

THE BROOKINGS INSTITUTION

ORGANIZING AND MANAGING INTELLIGENCE ANALYSIS TO FIGHT
TERRORISM

Washington, D.C.

Monday, April 22, 2013

Moderator:

BRUCE RIEDEL
Director, The Intelligence Project
Senior Fellow, Foreign Policy, Saban Center for Middle East Policy,
Center for 21st Century Security and Intelligence

Featured Speaker:

PHILIP MUDD
President
Mudd Management

* * * * *

PROCEEDINGS

MR. RIEDEL: Good morning, ladies and gentlemen.

Welcome to the Brookings Institution. I'm Bruce Riedel. I am Director of the Intelligence Project at the Brookings Institution in the 21st Century for Security Intelligence Project. I'm also a Senior Fellow in the Saban Center for Middle Eastern Studies.

It is my great pleasure today to have with us Philip Mudd. Philip had one of the most distinguished careers in the U.S. intelligence community before he left government four years ago.

I first got to meet Phil when he was a junior analyst working on Iranian support for international terrorism. We had a number of interesting adventures together back in the 1990s. I then asked him to come and serve with me at the National Intelligence Council and then later at the National Security Council.

After 9/11, he went on to a series of very important positions. He worked at the Bonn Conference that put together the Afghan government that we have today. And then he became Deputy Chief of the Central Intelligence Agency's Counterterrorism Center. The CTC is the very central piece of America's war against al Qaeda and other terrorist organizations.

Then he went on to become Deputy Director of the National

Security Bureau at the FBI, which is an attempt by the FBI to broaden itself from being a purely law enforcement agency, starting to look at the international terrorist problem with a somewhat lighter lens, and it was Phil's responsibility to help them find that lens.

He went on to be a senior advisor at the FBI to Director Mueller.

He is most recently the author of an excellent new book entitled *Takedown: Inside the Hunt for al Qaeda*, and copies are available at the back of the room, and Phil will also be happy to sign anyone's copy if you'd like. It's a very intriguing book, because it tries to take you inside the art of how intelligence really works: What is the cycle between collection, analysis, and action against terrorists in the real world like in the decade since September 11th?

We are lucky, indeed, to have him today for a number of reasons, but of course the tragedy in Boston last week only makes it all the more timely and relevant.

The plan of this event is very simple. I'm going to interview Phil for 35, 40 minutes or so, and then we're going to open it up to your questions, and he's going to take questions until about 11:25, 11:30 or so. And the field is really wide open.

I thought that there's no way we couldn't start by talking

about the events in Boston, so let me begin with a fairly simple question about the events in Boston. The elder of the two brothers who are accused of being responsible for the attack on the Boston Marathon, Tamerlan, traveled to Russia sometime in the last year. He seems to fit a pattern that we've been seeing more and more frequently: radicalized American Muslims who seem to have a fairly normal life in the United States and then something changes dramatically. I'm thinking of the Najibullah Zazi, the Afghan who went to Pakistan, got in touch with the Afghan Taliban, and then decided to try to blow up the New York City subway system; and Faisal Shahzad, the Pakistani American who went home to Pakistan, got in touch with the Pakistan Taliban, and tried to put a car bomb in the heart of Time Square in May of 2010. This seems to be a pattern.

A few years ago we very proudly, in the United States, said that we didn't have a problem of radicalized Muslims. That was a European problem, a British problem, not an American problem. Are we seeing a pattern here? And if we are seeing this kind of pattern, what do we do in terms of counterintelligence and intelligence analysis in dealing with it, Phil?

MR. MUDD: I think we're seeing a pattern, but we as Americans have historical perspectives that are relatively short. And we

also look for simple baskets to characterize things that are, by their nature, complex. So, I look at this, and in terms of context. The first thing I would say is, yeah, there's a pattern, but if you contrast today to the 1970s, domestic terrorism in this country is far lower than it was in the days of the Symbionese Liberation Army or the Black Panthers. So, this is not the age of terror. We lived that. This is less than what we faced years ago. So, let's be cautious about saying, you know, the world's on fire. It's not.

The second is, in terms of the concept I mentioned earlier of how easily we try to bend things that are by definition complex, when I watched nine years of threat matrix briefings, at both the FBI and the CIA, something struck me about the psychology of clusters of youth, and I use the word "clusters" advisedly.

And now let's take Islam religion terrorism aside. When you watch TV or movies, people refer to "terror cells," which sounds like a sort of formal aggregation of people. Some of them don't do money; some do explosives. But it's a formal aggregation of people who have decided to commit an act of terror. What I saw was a cluster of people who would talk. Some of them would say, you know, talk is nice, but the other people in the group, they're not doing anything, let's think about doing something about it. Then they go off to play paintball and say, you know, now let's get more and more serious, maybe we should go after a military base.

And they slowly coalesce.

Let me close here. If you look at the 7/7 attacks in the U.K. in 2005, if you look at the attempt that was well publicized in Canada -- I'm going to guess that was about three, four years ago -- to blow up the Parliament, you will find often somebody in that circle psychologically who plays the role of an older brother or father figure, someone who has respect of younger folks. So, terrorism aside, I looked at this and one of my immediate reactions was that 26-year-old is the same as the older brother/father figure I saw in Canada and the U.K. The psychology of that radicalization by someone who has respect in the cluster is as significant as terrorist ideology.

