain that coalition today because, in the Gulf War, it was clear who the culprit was. There was no dispute about responsibility.

Now, as we begin to talk about what happened on Tuesday, we don't know who it is that—presumably, the arguments are it's Osama bin Laden—but beyond that who is responsible. And trying to maintain a coalition when you're talking about potentially up to 50 or 60 countries may have had some role is really going to be—really test the ability to maintain the coalition.

The second point and the difference, I think, between the Gulf War and the war we are about to embark upon is the nature of the task at hand. In the Gulf War, military force was very effective at a very clear, political objective, which was to drive the Iraqis out of Kuwait. And the terrain lent itself to that.

Again, for the reason I talked about before, it is harder to say that military force in and of itself can help you win in the war against terrorists. As Jim pointed out, it involves many other things besides that—and in some of the countries we're talking about, like Afghanistan, where you're talking about terrain that is extraordinarily unfriendly.

MAN: Everybody wants to ask questions.

QUESTION: John Parker of The Economist.

I wondered whether anybody thought that the United States or more generally modern civilization was not the only target of the attacks this week and that there was a more specific target as well, which is the House of Saud. Bin Laden has always said that one of the reasons he hates the United States so much are the troops in Saudi Arabia, that they're a pollution of Muslim soil. He's also—even if it's not him—radical Islam, clearly wants to spread its version of Islam wherever it can in the Middle East, but in particular in Saudi Arabia, which is the home of Mecca and Medina.

[TAPE CHANGE.]

How important a role do you think the sort of internal politics of Saudi Arabia, if you like, and America's role in supporting the Saudi regime—how big a role is that sort of complex of questions in the attack this week?

MR. STEINBERG: I think there's no question that, if you sort of go back historically to the evolution of Bin Laden and his network's role, that probably the single most

important political objective was driving the United States out of the region, and particularly from Saudi Arabia because of the religious and political overtones.

But—and I think that's still an objective. I think that is certainly something that Bin Laden and many of his sort of senior associates would identify as a political objective. But I think it's grown larger than that over the last half decade or so. And I think that it's now hard to sort of disentangle the various strands.

I mean, I think we're in a very complicated situation now because, ironically, every success that we have creates another grounds for Bin Laden and his associates to want to take another step. Although, first of all, we don't know precisely who it was and so we need to be careful about that, I would just point to the fact that we've had two important developments in the last couple of months involving associates of bin Laden. We had this sentencing in the American trials with respect to the African embassy bombings in which the death penalty was handed out against people clearly part of the Bin Laden network and which there were statements at the time saying that there would be consequences associated with verdicts in those cases.

We're about to have a sentencing in the Ressam case and people involved in the millennium bombing. Again, there were threats associated with that. So we're now in the cycle in which—although I think these underlying issues of the U.S. presence in the Gulf and the infidel and our whole—that there is just a more fundamental conflict between the United States and these networks.

And that's precisely why it seems to me it's important that we try to avoid this cycle continuing because, if it becomes the case that every action that we engage in then becomes the predicate for another action by them, it will be very hard to get out of the cycle unless we can change the psychology in which these groups recognize that, you know, they're not having it their way, in which this sort of tiny David is engaging the great Goliath, but rather, you know, are seen as being hunted wherever they turn.

And so, I think the context has just grown much larger, although certainly, the original casus belli, as it were, remains an objective of many of these groups and organizations.

Robin?

QUESTION: Robin Wright, Los Angeles Times.

Given some of the reasons you've outlined, plus the fact that intelligence estimates suggest that Bin Laden has cells in 35 countries and support bases and maybe twice that, how realistic is it to assume that war is, in fact, winnable?

And secondly, the coalition in the Gulf had 38 members. It was a high-profile, flashy war. But within a year, that coalition began falling apart. How realistic is it to assume that the United States can establish a coalition that will have any longevity or durability if we're fighting a war that is piecemeal and not quite as flashy as the Gulf War?

MR. STEINBERG: I'll just comment as well, but I think the objective—to be realistic, the objective can't be sort of a final, conclusive, decisive victory after which it's all over and we can go home. This will be an ongoing struggle.

But I do think that, handled correctly, that the United States, working with others can make a major dent in the capabilities of these organizations and their effectiveness, their ability to function, where they are more on the defensive, where they are constantly facing disruption and therefore find it harder to plan, to execute in a relatively safe environment where they have a lot of sanctuaries to operate.

