A SABAN CENTER FOR MIDDLE EAST POLICY SYMPOSIUM

at THE BROOKINGS INSTITUTION

"HOW TO WIN THE WAR AGAINST TERRORISM"

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P R O C E E D I N G S

MR. BYMAN: Good morning. I'm Dan Byman and I'm delighted to introduce our panel.

We have a truly impressive group of people here right now to discuss how the war on terrorism is going.

Our first speaker--I'm going to introduce all three right now--is going to be Dr. Richard Falkenrath, who is a senior fellow here at Brookings.

Dr. Falkenrath was the deputy homeland security advisor and deputy assistant to the President for several years as well as holding several other senior positions within government. He is a true expert on a wide range of homeland security issues, having immersed himself in many of the details well before 9/11, and that expertise shows today.

Also joining us is Mr. Roger Cressey, who is now the president of Good Harbor Consulting. He was the chief of staff for the President's Critical Infrastructure Initiative. And also, he was the director of the Transnational Threats Office, where terrorism and counter-terrorism was dealt with for many years in the White House both before and after September 11th.

Our third speaker is Dr. Mark Sageman from the University of Pennsylvania. He spent several years with the U.S. government. And I should note that in Washington, as you know, the word doctor is thrown around very casually. Dr. Sageman is actually a doctor. So should any of you have broader problems to take care of, do not ask for a doctor because probably half of this room will raise their hand. But if you need a real doctor, we fortunately have one with us today.

I would also like to say a brief word about his book "Understanding Terror Networks." There are numerous books written that address the problem of terrorism and counter-terrorism from about 30,000 feet. You kind of give a broad strategy. You talk about very big issues. Very rarely do we have the other perspective, a micro level looking up. And Dr. Sageman's book is one of the few books out there still, which is amazing, that looks at groups like Al Qaeda from the point of view and from the perspectives of the members involved and from there draws broader implications and recommendations. And it's truly a remarkable piece of work.

So I'm delighted to have all three gentlemen here to join us today. And let's begin our session with Dr. Falkenrath.

Dr. FALKENRATH: Thanks, Dan. And thanks, Ken, for pulling this symposium together. It's a good time to focus on this particular set of issues when people are so distracted by hurricanes and Supreme Court justices and Iraq, North Korean, Iran. There's a lot going on in the world. But this remains one of the single most important issues for U.S. national security. And in recently years, frankly, it's gotten less attention than it should have. So it's good to be coming together and thinking about these issues in a serious way at this time.

I want to start with the good side of the ledger in the war on terror, how I think we're doing. And then I'm going to pivot to some of the problems as I see it.

Clearly, Al Qaeda as we knew it pre-9/11 doesn't exist any more. Certain remnants do. But that organization that attacked us on 9/11 and even before that, is not what it was at that time. The administration likes to say two-thirds of the top leadership is dead or captured. Hard to account for exactly who--is that a right fraction. But a lot

of the senior leadership have been killed or captured. Some substantial portion of that is in custody in Iran--has been for a while. But they don't seem to be very active in Iran.

And there has been at least one important success in the kill and capture area which was the capture of Raj Alibi (ph) who had emerged as the sort of military commander for Al Qaeda in 2003-2004. That was an important take down.

The remainder of the Al Qaeda leadership, you know, is mostly in the sort of tribal area of Pakistan and possibly Afghanistan. I think it's pretty clear that since 9/11 they've been spending more of their time trying to survive than they have planning operations. And here I thought the analysis from Avi about the Israeli experience was right on, that simply getting a terrorist organization to shift the balance of time it spends trying to stay alive and at liberty from planning attacks is a manner of success in and of itself.

There have, since 9/11, been a number of attacks disrupted. Some were reported in the papers. There have, however, been a lot of attacks around the world. None, however, really fits the pattern of 90/11 and indeed the embassy bombings and the Cole.

None appears really as powerfully directed from the central Al Qaeda leadership in the tribal area of Pakistan. Rather, they're sort of spontaneous attacks or attacks carried out by local groups on local initiative against mostly local targets. The reach of these terrorists is not as wide as the reach of Al Qaeda was pre-9/11. That appears to be the general pattern.

London, which I'm going to say a word about at the end, may be a slight change from that. But it appears to be the pattern since 9/11.

Iraq, for all of the problems there, is in fact, something of a magnet for jihadist terrorists, for fanatics. A lot of terrorists that otherwise would be attacking Western targets in Western Europe or possibly the United States have gone to Iraq and are being engaged there. I think it's factually accurate to say that. The long term implication of that is up for debate, but I think it is the case that a lot of terrorists and the most prominent of whom is Zarqawi, have gone there and are being engaged there in an active way.

In Afghanistan, there is this remarkable, an ongoing political transition from the Taliban era that's clearly a success, although everyone wishes it would go faster and be more complete.

There are some signs of a shift in moderate, elite Islamic opinion, particularly in the West. Mostly I'd say you saw those signs after the Madrid attack and after the London attack, where you had, you know, leaders of the Islamic communities in those areas coming out strongly against the attacks.

Many of the institutions that we rely on to prosecute the war on terror in the U.S. have been enhanced and reformed and improved. The budgets have all been upped dramatically.

I was at a talk last night with the former DDO at the CIA, Jim Pavitt and he was recounting--I'd almost forgotten the budgetary scrabbles pre-9/11. And the budgetary issues for counter-terrorism operations and the directive operations of the CIA pre-9/11 were just missing a zero. I mean, it was preposterous how small the sums were. Post-9/11 the budgets have been made available. There have been reorganizations and

refocusing of many of the key organizations, including the military, the CIA and the FBI. Their authorities have been expanded both in law and in presidential directive.

Importantly, there have been no attacks in the United States since 9/11. And I think we just have to accept that as a success. It could change again tonight. I mean there's no--I won't be the least bit surprised if it does change again in short order. But four years of no attack is a significant conclusion. And it's probably the case that there are no pre-9/11 sleeper cells in the United States. You can never know what you don't know, but the fact is if there was a sleeper cell placed here pre-9/11, they have had ample intent to attack us in the four years that have followed. We've been--the FBI and others have been hunting for them. Some support networks have been found, but a real operational sleeper cell, this is one our biggest nightmares, someone has been lying in the grass for a long time waiting to strike. My own feeling is that every day that goes by past 9/11, the odds that they're actually there go down just a little bit because they have had such strong motivation to attack us and they haven't. And we've been looking very hard.

Also, the U.S. Muslim population does not appear to be a particularly productive recruiting ground for terrorists, certainly compared to the Muslim population in Europe and the Middle East. That's not to say there is no threat from the U.S. Muslim population, and it's watched very closely for signs of threat. But compared to other countries, our allies in part, I'd have to say that our own population that lives here presents lower risk than theirs does. And large segments of the U.S. Muslim population are co-opted by domestic counterterrorism efforts of the FBI and others and cooperate with those. So that's the sort of good side of the ledger.

Bad side of the ledger; four years after 9/11, obviously bin Laden and Al-Zawahiri are still at large. This is simply an outrage, and no one--I think no American can look at the situation and say that it's satisfactory in any ways.

The tribal area of Pakistan and possibly certain areas of Afghanistan remain what in the old days were called "swamps." They remain places where terrorists have far too high a degree of freedom of action.