I mean, as Jim said earlier, the problem here is that, for the safety and real security of our people, we need to try to achieve 100 percent success, where they can fail nine times out of 10 and still be viewed as successful. But that doesn't mean that we aren't dramatically better off if we increase our probabilities of thwarting their efforts. But that's why the strategy has to focus on sustaining international support over the long run because, even if we take a very effective, decisive action early on, but then the support erodes, these groups will reconstitute. There will be other people to take the place of those that we capture and those that we kill.

And so it's sustaining that sort of deep conviction about the virtuousness of our cause and the justice of the means that we're using to pursue it, I think, that will lead to the kinds of success that would at least make a difference, if not a kind of a final victory against terrorism once and for all.

Back here.

QUESTION: …Beijing, China.

My question is which kind of help America should expect from China against terrorists and what do you expect China will ask for it? And how this will shape the future Sino-American relationship?

Thank you.

MR. STEINBERG: A very good question.

I think that, as I said earlier on, I think that China has an interest in dealing with international terrorism. I think the Chinese government perceives itself as being subject to the effects of international terrorism, particularly terrorism associated with Islamic fundamentalist groups. China supported the sanctions against the Taliban in the Security Council. It has certainly made clear in our bilateral dialogue that terrorism is an issue of common concern and interest.

And so, in principle, it seems to me that there is a good basis for cooperation between the United States and China. I think it is certainly going to be the case that, should the United States decide to use military force, it would—I find it very unlikely that we would

get the support of the Chinese government for that. But I think what's more important is, in the short run—first because China does have such a close relationship with Pakistan—that it should join us in, you know, putting the appropriate, positive pressure on Pakistan to take appropriate steps along the lines that Steve talked about.

Second, because the Chinese government has engaged with the Taliban, I think that there is some opportunity for them to also make clear to the Taliban that there are costs and risks for continuing to harbor terrorists there as well.

And I think, more generally, to the extent that China's willing to be seen internationally as part of this space that says terrorism is not just anti-American, but it's anti-the world of ordered civilization, that that will have a very powerful effect. I don't think that China should expect anything in return because I think that this is in China's interest. This is not a favor to the United States. It's not something that China wouldn't otherwise have an interest in but somehow is doing this because it wants that better relationship with the United States, except perhaps in one sense that China could expect consultation and coordination with the United States. If the United States wants to sustain China's support, then the more that we have a forthcoming dialogue with China about that. But I do see this as potentially a positive area of cooperation between the United States and China.

Back there.

QUESTION: I'm Emma Rhinehart (ph) from Asia-Pacific Center for Justice and Peace. And I have a question actually responding to two of your comments. The second panelist, Stephen Cohen, when you said these people are not crazy referring to the terrorists and we must understand their psychology, I agree. And also, in response to the third panelist, when you asked how effective will a military force be in response.

So my question is, within the administration right now, are there any efforts being made to actually bring the perpetrators to the negotiating table to address them on a political level as an international party that clearly has power? Would they come? And how would both the United States and the international community benefit actually from addressing this oppositional force as a legitimate power?

MR. LINDSAY: I think the time for negotiations is long past. I think this is a time about punishment and reprisals and that's what will guide us.

What happened on Tuesday was horrific. It cannot be allowed to stand. And I think what's fundamentally important to recognize is that the terrorists made no demands. This is not about what the United States has done abroad. This is about who Americans are and, by extension, what Western, liberal, free-market societies are all about. It is not something that is up for negotiation.

MR. COHEN: Let me provide a somewhat different answer to that. I think these groups are not negotiable. I mean, they're not going to be negotiating. They're motivated by

hatred. But you can be intelligent and rational and still hate and hatred at times can be useful. I mean, it keeps you going. They want—they want to change American policy around the world. They hate America for what we stand for and what we are. They see it—they do see it in some ways as a civilizational clash and they would win if we also saw it as a clash of civilizations.

And finally, many of them hate their own governments and they feel that this relationship between the United States and their particular government—and this includes many, many governments—prevents their country from becoming a true democracy or a true Islamic state of some sort. They would like to impose—some of them would like to impose a perfect Islamic state with a Sharia as the governing structure, as it is in Afghanistan. That is a perfect Islamic state. Or others would like to see real democracy and a revolution. And we've seen this before. We've seen this Utopian, millennial attitude among—in the West. We've gotten over most of it but it's still in the world and you can't deal with—you can't talk with these people. You can't negotiate with these people.