The rate of capture for the al Qaeda leadership and al Qaeda membership is down dramatically from the year after 9/11. There are a few that trickle through, Faraj al-Libbi being the most important, but certainly the major captures and takedowns are coming much more slowly these days than they were in the old days.

Around the world there are a number of other training areas, training camps that continue to operate. One of the most egregious is the Philippines, where are all these camps. In terms of our handling of detainees worldwide, which is an extremely important part of the war on terror, just dealing with the individuals whom we've apprehended in one way or another, there is no viable international consensus on how to handle them. The domestic framework for handling them is under attack in the courts and in the Congress and this issue of detainees is an enormous sore in U.S. relations with every other ally, every other nation that should be an ally in the war on terror. The battle for the hearts and minds of Muslim militants and the Muslim world I think has not even really been engaged in. We're still suffering there.

There are other terrorist organizations aside from al Qaeda that have been largely untouched since 9/11, the most extreme of which, of course, is Hezbollah, which is--I like the metaphor of an army, but it is in a dormant state right now, and if it ever

chooses to stop being dormant, could challenge the Western world--the United States, Israel, whomever--in a way that exceeds al Qaeda possibly by an order of magnitude.

I think when you look at it, you sort of add all this up and you look at the positive and the negative sides, my feeling is that this is an unsatisfactory state of affairs, and that there is no room for complacency here or for comfort to be taken. There is no question in my mind that at the highest levels in the administration, there are a lot of other distractions, a lot of other things taking their time away. But I don't think it's just an issue of getting the eye of the principal level officials to focus or pay more attention. It also has to do with how well the agencies beneath them follow through with the mission. And there I think several of them are being taxed in a very extreme way by other demands of U.S. foreign policy and other global challenges as they're coming up. So I am worried--I'm worried that this issue, prosecution of the war on terror--on terrorists, not terror, the metaphor, is slipping and is becoming a sort of B list issue, and it absolutely must be an A list issue, and there can't be too many other issues on the A list.

MR. BYMAN: Thank you.

Roger?

MR. CRESSEY: Dan, thanks.

Avi, that was a very good opening presentation, but you worried me there at the end. When you talked about the culture of yani, I thought you were going to reference a very bad Greek singer as being a key component of the Arab-Israeli conflict. And for the younger members of the audience, Google "Yanni" and you'll see what I mean.

Let me first talk about--I'm going to talk about three areas here. The first one is how do we judge the state of al Qaeda as a movement, because that's what we're dealing with here today. As Richard said, the organization that we knew, your father's al Qaeda or al Qaeda 1.0, no longer exists. It has been seriously attritted and it has morphed and it has evolved.

Looking back at the Cold War, there was a capabilities versus intent debate. During the Cold War, a lot of people around Washington made a lot of money in trying to assess what was the capability of the Soviet Union and its Warsaw Pact allies. The central political debate focused on what was their intent. What were they going to do with all that military hardware?

I'd argue today that the exact opposite is true. We've got a really good idea what this adversary's intent is. What we don't understand is what the capability is. And you talk to anybody in the intelligence community right now, they will tell you that's one of the central problems, because until you can assess that capability, you cannot build a broader strategic assessment of what it is you need to face and what it is you need to do in response.

A very important question. When you're looking at the remaining leadership somewhere in Waziristan or in the northwest frontier, the central question is: Do they have any operational control over this remaining al Qaeda organization, or have they been reduced merely to propagandists, providing ideological support but nothing else? It's a very important question. Because as al Qaeda has declined as an organization, this global Sunni extremist movement has grown, as Ken mentioned in his

earlier remark, that we now have a global phenomenon here, of which al Qaeda as we knew it is just one part of it.

This movement has morphed and metastasized in a variety of ways. There are three basic areas that I think people should keep in mind. One is you're dealing with international Sunni extremist groups, like Abu Mousab al-Zarqawi's group. You're dealing with local extremists with no previous ties to al Qaeda but now support al Qaeda's message. And you're dealing with individual jihadists, people for a variety of reasons who have decided to undertake jihad as defined by bin Laden and his followers.

You've also seen the rise of the North Africans in this Sunni extremist movement--the Salafist Group for Preaching and Combat, the Tunisian and Moroccan Islamic combatant movements, the Libyan Islamic Fighting Group. This is all part of what Jean-Louis Bruguiere, the French magistrate, describes as "a South-North axis," groups and individuals who are now threatening the North in a way that they did not before. This is another element of this phenomenon that we're now dealing with.

Another part of this question is: How do you decide what is inspirational and what is directed by al Qaeda? If you look at most of the attacks since 9/11--and as Richard said, we have not, thankfully, been attacked, and for many Americans that's the ultimate metric of success, right? Have we suffered an attack domestically? But you look around the world and the operational tempo has been far higher. Be it Casablanca, Istanbul, Madrid, and now London, almost all of those, by and large, are believed to have been inspired by, not directed --

[End of tape 1, side a, begin side b.]

-- Yousef Belhaj, one of the Madrid leaders, chose the timing of the attack on Madrid based on the release of bin Laden's video the previous year. Is that inspired by or is that directed by? I don't really know. But I know, obviously, bin Laden is still relevant and what he says is still relevant.

Another phenomenon related to this is the globalization of martyrdom. Avi knows better than most that martyrdom, by and large, was a localized phenomenon for a number of years. Well, now we're seeing it on a global basis, and there's significant interest in the European Muslim population regarding martyrdom in a way that should be very, very disturbing for all of us as well. In some respects, that might be our greatest long-term concern. It's a disenfranchised population, it's disaffected, they're isolated, and they're angry. And I agree with Richard that one of the great underreported successes here in the United States is that the American Muslim population has not proved to be a similar source for recruitment as we've seen in Europe. It's a testament to the integration in our society. It's a testament to the strength of the American Muslim population.

But in the 7/7 attack and in the 7/21 attack, you saw two different elements. In the 7/7 attack, it was second-generation immigrants. In the 7/21 attack, these were children of asylum seekers from East Africa, people who came to Great Britain in the early 1990s.

So it's not like we can just identify those who've just arrived or we can just focus on those second- and perhaps even third-generation immigrants. It's a broader pool that we have to address and deal with.

The other thing we've seen in Madrid and London in some respects is the face of the future of this threat. You've seen a nexus of drug traffickers, residual al Qaeda members, and the North African presence that I mentioned earlier, in addition to Pakistani and East African.

A lot of these people are not the folks that appear on any terrorism watch list or terrorism database or no-fly list. So how do you identify them? How do you tag them? And how do you ultimately track them? A serious long-term strategic challenge for the intelligence community and for the military.

One country that I'd place particular focus on right now is Italy. I think there is a pretty good belief that Italy is next on the al Qaeda-inspired hit list for a variety of reasons. What was lost in the aftermath of the 7/7 bombing was the prosecution and conviction of several bombers who were attempting to bomb the Milan subway and the Cremona Cathedral back in 2002. The Milan subway is the most heavily traveled subway in Italy. This was in 2002 when they tried to do this. They're going to come again. Italy continues to be a serious and significant logistics hub, and it's not by accident that one of the attempted bombers from the 7/21 attack fled to Italy, because it is in some respects a bit of a sanctuary right now.

Let me talk about the Iraq factor next. From a terrorism perspective, Iraq's going to be remembered as the war of unintended consequences. There's really two timelines that have happened. The administration's timeline as they first envisioned Iraq assumed growing in a linear fashion. At some point during that timeline, a new timeline started and that was a timeline of unintended consequences when it comes to how Iraq has motivated and fueled the global Sunni extremist movement. So regardless

of how Iraq plays out in terms of our end state with a democratically elected government, safety, stability, and security, and all the things we hope happen, this other timeline will continue on terrorism. Keep that in mind because what happens in Iraq will not determine how the terrorism aspect of Iraq ultimately is solved, if that at all makes sense.

A couple things we've seen as a result of these unintended consequences. You've seen a mujahedin underground railroad in the Middle East and in Europe that has become revitalized, re-energized after the Afghan defeat. And this underground railroad will be in place and will be active long after U.S. forces leave Iraq. You've seen the growth of Abu Mousab al-Zarqawi from a local thug into a terrorist with a global following. Avi, I am sure, remembers the Millennium Plot in December 1999, when Zarqawi and others were looking to bomb sites inside Jordan and Israeli tourist buses as they were coming into Jordan. We in the counterterrorism community were fully well aware of what Zarqawi was all about, but he was a localized phenomenon. Now, of course, he is much more.

The third point is that we have a training ground now in Iraq despite all the best efforts of our people there--a training ground that in some respects is better than Afghanistan for this terrorism phenomenon. It has become an unintended sanctuary for the Sunni extremist movement.

I think al Qaeda, what we consider to be al Qaeda now, now views Iraq as a strategic opportunity in a way it wasn't before. It's not only a new theater of operations, but it's motivating this base, this global base. It's attracting new recruits, and it's providing field training for a new generation.

We've seen the phenomenon within cyberspace and the proliferation of CDs and videos from what the jihadists have done in Iraq as very, very important in terms of motivating the Sunni extremist movement on a worldwide basis. And the proliferation of training materials is such that turning off the recruitment tap is nearly impossible.

I've joked with Ken that we may be dusting off his old containment papers, the Iraq containment papers, from the early 1990s in the next year or two, changing the dates, changing some of the names, because we may be faced with an Iraq containment policy in the latter part of this decade, except we're containing Iraq for much different reasons than we did in the 1990s. That's a very sad state of affairs. I hope that does not happen.

Now, Porter Goss, Director of the CIA, who has taken a beating in most newspapers, some of it deserved, did say one important thing that was right one, which is the strategic challenge is what happens with the jihadists who come into Iraq, who learn their trade, survive the experience, and then go back home. How do we identify these people?

Here is where I disagree with Richard, because the flypaper argument--which a lot of people in the administration adhere to, which is Iraq is this flypaper that all the jihadists come to. Well, it's wrong for several reasons.

One, there's not a limited gene pool of jihadists out there. So if you bring whoever in and you kill them there, you're not reducing the overall gene pool because there are new jihadists being created.

Two, we failed to keep them in Iraq, and if you talk to any European counterterrorism official, right now they're most worried about these people leaving Iraq and coming back home.

And, three, the threats in terms of--the threat from al Qaeda in terms of what we have to face here in the continental United States is not from these individuals going to Iraq. It's from the remnants of the al Qaeda organization, this leadership that still operates in some way, shape, or form on the border, and the remnants of that organization. That's the group that's trying to attack us in the United States right now. The fear, of course, is that five, ten years down the road these survivors of the Iraq jihad will then turn their attention to us. So I don't buy the flypaper argument.

This is the number one priority for the intelligence community: identifying these individuals as they leave Iraq and making sure they do not become a threat to us in the future.

And the last point I'll make is the question of the war of ideas. Who's doing better on this, us or the jihadists? I keep coming back to the central problem as I see it, which is it's a message-versus-messenger issue. When you look at the administration's message, it's really not that bad: political openness, greater economic opportunity, and a number of things that, if it happens the right way, will make the Middle East and the Islamic world a better place. The problem is the messenger is not trusted and is not believed. And the messenger in this case is in a position--at a point where they're never going to be believed and trusted for the remainder of their time in office.

The war against Islam message that bin Laden and his followers are putting out resonates in a broad way with a large portion of the Islamic population. You fight the crusaders and the apostate regimes, and what we have failed to do is come up with an effective counter to that message.

We all know about al Jazeera and we all worry about al Jazeera. Avi, how much did you worry about al Minar? For those of you who don't know al Minar, al Minar is Hezbollah's TV station. And let me tell you something: If you think there are problems in the Islamic media right now, take a look at what al Minar is broadcasting, because I guarantee you it's a whole lot worse than what you see on CNN International. Al Minar is a very popular channel in places like Jordan, in places like Egypt, and some of our strongest Arab allies. How do we combat that message in a way that's effective and persuasive?

I've worked in both Republican and Democratic administrations, and let me tell you, there is bipartisan failure when it comes to public diplomacy. We just aren't good at it.

The other problem I have with equating Iraq to the broader issue of the war against al Qaeda and its affiliates is that even if Iraq turns out in a way we all hope, the jihadists are not going to have what I call the V-8 moment, the "Those Americans, they were right after all. You know, maybe we should change our view." So do not get wrapped up into Iraq as it equates to the war against al Qaeda because I think it's a mistake.

So who is the target? Well, if you look at this from a concentric circles perspective, the inner circle is al Qaeda and its affiliates. The next circle out is the

broader sympathizer group. And then the next circle out are the fence sitters. And the final circle is the broader Islamic world. We need to be targeting the fence sitters right now, people that are generally pissed off at the United States but have not become activists against us. What do we need to do in order to keep those fence sitters on the non-activist side of the fence? Long-term strategic challenge.

Now, positive U.S. actions will have impact. There's no doubt about that. The U.S. view in Indonesia, the view of America in Indonesia changed dramatically after American aid arrived after the tsunami. The poll numbers went from one end of the spectrum to the other. The U.S. military conducting humanitarian assistance, tremendous, tremendous positive impact. How do we capitalize on that and take advantage of it?

The administration's in the midst of developing a new national security presidential directive. Instead of GWAT, as some of you may have read, it's now GSAVE, the Global Struggle Against Violent Extremism. That may change because the President didn't like that acronym, I'm told. But one of its key tenets is develop an approach with mainstream Muslims to delegitimize violent extremism. Makes perfect sense. Very, very difficult to do.

Now, our advantages in this are still pretty good. We still operate from a position of strength, and al Qaeda has made some significant strategic mistakes, probably the biggest of which was conducting attacks inside Saudi Arabia back in 2003, because that more than anything else, more than any effort by the United States Government, got the Saudis focused and serious about the al Qaeda cancer they have in their country. And finally they are fighting and dying in trying to rip apart this network.

It's going to take a long time to do because that cancer runs pretty deep in that country. But by doing so, they probably eliminated or are in the process of eliminating one of the most important undeclared sanctuaries, or as Dan Byman talks about in his book, one of the most important passive sponsors of terrorism.