You can protect yourself against them. You can pre-empt them. But, you know, I think they've gone well beyond the negotiating table.

MR. STEINBERG: Way in the back.

QUESTION: Thank you. I am Ahmed Gizabi (ph), working for Voice of America. I have two questions, please if you would answer.

From the talking of Mr. Cohen, I gathered that Pakistan should be rewarded for its cooperation. A lot of people consider Pakistan to be part of the problem rather than the solution. You said about the Russian dolls, there is—the support of Taliban is well, but direct connection between Pakistani authorities, as well as Bin Laden here, in two meetings, I show you a letter, Bin Laden, Nawaz Sharif, and the corps commander were present in Islamabad—Pakistani newspaper. So don't you think that, for example, there should be more, if at all, pressure on Pakistan, rather than rewarding it for its cooperation.

The second question is, getting rid of the extremists in Afghanistan—if the U.S. in any way gets involved directly, of course, it would be very difficult. But you have willing fighters inside Afghanistan who are as sick of these people as you are—maybe more actually. So how about if you support them, who are the willing fighters. You don't have to fight. They fight. You support them.

MR. COHEN: Yes, I agree.

Well, to take your first point. Pakistan is part of the problem, but it's also part of the solution, just as America is part of the problem, but we're also part of the solution—Europe. You know, this is not a black or white situation. If we saw Pakistan as only part of the problem, should we destabilize Pakistan? Should we attempt to break up

Pakistan? What would we do then? What would they do then with their 10 or 15 or 20 or 30 nuclear weapons? I mean, you have to factor this into the mix.

Pakistan—I think several administrations have been negligent in dealing with Pakistan, but it's not an either-or proposition. That's life. It's unpleasant but that happens to be reality.

And your second point—why not support a group to displace the Taliban—fine. I agree. But there's been no support for that argument here at all—you know, in the United States—at all. We don't want to get involved in the affairs of an obscure and remote country. That's been the argument many officials and politicians have made for several years. I think that's wrong and I think that the U.S. should have taken the lead, with other countries, you know, if not displacing the Taliban, but pressuring the Taliban to join the larger framework, which would transform Afghanistan.

There should be, perhaps, a UN or a multinational restoration of Afghanistan. And as Americans, we do have a special obligation to Afghanistan because we used Afghanistan to bring an end to the Cold War and then we sort of walked away from Afghanistan completely.

So I certainly sympathize with your second point. And so the first point—Pakistan is part of the problem, but also part of the solution.

MR. STEINBERG: If I could add something here to your question—I think that, if we do have large-scale military reprisals against Afghanistan that involve the use of ground troops, quite clearly, the American military would try to rely on and get help from existing militias.

And you're quite correct to say that the people—many people—in Afghanistan would like to see the Taliban go. But I also would suggest that the general notion that what we should do is fund resistance groups and they'll overthrow the bad guys is very tempting, but the track record is not terribly good.

Just take the case of Afghanistan. If we go back a little more than a decade, we were funding anti-Soviet muhajadeen, who were fighting against the Soviet intervention and Soviet-run government. And that produced, at the end, the Taliban.

QUESTION: Hi, Sam MacDonald from Reason Magazine.

You touched on it for a moment and I would ask you to explore it a little more. To what extent is this conflict cultural? How much is it them not being able to stand capitalism or women voting or Western music or ideals? And how much of it is a political response to legitimate things that the United States has done wrong in the Middle East?

And also, how are those two things connected? Has U.S. meddling in the Middle East caused a sort of more fundamental version of Islam or Arabic sentiment that is less accepting of U.S. or Western culture?

MR. STEINBERG: Well, let me—first of all, without accepting the characterization of meddling—I think that it's very striking that the al Qaeda network, unlike other groups that we would consider to be terrorist groups in the Middle East, has never been very concerned, for example, about the Palestinian cause or that part of the conflict with Israel. And conversely, the groups that have been concerned about it, who also use terrorist methods, have never targeted the United States.

So I think that what we're dealing with here is a group that is not fundamentally concerned about that aspect of policy in the region.