Let me close with just one point on Iran because I think this is very important. Iran has two elements to it from a counterterrorism perspective. One is what do we do about the al Qaeda presence in Iran, the management council that is under house arrest. I am not sure how one defines house arrest in Iran these days, but it can't be as good as we would like. There's been a long history of al Qaeda movement through Iran. Egyptian Islamic Jihad used Tehran and other parts of Iran as a whistle-stop on their way into Afghanistan before 9/11. What type of ties did al Qaeda have with the MOIS and the IRGC in the days leading up to 9/11? And what type of ties are still there today? Another very important question that we don't know the answer to.

And related to this, of course, is what happens on the terrorism side of the house with a nuclear confrontation. We're all focused on how do we deal with Iran's burgeoning nuclear capability. Iran is still the number one state sponsor of terrorism. They have a global capability. They have an army in Lebanon, and they have an ability to reach out and touch us in ways al Qaeda could only imagine and dream of. So how do we deal with the Iranian terrorism threat as well in the context of this broader problem? That's a very difficult problem as well.

And on that uplifting note, I'll turn it back to you, Dan.

MR. BYMAN: Thank you, Roger.

Dr. Sageman?

DR. SAGEMAN: Thank you, Dan, for the kind words about my book. Unfortunately, I only have 15 minutes, so whatever I'm going to say is going to come out as a sound bite. And I must tell you I hate sound bites because to develop an argument, you actually have to develop an argument.

The good news is that I hear that there's a consensus here around this table that I completely agree with, you know, both Richard and Roger. I was very interested in what Avi had to say this morning. I loved the analogy of the fishes. It shows that terrorism is an evolution. I completely agree. It's dynamic. People change, terrorism changes. Also, I completely agree with you it's war against terrorists, specific people, small-fish sardines, you know, sharks, whales.

But that also tells me that there are a lot of differences because your terrorists are not our terrorists. I don't really want to claim ownership of a terrorist, but the terrorists that go against Israel seem to be a little bit better organized and offer more targets.

I must confess that I'm a parochial American, and I'm really just interested in the threat to the United States. That's what I study. And I grew my sample of terrorists against the United States from the people who did 9/11, so basically my index sample was 19 guys, and then I added on whoever had any kind of operational links to them. And after about 150 of them, I realized what I had, which was people, Salafi, militant Salafi, violent Salafi extremists who went after the United States, the far enemy, and this had been a switch in the 1990s that occurred in Khartoum where they decided to switch from the near enemy, their own government, to the far enemy, the United States.

That means that we're really dealing with two phenomena: the Israeli terrorism, and now a terrorism fairly different. There are some overlaps, but usually it's different, and the overlaps are--you mentioned Omar Khan Sharif, you know, hit Mike's Bar.

By the way, did he go after the U.S. Embassy? When I was in Tel Aviv last year, I realized it was right next to the U.S. Embassy, and nobody--I didn't see a newspaper account mentioning that this bar is the next building to the U.S. Embassy. So I don't know exactly who they wanted to hit, but Mike's Bar. So Omar Khan Sharif and his friend, Mombasa, Taba, Aqaba. So, I mean, we do have some little overlap, but usually they're very different.

So I'm kind of looking at the threat to the United States, and here I'm supposed to grade the government, I guess, how well are they doing against al Qaeda. Well, it depends on how you define al Qaeda. We are doing extremely well against al Qaeda. We're doing very poorly against the movement which I call the global Salafi jihad. So we're completely in agreement.

It turns out most of the terrorists started out as spontaneously self-organized groups. Here I want to kind of bring you back a little bit in the evolution of this movement. Before 9/11, those groups were able to make a link to al Qaeda central, as our intel community calls them now, and al Qaeda between 1996 and 2001 in Afghanistan. That was really the golden age of al Qaeda. They were able to control the social movement because they had monopoly of the training camp, they had monopoly of shelter, they had monopoly of the funding, and they had basically a small staff able to coordinate terrorist operations worldwide.

So it gave them--it gave us the illusion that they were better organized than they actually were during that five-year period, and indeed they did 9/11. After 9/11, the rules changed, as you probably felt, in Israel as well and our counterterrorist policy has been amazingly successful against the old al Qaeda, to the point that now the whole movement, which I again call the global Salafi jihad, is really a series of disconnected little groups that have spontaneously generated. They're informal in terms of communication. They're really groups of friends, and what they were lacking is really kind of this linkage.

So right now in the present, I see four families of networks going after the United States. One is the old al Qaeda central, and as I said, those guys are basically neutralized. The other are the pre-existing terrorist organizations which for a while went along with al Qaeda and, you know, Jemaah Islamiyah, Zarqawi's group, which has changed names several times. It was al To-(?) before it became al Qaeda in Iraq. The Abu Sayav (ph) group, the GIA. I mean, they are some groups, but now they're much more autonomous.

We're doing actually pretty well against those groups. What we're not doing well against are the unaffiliated, informal groups. Those are the Madrid groups, the guys who did Casablanca. You know, just because some of those groups have a name does not mean that they're well organized. Most of their names are given by journalists or by local authorities, like the Salafiyyah Jihad. No Moroccan who is part of the Salafiyyah Jihad, what we call Salafiyyah Jihad, would say, "What's that?" You know, same thing about the Madrid group. The same thing about the Hofstad(?) group.

The Hofstad group, journalists and the Dutch authorities put a label on this group, but those guys are just brothers to each other.

So all those groups, the London group, the Hana Halali (ph) group, you know, spontaneous--even the Taba group I guess went to Sharm el-Sheikh. (?) Istanbul group, Ben Shallali group, the French have several.

And then the fourth are the singletons, and the singletons exist and are becoming more numerous. There is this guy named Yahya Kaduri (ph) who was arrested about now almost a year ago who had never had any linkage to any jihad whatsoever. A 17-year-old, at the time 16, surfing the Net, decided on his own to do a terrorist operation, accumulated explosive material in his bedroom, and since one of the materials was fertilizer, it smelled. His father walked into his room, realized what happened, he called the cops on his son. This is a new development. And for us Americans, I think you should stop thinking Columbia, Red River. It's the same mechanism, unfortunately, but it's a Salafi version of the same mechanism.

So our success against the first two families of terrorist groups means that the last two are becoming more prominent. You know, it's a little bit like the market. You know, you close one side, the other side becomes more prominent. And, therefore, this means that the success that you had, Avi, in Israel may not be duplicated by us because deterrence may not work. Deterrence may work if you have an organization, if you have leadership. What I'm describing are groups without any adult supervision. It's a little bit like, you know, this apocryphal story of the revolution of 1848, where you have a bunch of teenagers running to the barricade to throw bricks at French policemen, and a middle-aged guy followed them, a little despondent, no enthusiasm, and

supposedly one guy saw that and said, "Why are you following them? Obviously, you don't belong to that group." He said, "I must follow them. I'm their leader."

This is al Qaeda nowadays. You know, al Qaeda now post hoc takes credit or not of operations. So some operations that are beyond the pale, like Beslan, or even the 25 kids who were accepting candies from a GI in Baghdad, that's not al Qaeda. I mean, even Zarqawi did not claim credit for that one, and Zarqawi claims credit for everything. But that's really what's happening now.

And so, you know, since nobody believes Zawahiri the first time around in London--he actually had--he (?) it, "No, no, it was me, it was me," and nobody really believes him as well now.