As we talked about earlier, John Parker's question, I mean it is true that a number of the groups associated with Osama, particularly some of the radical Sunni groups, are opposed to the U.S. presence in the region in the holy places and the like. But a lot of these groups are also—I mean, they have quarrels, as others have said, with their own governments. The Egyptian Islamic Al Gama'at (ph), for example, is a part of this network that has focused its efforts on Egypt as well as the United States. So I think that it's a little fatuous to sort of say—well, they had these legitimate grievances with the United States and that that's the reason for what they're doing.

I do agree, though, that the cultural thing in the sense that you put it is a big factor. I mean I do believe that they are fundamentalists in the sense that they believe that the only way to preserve their view of the way cultured societies should be organized means eliminating all traces of the West, particularly in that region, but in general showing the West that those—what we would consider to be universal values will not prevail. And so I do think that aspect of it is an important motivating factor.

In the back over there.

QUESTION: My name is Bona Vergic (ph). I'm a graduate student at the School of International Service, American University.

I seem to think that framing a war is important. And it seems to me that, through various speeches Mr. Bush has offered, he often cites evil versus the good. He often cites Biblical terms such as walking in the shadow of death. It seems that he's treading the very same war that these groups have been fighting for years. And if this is the kind of framework that he chooses, it seems to me that the war has been half lost.

I would be interested in your comments to this remark.

MR. STEINBERG: Well, I guess what I would say is that I think it is about good and evil and I don't think the concept of good and evil is something rooted in a particular culture. I think most Muslims would argue that what we saw on Tuesday is a violation of Islam.

And so I don't think it is a matter that to talk about good and evil is to somehow to cast this immediately into a cultural war between Islam and the Christian or Judeo-Christian West, regardless of whether you thought it was appropriate for the president to draw a reference to the Bible in his speech.

MR.LITAN: If I can just add one thing just as a lay person.

You know, Americans, and I think any president—they're moved by religious symbolism. I think the reaction of most Americans is overwhelmingly positive when they hear references to that. I mean, you have to understand that about America. It's—you know, it's not just Muslims. It heavily appeals to Christians. It appeals to Jews. This is something that taps into, I think, a fundamental ethic of America.

QUESTION: Corinne Hagway (ph), National Journal.

You referred earlier to bin Laden as sort of a foundation for terrorism. One of the challenges involved is identifying and freezing the monetary assets that they use to organize and launch these attacks.

MR. COHEN: I asked a friend of mine who deals with these things and he confirmed what I heard elsewhere. He doesn't have a bank account that you can go and freeze. I mean, if he had, we would have done that a long time ago. We would have taken that money and used it in operations against him.

His assets are in cash. They're in real estate. There's a whole network of purchase buyers and sellers. He also serves as a collection point or he's part of a system and a collection point—I guess I mentioned this earlier—for contributions from people throughout the Middle East and South Asia and other parts of the world for just causes like the IRA operations and some of that is siphoned off for the operation of these groups. That's a lot of money and you don't need much to organize a terrorist attack like the one we've seen. You need some cash, some people, but the people doing it are volunteers and so it doesn't require a lot of assets. If we could get the money, we would have, but he's got it hidden away in various places.

MR. STEINBERG: Although I would just add to that—I mean, Steve's absolutely right. But I think, when you're considering the arsenal of sanctions and other measures that you want to take against countries that may be state sponsors or sponsoring terrorism, you're going to want to include in that list of options measures directed at their financial institutions and so forth.

There was this big anti-money laundering task force that we had and we coordinated with the rest of the world that, frankly, the Bush administration downgraded upon coming to office. I think they're going to rethink that position now.

MR. COHEN: Let me add a point because it's directly relevant to the Afghan case.

We have sanctioned the Taliban in Afghanistan thoroughly and completely and the Taliban argue that—as the Iraqis argue—that thousands of Afghan children are dying because of our sanctions. We have also provided the Taliban and the Afghan government with several millions of dollars worth of economic aid. We're the largest foreign aid donor to Afghanistan. Should we turn off that pipeline? Because Afghanistan is in the midst of an extended famine. There's no two ways about it, and people are dying in huge numbers in Afghanistan.

We are faced with a terrible dilemma, you know. If we want to really put pressure on that government, we force the Pakistanis to turn off the fuel, to turn off food shipments, we stop providing assistance ourselves, and then we see a lot of dead Afghans. I mean, what's the tradeoff in this? And it's a very painful thing to do. It's a kind of tradeoff, I think, that the people who perpetrated these acts would like us to see suffer over. This, for them, is a victory. The more we pressure some of these governments, the worse we make them, this is confirming evidence that we are an evil state. So it's very, very dangerous to engage in retribution and which would have these consequences.

Yet, when we fought the last good total war—against Germany and Japan—we killed hundreds of thousands of Germans and Japanese by city bombing and we thought nothing of it. Would this total war—will this be a total war? Are we willing to do that? I don't think so. I think that it will be reduced in our priorities, but still, our government is going to have to make these choices—putting pressure on countries, causing suffering—exaggerated in the case of Iraq, I know that, but still causing suffering—because we want to pressure them to deal with one or more of these groups?

MR. STEINBERG: Let me just come back to the specific of your question because, while I agree with Steve's characterization—I mean it is true that they're smart enough not to have their money sitting around in the banks in London saying "the Osama bin Laden savings account" that there are ways, I think, that we can do more to get at sources of funding.

First of all, some of the funding is through illegal activities, through drug dealing and through other kinds of criminal activities. Indeed, a lot of these groups have a certain amount of—are almost self-financing. During the millennium bombing attempt, we discovered that these groups that were in the United States and Canada were supporting themselves through credit card fraud and that they actually were—this is sort of how they self-funded their own operations.

The second thing we can do is, as in the United States, we now have legislation dating from the mid-'90s that attempts to deal with Steve's example of Bin Laden acting as a foundation. And I won't mention the name that he mentioned because I still hope that we'll get some funding from them ourselves …

[Laughter.]

… but we basically decided to pierce the veil of some of those organizations, and say: You can't give to Hamas in the United States any more on the grounds that it's a charitable organization that's doing good because we believe the money is being siphoned off. We have the authority to do that here in the United States. We can get others to do that. I mean, it is certainly the case in the Gulf states that, even though the governments may be opposed to this, they know that some of their people are supporting these charitable foundations that are doing this, so they could do a tougher job in cutting it down. It won't solve the problem. I mean, this is not largely driven by huge financial needs. But anything that we can do that makes it harder because, in part, as I said in answer to another question, this is a long-term effort to disrupt and to make these organizations less effective.

We're never going to fully get rid of them. But if they have to move around a lot, they're less effective. If they have to scramble for money, they're less effective. If they have to keep changing the way they communicate with each other because the communications are constantly disrupted, they're less effective. That's going to be our goal—disrupt, disrupt, disrupt, dismember, make them on the defensive. And so these kinds of tools are still things that I think are worth keeping in place.

On the aisle here.

QUESTION: I'm Dana Marshall (ph) with Werner-Lippert. I just wonder if I could ask the panel to speak for a moment about Iraq.

I mean, it seems to me that one of the things that changed on Tuesday is that the people in this country saw that they are certainly vulnerable to a weapon of mass destruction. Clearly, the kinds of weapons that Saddam is alleged to be developing now—whether chemical, nuclear, biological—would make an attack like that seem like a mosquito bite.

I wonder, though, given the coalition, the support, and all the rest that we've been discussing here for the last hour and a half—what does that imply for the desires of the United States that several successive governments have had to effect regime change and, if that continues to be a desire, which frankly I think it should be since there seems to be every indication that once a weapon is available and there is a time that it can be used, it will be. I mean, certainly Tuesday must have shown us that. It seems to me that ought to be an important objective as well.

What does Tuesday mean for all that we've tried to do in terms of regime change and getting a new government into Iraq?

MR. STEINBERG: I think, in some respects, it's a double-edged sword. And a lot of it will depend on whether a conclusion is reached that Iraq had some involvement because I think that that will—I think that that will both up the ante but change the calculus in a lot of important ways.

On the one hand, as you pointed out, I mean, it really shows that, whether or not Iraq can be deterred—as I would argue is still the case, that is I think Iraq launching chemical weapons at the United States is very unlikely, just as they declined to use chemical weapons during the Gulf War because then Secretary of Defense Cheney made perfectly clear what the consequence would be. You have to worry that Iraq would make these capabilities available to others sub rosa and therefore, in a proliferation of terrorism sense, that could be the most dangerous of all.