So this thing is evolving, and it's evolving--it's almost migrating to the Internet. And by that I mean--and I don't really mean cyberterrorism and so on. I'm kind of looking at the Internet as a kind of command and control now, because--and I know Prime Minister Blair is trying to go after the preachers of hate. I think it's too late. They're all on the Internet. Within two clicks you can every word they ever said, and you can be inspired by them. You can do any--I mean, the Internet is really kind of becoming the invisible hand organizing terrorist activities everywhere. And this basically goes towards a little bit of a leaderless jihad.

So now we have a very complex system that we're dealing with, and to Americans here in the group, just because it's complex does not mean that you have intelligent design behind it.

[Laughter.]

MR. SAGEMAN: This is a Darwinian evolution. They take what we give them, and so far we give them that. And in terms of the threat to us Americans, the threat comes from Europe. I complete agree. And I completely agree in terms of the U.S. Muslim population.

The one story that I've never seen any journalist write about is the patriotism and heroism of the U.S. Muslim community here. Despite all we've done to them, they still are very much patriotic Americans. And I completely agree with you guys in terms of that. And this is very different from Europe because you have to distinguish countries built on immigration and countries built on conquest, like Europe. And here, since this is a country built on immigration, everybody remembers a grandfather coming from elsewhere. So, you know, fine, they may be exotic, but, you know, they're not unusual. This is different from Europe.

I remember a few years ago I was in Denmark, and I was marveling at the, you know, good health and--you know, they're all sportsmen in Denmark. I'm going there. I said, you know, I have to start running again. I've been saying that for the last two decades. But one day it will come true. And I was telling my host, who is a Danish sociologist, I said, "Gee, it's homogeneous," you know, you guys--I mean, it looks good. And he said, "What do you mean homogeneous?" I said, you know, "See those guys out there, that village." I said, "Yeah, they're Danes." He said, "No, they're not Danes. Those guys were Poles who fled the Teutonic knights in the 14th century. We still call them `the Poles' or `the foreigners.'" That's Denmark, and that's Europe.

You know, the type of hostility that you have in the large cities and in the suburbs of large cities of Europe, I mean, it's palpable. And so you have this Salafi,

violent Salafi solution, this dream, I mean, because it's a utopian dream and it inspires young, romantic people who want to change our world to make it a better place. That's what the terrorists want.

I know looking at them from the outside it's a message of hate, but looking from the inside, that's not--you know, they're willing to sacrifice themselves for the future, for this utopian ideal.

And so this is ongoing in Europe. Even the most liberal country, like Holland, who tried as hard as any country to try to integrate people, it doesn't work because integration, it turns out--these are people to people. It's a bottom-up thing. It's according to the opportunities you get in the marketplace. Try to get a job in Paris with a first name of Mohammed or Ahmed. You know, I mean, they change their names. Now it's Michel Albert. To the point that if you apply for a job in France, you know, they ask you for your name and then they ask you for your name before you changed it. I mean, this is a reality now in Europe.

And so what we're facing here, what we have faced, was very much a European problem exported to the United States. And it will take a long time for Europe to integrate because, I mean, they had a real problem. Europe was destroyed by World War II. They ended up destroying their manpower. They imported their manpower from the Muslim world, Algerians in France, Turks in Germany, Pakistani, and Bangladeshi in England. And after, they rebuilt the country. And at that time they were just males, married, but they were--you know, the family was back home and they were sending the money back. This is no longer the case after the '70s because the Europeans want to send them back, they made immigration much more difficult, and those guys are

no dummies. They brought their family over. And so, paradoxically, all the measures to tighten up on immigration resulted in an explosion of immigration. So it went from a half million to 20 million, and Europe doesn't know what to do with it. You have to educate the European population in terms of the benefits that those guys can give you.

So basically what I'm describing to you now is a very amorphous threat, really a leaderless jihad, and now the issue is how do you prevent it. You know, the guys who are terrorists right now, you can't change their mind. You can't do anything. You have to kill or capture them. Those guys are gone. So I agree with the Israeli strategy on the guys who are terrorists. But for us, the challenge is to prevent the future generation, and that's a much, much harder task because it involves not only law enforcement, it also involves military issues. I mean, you know, the military mission is sanctuary denial, and then it should be that if we relax our vigilance, we're not going to get Madrids, we're going to get New Yorks again. That's a different sanctuary. There was a difference between Madrid, you know, a local operation, and a transnational operation coordinated by the center.

It involves getting serious about the world idea. We are starting to get serious. We haven't engaged it yet because we have to win the war in Washington first. But we're going to get there. I mean, it seems that--and so in terms of grades, I think that B-plus, A-minus against al Qaeda, a D against the social movement.

MR. BYMAN: That's a suitably cheery ending to the prepared remarks. Let's go to questions. I'd like to continue what was begun this morning and take them in series of threes and have our panelists respond to them as they see appropriate. So please raise your hands. Yes, sir?

QUESTIONER: My name is Robert Gard (ph). I'm an independent consultant. I was struck by the fact that none of the panelists mentioned the inadequately secured nuclear materials, particularly highly enriched uranium, in both Russia and, as Sam Nunn said on the 29th of May, there are 100 nuclear installations elsewhere in the world with more than enough highly enriched uranium to make a very simple atomic explosive device.

Since our panelists have considerable experience in the government, why isn't there a greater sense of urgency in nailing down those materials before we find out that maybe the reason we haven't been attacked is they're waiting to do one-up on 9/11?

MR. BYMAN: Thank you. It's about time someone began discussing serious issues today.

Yes, in the very back row?

QUESTIONER: I'm Susan Mulhall. I'm a retired federal tax agent. I'm wondering why we're not using more imaginative means to locate bin Laden, if we're still looking for him. I understand that he has particular medical needs. I can think of numerous ways, indirect methods, to locate him, find out where he's been, find out what he needs or what he's used, what he has to have. There are a lot of different ways you can approach the search for bin Laden.

If we are doing it this way, is it being hidden, or are we just not using our imaginations here?

MR. BYMAN: Yes, sir?

QUESTIONER: I'm Tim Phelps, a reporter with Newsday. Do we simply assume that Ayman al-Zawahiri and his boss are out of commission in terms of

directing operations? It seems from the discussion that that's the assumption, but could they not be using--obviously they're not communicating on satellite phones, but could they not be using runners and still directing operations?

DR. FALKENRATH: Good questions, and I'm sure Roger is going to want to chime in, too.

On this question, on the assumption that they're out of commission, clearly they're very careful about how they communicate. I think it's known that they've tried to reconstitute an operational arm, and Faraj al-Libbi, this character who was sort of a military--sort of a successor to Mohamed Atta, was one of the key figures in their effort to reconstitute that. And that effort was nipped by his takedown and the takedown of a few people around him.

The big question with London, though, is did the planning of London reach back into the Pakistan tribal area and possibly to bin Laden and al-Zawahiri. I'm sure this question is being asked and looked at in the classified realm. I don't know the answer. There's a few, you know, little bits of information out there in the public domain that suggest that might be the case, but we don't know.

If it is the case and it does turn out that one or both London attacks reached back into old al Qaeda central, then we need to rethink our theory about old al Qaeda central. I mean, there's no question about that. And so I have no doubt that the intelligence community is asking that question and trying to get to the bottom of it, but we don't know yet outside.

In terms of imaginative means to get bin Laden, they do--there is a whole unit, has been since pre-9/11, dedicated to trying to get this guy, and they do think of

imaginative means. The big issue with bin Laden and the entire leadership that is presumably in the tribal area of Pakistan is the extent to which the U.S. is able to operate unilaterally or has to operate through Pakistani liaison. And if we operate solely through Pakistani liaison, that is, with the consent and foreknowledge of the Pakistani services, it seriously limits the ability of the U.S. to do really imaginative things and indeed to mobilize in force.

On the HEU/plutonium issue, I agree this is a serious issue. It's a subject for another panel, and it's been around for a very long time. I mean, the sort of basic analysis of the lack of security of that material, those materials, has been published and talked about since the original Nunn-Lugar program in late 1990, middle 1991. So it's a longstanding and very serious concern.

MR. CRESSEY: I don't make the assumption that bin Laden's not in control. I think that's a dangerous assumption to make. The problem is there is not a lot of hard data right now to prove one way or the other.

What we have seen is that every time a member of the al Qaeda senior management is taken down, somebody else comes up to replace that person, not as capable, not as trained, but that doesn't make him any less lethal.

Bin Laden has done a brilliant job of using a courier system to avoid not just our detection, but the detection of those parts of the Pakistani Government that actually want to find bin Laden, as opposed to those parts of the Pakistani Government trying to protect him.

So I think there is some control, and I'm still convinced there is an element of the old al Qaeda organization that is looking to conduct another attack inside

the United States. What I don't know is whether or not they have that capability to do it. This is the intent-versus-capability debate.

So I hope I'm proved wrong on it, but based on my experience in government with these guys, I always assume the worst and am pleasantly surprised by the best.

On the Where's Waldo? question, there is lots of creative thinking, but Richard's point I think is the most relevant one here. We are constrained in our ability--well, several things. We are constrained in our ability to operate inside Pakistan. They are probably in a part of Pakistan or in Afghanistan that not only the geography helps them but the local population helps them. If you look at all the major al Qaeda operatives wrapped up in Pakistan--Abu Zubaida, Ramzi Binalshibh, Abu Faraj al-Libbi, Khalid Sheikh Mohammed--they're all picked up in major metropolitan areas, places where the Pakistani intelligence and our forces working in conjunction with them lends itself to an environment where we can pick them up.

Now, a lot of the reasons why we're not doing more--what would be perceived as more aggressive cross-border operations--and I think we are doing more than people think we are--is that there is the whole question of political stability in Islamabad with Musharraf. The long-term threat--the worry that I have is that if Musharraf is overthrown--overthrown in a way that brings up another element within the Pakistani military, who's not particularly sympathetic to our approach, who's particularly sympathetic to going after the residual al Qaeda presence in the Taliban--that's a nation state that I do not want to have on the negative side of our ledger.

So we need to think--and this is a--the game of trade-offs with Pakistan is a huge, huge issue. Our policy in the '90s was policies by sanctions against Pakistan. Excuse me. I'm going to go off on a tangent here. You know, we sanctioned them five ways to Friday on nonproliferation and as a result put ourselves in a box on other issues that were as equally important. And our brilliant sanction strategy just led to them developing a chemical-biological-nuclear missile capability while at the same time turning off a large percentage of the Pakistani military to work with the United States. That's going to have long-term repercussions.

So I do worry about Musharraf's stability, and I have to weigh the two. If I was still in government, I'd be weighing the two.

Now, that said, if we're hit again, we're hit again significantly--and don't kid yourself, the level of our response is commensurate with the number of body bags--there will be unilateral cross-border operations into Pakistan if we're hit significantly. I'm not sure what that says, but I'll guarantee you that's the response.

And on the nuclear issue, I second what Richard said. I'm not as worried about bin Laden with a nuke per se. I'm worried about an RDD, a radiological dispersal device. These guys--it take--it's a lot more than just getting the fissile material. Now, if you get that fissile material and disperse it in a way that has the tenants of an RDD, that's a threat. But the big mushroom cloud threat, I don't buy it.

DR. SAGEMAN: I don't have much to add, you know, no comments on the nuclear issue. I think that that group did try to buy uranium. It was a scam. They spent 10 million bucks on it. It didn't work--in the '80s--I mean, the '90s.

The imagination and bin Laden, I can't discuss classified stuff in open material. I don't even know what they tried. I suspect--I mean, they're bright people at the CIA. You know, I really have no idea. We're the wrong panel to ask this type of question. You really should ask the people who actually do things.

[Laughter.]

DR. SAGEMAN: And in terms of bin Laden/Zawahiri directing, I look at the operation from the bottom-up, so I'm kind of looking who those guys are, who they're linked with and so on. And there's no evidence of any operation the last three years that there's been any real linkage to the leadership. There's no doubt in my mind that the leadership really wants to do us harm, but they're hiding full-time, and their links have been broken. And this is in contrast to either the '98 embassy bombings and it's in contrast with the 9/11 operation as well. Bin Laden was directly involved in that. You know, they discussed the operations with him. He actually put a lot of input in them. There's no evidence of this happening right now.

You know, again, classified info, I think that it's pretty murky, and I'm pretty sure--you know, I talk to a lot of people in the intel community, and there are two camps. You know, some camps he links everywhere. It's like a Rorschach test. You read into it whatever you want, because it is not--you know, the information is not perfect. And so you have people who are conspiracy theorists and say, oh, yeah, those guys are involved, and others who say you can't really get ahead of the facts. And, you know, it's a leap of faith.

So, you know, I leave it up to you to really interpret the facts as you want them.

MR. BYMAN: Thank you.

Another few questions. Yes, sir?

QUESTIONER: Scott Harold, Brookings. And this is for the entire panel, so, Dan, feel free to jump in, too.

Rich, you mentioned the arrest of Abu Faraj al-Libbi. I know at the time that that was announced, this generated a whole flurry of discussion as to whether we'd gotten somebody who was actually important or whether he had the same name as someone who was important. And I guess I've never seen that resolved, but apparently you and Roger seem quite convinced that he was the big guy, the big fish to get. Can you say something about that?

And, second, a couple of avenues--or a couple of areas in which terrorists have operated. Southeast Asia, there's an insurgency in southern Thailand right now. We know that Hambali and his operatives with Jemaah Islamiyah were operating there. I wonder if you could say something about that. Also, Syria, Zarqawi has clearly moved through that territory, and there's a lot of discussion in D.C. lately, I'm given to understand, with people who work with the Reform Party of Syria, of possibly targeting Damascus for increased sanctions or even threats of military action. If any of you could comment on any of that. Thank you.

QUESTIONER: Colonel (?) , Foreign Policy Association. I cannot help quoting one of the sentences from the internal defense--the seminar held in Woodrow Wilson, that though Islam teaches peace, it means peace, but all terrorists are Muslims. Directly or indirectly, their entire measure against terrorism is directed against

the Muslims. But have any other means been adopted, I mean, despite the military means, to tackle this problem?

Secondly, what is the defense against a suicide bomber?