But at the same time, we go back to the issue of the coalition, which is: If you decide that counterterrorism is your goal, but then on top of that, you're going to engage in a military operation to change the regime in Iraq, will the Saudis be there? Will Turkey be there? Will other countries in the region then be there if you then make that as part of the overall objective? And that's going to be the balancing act that the administration has to face, which is that—on the high end of the options, there are things that may fit their model of holding states responsible. But if the cost of that is to keep fracturing the coalition and forcing this to be the United States alone, first of all, it becomes much harder to do. I mean, the United States having to operate militarily in Iraq without access to the bases of the Gulf States and Turkey is enormously challenging.

And second, in terms of the long-run strategy, does that—will that overall help or hurt you?

So I think, on the one hand, it does increase the incentive to try to address this very, very dangerous problem that the Iraqi regime poses. On the other hand, it creates an even more complicated coalition management problem.

In the middle back there.

QUESTION: Colonel Dan Anderson from the joint staff.

Any war against terrorism is going to be a very protracted event. It's going to take a long time. It isn't going to be a very swift event.

You've already alluded to the social and economic impact on American citizens here at home. What advice or what are your thoughts for how to sustain popular civil support for what is going to be protracted security measures and economic measures in order to fight against terrorism here on the domestic front?

MR. LINDSAY: Well, I think you raise a very relevant question, and I think that the management of maintaining political support is ultimately going to depend upon what kind of war we decide to wage and what the consequences of it are. If it appears that the administration in maintaining the international coalition is having to set—is being reasonable beginning with this issue and creating lots of other ancillary objectives. For example, if we don't have clear and credible evidence that this is about Iraq but then decide to expand into attacking Iraq and that fractures the coalition, then I could imagine that creating political divisions within the country. But I think the memory of what

happened and the video, which we are likely to see many times over, of those planes crashing into the World Trade Center will be very powerful reminders.

I think what's actually sort of going to be maintaining public support for doing things will be—is more likely to fade if we succeed or we appear to be succeeding. And that is a long time goes by and there have been no more attacks, and people think it's over.

There's a tendency Americans have in viewing this whole issue is that this is a one-shot deal. We're going to go in. We're going to clean these people up. It will be over. And I think you should draw a medical analogy. There's a tendency to look at it as if we have broken a bone. We will go to an orthopedist, have the bone set and we're done.

I think it's a more proper medical analogy to a chronic disease, perhaps something like AIDS. Medical practitioners tell me that AIDS is sort of a very clever virus that can hide in your body. It mutates. It pops up here and there and creates different kinds of symptoms and you have to deal with it. And I think we really should have to think about this war on terrorism in quite the same way.

And I think part of what is going to complicate the efforts of any president is going to be that we really don't have the right vocabulary for this because most of our vocabulary is sort of the vocabulary of World War II or the Gulf War. We talk about wars and we tend to think that, somehow, it's going to be simple, that the adversary will be clear, that the battlefield will be relatively easy, that our military power—which is immense and without peer in the world—can easily be translated into an effective solution. And for all the reasons we talked about here today, it's not like that.

MR. STEINBERG: Let's take one more question. Over here.

QUESTION: George Beglava (ph) from Johns Hopkins University.

We're talking about that it's going to be a non-traditional war and we're going to go in there. And of course, we're going to be winning but how will we decide that we have won? When do we stop? Or will we ever?

MR. LINDSAY: Well, to go back to what I just said before, we won't win in the conventional sense of having VE day or VJ day, and we can all celebrate in Times Square. This is going to have to be a concerted, dedicated policy response that is going to go on not through the Bush administration, but the administrations to follow after that because, even if you roll up the Osama bin Laden network, there is nothing to prevent this from appearing elsewhere. And I think it's also important to remember—to go back to a central point Jim made earlier on—this is not about the United States versus something. This is about the notion the civilized world of law and order versus the forces of chaos and destruction.

And what's horrifying in all of this is that the people who wish to bring this down, that are responsible for attacks like those on Tuesday, are extraordinarily small in number. But

the nature of modern society, the nature of our technology makes it possible for relatively small numbers of people who are intensely motivated to wreak awful destruction.

MR. STEINBERG: I want to thank my colleagues for very informative comments and thank you all for coming.