QUESTIONER: Will Marshall, Progressive Policy Institute. The premise here on the panel seems to be that the reason we haven't been hit since 9/11 is incapacity of al Qaeda and bin Laden, whatever is left of the original organization. But isn't it possible that their strategic, his strategic calculus has shifted and he now sees Iraq as the primary battlefront? And Zarqawi has pledged allegiance to him, so why bother trying to mount difficult operations against the United States when you can gain so much more through a defeat to the enemy right there where it's easy to move people and to inspire potential jihadists to go there and fight? That's question number one.

Second is where does the seemingly inexhaustible supply of money of Zarqawi and the insurgents in Iraq come from in your judgment?

MR. BYMAN: Roger, do you want to--

MR. CRESSEY: Yeah, sure. The United States is still the brass ring for what is--what was the al Qaeda organization. So I'm still convinced they want to conduct another attack inside the United States because nothing energizes their base, nothing energizes the movement in terms of money, in terms of recruits, as another attack here. Because from their perspective, if they're able to attack us at a time at a heightened state of alert, when we've spent billions of dollars on homeland security, it sends a very unmistakable message: No matter what you do, you're not safe. I come back to the capability question.

Now, I think that said, they are opportunists as much as anybody else, and so they see a strategic opportunity, as I mentioned earlier, in Iraq that they are going to capitalize on, take credit for events that happen there, even though they may have no direct linkage to it. If that's all part and parcel of advancing the movement and the cause, I think that's true.

You know, their time frame and our time frame are usually different. How do they refer to the 9/11 attacks? "The raids." "The raids on Washington and New York." It makes me think back to the raid on Tokyo during World War II by Colonel Doolittle. The whole purpose of the raid on Tokyo was to energize the base in the United States and to make a very strong message to the Japanese: You're not safe. That's an interesting parallel. They're looking very long term here. So I'd keep that in mind.

The suicide bomber, I'll leave that to Avi because we don't have--we have no brilliant ideas. You have to have a defense in-depth strategy, a layered defense, you have to have luck, and you have to have really good intelligence. Part of it is also related to we have not seen a recruitment base here in the United States in the American Muslim society that they're able to tap into yet. [Knocks.] And I hope it stays that way.

But I think everyone is concerned about the one nightmare scenario of four or five suicide bombers, four or five shopping malls around the country, four or five movie theaters simultaneous, because we will have no great response to that. That's a very troublesome scenario. And, by the way, it will achieve one of bin Laden's greatest objectives, which is economic damage, because the economic impact of that I think would be rather significant.

On al-Libbi, is he important? Yes. Is he the next Khalid Sheikh Mohammed? I don't think we know. And the folks I talk to on the inside, they're still debating whether or not what they're getting from him is as useful as they hoped it would be. He is significant, but it's difficult to quantify right now.

And on Hambali and the JI, the CIA has said they believe the JI is the most capable and threatening of the regional organizations still around. I'm not in a position to doubt them on that. There is significant cross-national movement. There's significant cross-national cooperation. And you need to keep a close eye on that. You need to keep a close eye on what's going on in Jakarta right now as well and how the Indonesian Government continues to work to deal with the JI presence there, as well as in Malaysia and elsewhere.

MR. BYMAN: Go ahead.

DR. FALKENRATH: Al-Libbi, my understanding is he was a pretty significant catch. He was operational coordinator, one layer removed probably from bin Laden and al-Zawahiri, and was in the process of trying to put together an operation, which is an inherently dangerous thing to do for a terrorist, because it means you have to find new people, communicate, move, get money, get plans, and all those are risk event for you.

On Southeast Asia, and particularly Thailand, I mean, Thailand, there's a Muslim minority in the south of Thailand. It's been there a long time. They're sort of repressed and discriminated against by the Thais. And my understanding, not being an expert on this area, is essentially the Thai Government has mismanaged this minority very badly and taken what was a historic and ethnic internal problem and repressed them

to the degree that there's a possibility of actually morphing it into a terrorist movement or Islamic terrorist movement.

The issues of the Muslims in the south of Thailand were kind of economic and social. They weren't ideological and they weren't really jihadists. But that may be changing now after two years of repression by Thaksin's government. And there is a bleed-over effect from the much more active area in the archipelago in Indonesia, Malaysia, and the Philippines. There have been some cross-border movements. Hambali was nailed in Thailand. There have been some training camps detected in the south of Thailand. So it's something to really worry about.

It's also an example of how a government can mismanage its own indigenous population to the point that it creates a problem that it didn't really have beforehand.

Syria, I'm just not expert enough, but we do have people at Brookings who know a lot about Syria and what's going on there.

I think the statement that all terrorists are Muslims is incorrect. I mean, I don't know who said that, and I don't think any serious person should say that. Clearly, the particular terrorist movement that's most threatening to the United States and its allies at the moment is the Muslim terrorist movement. But there are lots of non-Muslim terrorist movements all over the world, and some of whom have, in fact, attacked the United States, some have attacked Israel. Israel lost a Prime Minister that wasn't to a Muslim terrorist. It was to a Jew. And so, you know, there's just a lot of other terrorists, and I think it was an ignorant thing that they said at Woodrow Wilson. That's why you should come to Brookings for your seminars.

[Laughter.]

DR. FALKENRATH: And I'm totally with Roger in the sense that the premise of this panel on why there has been no attack against the United States is a function of capacity, not intent. We are their highest target, and they are intensely motivated, not just all of al Qaeda but the whole network of this global Salafi jihadist, and I am convinced that it's just a function of when they can get an op together.

I think when you really get inside of what these operations amount to, it's harder than a lot of people give it credit for to get an operation together to attack the continental United States in a mysterious way. Not impossible, but there's a lot that needs to go into it. And there's one analysis of 9/11 which says, I mean, these guys massively overachieved. It was like Villanova and Georgetown in 1985.

[Laughter.]

DR. FALKENRATH: You know, they just really--you know, just played way above their underlying quality on 9/11. I accept that to a certain extent. I still think they're pretty serious and I don't think we should dismiss entirely WMD scenarios that are lower probability, but the consequences are so potentially grave we've got to focus on them.

DR. SAGEMAN: I think I agree with Roger and Richard, but let me address about why we weren't hit.

I think partly it's a lack of capacity, but the other is that it turns out al Qaeda never recruited in the United States. There is no recruitment program. They're volunteers. People become terrorists because they want to become terrorists. Don't ever infantilize them. And don't think that there is a cynical mastermind lurking in the

shadow of every mosque trying to brainwash vulnerable people. No, no. Those guys are adults, they want to become terrorists, and they do so.

Now, al Qaeda, because it had so many volunteers up to 2001, never really kind of launched on any recruitment drive. And one of the big gaps that they had in distribution was the United States. And you can contrast the United States and Europe. There are thousands in Europe. This handful in the United States, we arrested all of them, or the other guys are basically on the run. We just didn't have an indigenous, homegrown terrorist population. And we know that. Four years later we still don't have it. I mean, you know, now and then you hear the government say we have broken this ring and so on. But they really mean Hamas. They don't really mean al Qaeda.

So that's one--I mean, I think that the American dream was partly protected. You know, people come here, they work hard, they try to get ahead. You just don't get that type of opportunity. There's no European dream, and so you have the polarization in Europe that you don't have in the United States.

So the danger came from outside, and since 9/11 we really tightened up our border security. Before 9/11, you could have snuck a herd of elephants wearing explosive vests. We wouldn't have seen them because we weren't looking for them. It's a very different environment right now, and that's partly why there hasn't been anything so far in the United States. So they're not capable of putting people here, but they also neglected to recruit people when they could have.

DR. FALKENRATH: I wanted a slight amendment. I think the capacity issue is right with one exception, and the one exception is Hezbollah, where Hezbollah--

the reason there are no Hezbollah attacks against the U.S. homeland is a question of intent, not capacity. And if they decide to go into an operational mode against the United States, they will be able to do so in very short order and at great jeopardy for us.

MR. BYMAN: We're getting near our break point, but I wanted to take the prerogative of having a microphone in front of my face and ask a final question to all the panelists.

It was brought up earlier, this switch that happened long ago between the near enemy and the far enemy, the switch of this movement from local struggles to the United States. Is there any chance of de-networking this organization, moving it from, you know, thousands of individuals scattered around the globe with a common ideology to really different ideologies that are quite in competition? We've seen many aspects of it, but there is still some unity, it seems in the grand vision. Are there things that can be done to drive this movement apart, to de-network it, to make it less effective? And if so, what would you recommend?

DR. SAGEMAN: What they want to do is really to overthrow their own government and establish a Salafist state, and they realize that what was blocking them was the fact to their analysis, the far enemy was propping up the near enemy. That's why they went after us.

Well, I think that now we have about 6,000 websites, 7,000 websites, jihadi websites, and, you know, I cannot see them as--they're not identical. They, you know, have similar themes, but there are variations. And so I see this Darwinian evolution of young people because, you know, again, all this movement is from the

bottom-up. It's homegrown people, and you can see that. I mean, the last two or three years it's really those people who have done terrorist operations.

And so they are attracted to probably the most attractive websites, the most efficient websites, and so this thing is shifting, and it's shifting very rapidly.

Let me give you an example. Remember all the beheadings? You don't see any now. It wasn't very popular. So it's almost like, you know, going to a shopping mall and having a bunch of teenagers going to trendy shops. That's how things evolve.

And so the point here is that the virtual hidden hand of the marketplace--and now they're all--you know, the websites are becoming the virtual mosques for those guys. This is a dynamic that makes this whole threat evolve very, very rapidly. And you can see, again, the beheadings, you know, it was a flash in the pan. And so the whole point here is that, yes, we can do a lot of things. This opens up an opportunity for us because we might have the opportunity of shifting what makes an attractive website, and really what can inspire. Young, romantic people are willing to sacrifice themselves for the future. You know, what are they going to do? Well, you know, give them--you replace their utopia with another positive utopia. It's much more easier to sacrifice yourself for a positive dream than something of hate, negative and so on. I don't know a psychiatrist or anybody who really does anything because of hate, but I do know that people are willing to sacrifice themselves for love or, you know, a vision of a better world and so on, and that's been really terrorists in the last century and a half, whether they're anarchists, whether--you know, anybody else, Tamil tigers and so on.

So, yeah, there are a lot of opportunities, but we need to engage in the fight, and we haven't yet.

MR. : You try this one.

DR. FALKENRATH: It's a tough question. Three ideas and then one sort of accidental consequence.

You never can eliminate their ability to communicate. I think the Internet does that. You can attack their ability to travel. And so attacking terrorist travel networks I think is the sort of next big phase. We've attacked their finances, and I think we're actually at a point of diminishing market returns on the financing. We've got to keep doing it, but attacking terrorist travel is key, and that is a question of basically border control, biometrics, and good travel documents, watch lists and screening all over the place, visa checks, and all the sort of things that students and businessmen hate but that actually are making a difference.

You can work to discredit their ideology. I think the beheadings is an interesting example. I think the work of the Islamic Councils in London, to a certain extent in Australia, and in Spain, in Madrid, helps a lot because it foments kind of fissures, I think, in the movement.

Then finally you can take the network down the way the Mafia was taken down, which is you penetrate it to the point where everyone starts mistrusting everyone else and thinking that every other communication with everyone else is a risk. And you get into the prisoner's dilemma where, you know, you increase their incentives to defect from the network because they believe that everyone else in the network has defected. And so that, you know, we're having a go at that, and in some areas have been more successful than others. I think we have a lot to learn from Israel in this, but that's part of it.

But the last idea, the sort of inadvertent consequence, is unsavory, but if there's one thing that can move this movement away from going against the far enemy in a united way, it's probably internal conflicts in places where they're at already, the most compelling of which is Iraq. Roger and I didn't really engage this question of Iraq. It's not just the flypaper argument, which is that they go there and get stuck there and die. A lot of Sunni terrorists have gone there and, yes, they are becoming more formidable, they're getting real on-the-ground training, those that are living. But they're also starting to engage the Shi'ites and engage in a sectarian conflict to a larger degree. And it's possible--this is a hypothesis, but it's possible that they will be consumed in an Iraqi civil war rather than getting re-exported as more formidable Sunni terrorists in the coming years.

Now, that's a bad circumstance for Iraq, no question. But it may be that it is something that works against the sort of return to a unified attack on the far enemy.

MR. BYMAN: Well, Richard, if that's what we have to look forward to in Iraq, something's gone terribly wrong --

[End of tape 1, side b, begin tape 2.]

Delegitimize in the network. Part of the problem, in addition to everything that Marc has said is that this is an educated recruitment base. It's middle class. So this isn't just the stereotype cliché of the poor, and without any opportunities or other options. They're making very conscious and educated decisions about what they are deciding to do. So how do you delegitimize those people and pull them out of the network? It's a huge issue.

The London attacks, you've seen recruitment in the mosques. You've seen the recruitment in cafes. You've seen recruitment in gyms. You think of a country like Britain that has its act together better than anybody else when it comes to the domestic security angle, with the exception of Israel of course. They missed these guys. They flew under the radar screen, and that's a very, very chilling development, and I'm not sure how we and others can work to make sure we don't have that happen here or elsewhere around the globe.

So the short term is you take apart the network in some respects as we're doing now. You isolate it. You take out the leadership as you identify it, and then you hope the foot soldiers make a conscious decision to step back, because I'm not sure what other persuasive powers we have. Does that mean political and economic opportunity in their home countries will make them do that? Will a free and open political society allow current Jihadists, they do a cost benefit analysis, and say, no, I decide to pursue a different avenue here? I think that's what a lot of us hope, but there's no guarantee on that.

And then the long term is the broader question of how in this competition of ideas, you know, how do you put forth the message that we are putting forth right now, yet in a way that the messenger is not becoming a source for recruitment and inspiration? I question the competency of the current administration on that question. I think if Iraq turned out anywhere close to what we all hope it does, I just don't think they have the capability now to do the very thing they wanted to do. And the unintended consequences of such, that we're going to be dealing with this phenomenon for years and

years to come, well after we're out of Iraq. And I hope it's a better situation, but I've become a pessimist now that I'm in the consulting business.

MR. BYMAN: With that cheery note, please join me in thanking all the panelists for the stimulating presentation.

[Applause.]

MR. BYMAN: We'll take a break now and we will reconvene at 11:30.

[Recess.]