MR. RIEDEL: How do we separate or should we not separate in our minds domestic terrorism that has got some kind of foreign cause, whether or not the terrorists really understand the cause or not, from the kind of run-of-the-mill violence that we have in this country in which crazed individuals go out and kill two dozen school children?

MR. MUDD: In some cases I don't think there is separation in terms of looking at the psychology. I mentioned over the weekend at a couple of shows that, you know, to me you had a closed circle, for example, at Columbine. I'm not suggesting that those were terrorists; I'm just suggesting psychologically two kids who persuaded each other that

what they were going to was acceptable, and outside information once that circle closes doesn't penetrate. They persuade each other it's okay, it's okay. They do things they would not have done independently. Here you have obviously a closed circle of two brothers, so in some sense there are, I think, psychological parallels.

The problem, of course, is when you get cases like this that have the potential for a foreign dimension, the complexity of investigating that, in proving the negative, if you will -- what did this kid do in Dagestan - - makes it really hard. You've got to go do interviews overseas; you're working with foreign security services; you're combing through people's e-mails and phones over the course of years to say before I can confirm that there was no broader conspiracy, I've got a lot of work to do.

MR. RIEDEL: Well, that raises the question -- we've already heard one congressman call this an intelligence failure. You can pretty much call on anything that happens in the United States being labeled an intelligence failure within 24 hours after it happens, but we've already had one claim -- this is an intelligence failure -- that the Russians had tipped us off about this guy, that Tamerlan should therefore have been under tighter observation by the FBI, by Boston police. What's your reaction to all that?

MR. MUDD: My reaction is this is such a misunderstanding of how national security operations work in this country that it's hard for

me to understand how we could be 12 years in and have educated people say things like this.

Let me be more blunt. This is absurd.

One quick comment. If he had not appeared in U.S. government databases, what would the debate have been? Let me ask -- anybody want to comment on that? If he had not appeared in any U.S. government database, what would people have said?

SPEAKER: Same thing.

MR. MUDD: You missed it, damn it. So, I'm looking at this saying, oh, my word. So I can't win either way.

Let me give you maybe a more helpful response. When you're sitting there at the threat session every day, Americans episodically see incidents of terrorism or plots in this country once every three months, six months. The threat matrix is a volume business, that is, the matrix of threats that the U.S. government uses to keep track of what's happening in this country. So, we're sitting there -- it was in the evening at CIA when we were over at the Bureau, it's in the morning -- triaging in what is a volume business. Now, in that volume business, you're talking to people every single day, and when you're talking to them, radicalism is only a small part of the conversation.

Let me explain why: (a) This country was built on radicalism

-- the founding fathers were radicals; (b) we've got a Constitution that says you can be a radical here, speak however you want to speak; and (c) just practically, even if we wanted to we could not investigate every radical in this country. So, there is a characteristic you have to look for, and that is violence, both because violence hurts people and, legally speaking, violence, if you commit it, is against the law.

So, when you're triaging in this volume business, this number of people, and you're talking to them and they're in the midst, maybe, of looking at radical websites, you can't look at everybody who's on a radical website, because there are too many of them. I've got to tell you guys, they're all over this country. And what they're doing is not illegal. So, you go in and say: How quickly can I move through this and determine whether there are other indicators that suggest to me they should move higher up on the scale? And at some point, you've got to move onto the next thing, because the volume is just too high.

Clear enough? This is absurd.

MR. RIEDEL: In the book, *Takedown*, you talk about radicalism in the context of al Qaeda. So, let's walk away from Boston a little bit and talk about it in a broader context. You write in the book that the real story of extremism terror in this country, in this stage, is their revolutionary ideology -- and I'll just quote a sentence from the book.

“Al Qaeda’s intent behind their attacks is to spark a wave of affiliated organizations or likeminded individuals who have never met an al Qaeda member to see that Western targets are vulnerable, that the U.S. and its allies are not supermen.”

Not in the context of Boston but in the broader context of the lingering al Qaeda threat, can you talk a little bit more about the revolutionary ideology, the danger it poses, and whether or not it’s having more affect radicalizing young American Muslims today than, say, five years ago when you were last at the Bureau?

MR. MUDD: I don’t think it is. I think -- I made a mistake in the first years after 9/11 when I was working on terrorism analysis at CIA, and that is partly because of the press of business, see? It’s hard to explain what it felt like, living in that world of the unknown, thinking that you’re not only dealing with a strategic intelligence problem, like Soviet missiles, but a problem that might, if you make a mistake, reach Chicago or Los Angeles. I mean, it’s a fascinating time to live, but I never want to live that again.

But I made a mistake. I thought we were fighting al Qaeda. What we were fighting was al Qaedaism, and al Qaeda itself, the group, was only a subset of that. This is a revolutionary group that wanted to use acts to inspire a global revolution that was bigger than the group itself.

And then I remember sitting down about 2003 at one of the nightly threat briefs, or 2004, for a period of time watching al Qaeda and its affiliates in southern Philippines; Indonesia; Riyadh, Saudi Arabia; Kenya; Turkey; Tunisia; then Madrid; London. And for a small period of time there I thought we were losing. I didn't think we were losing against al Qaeda. I thought we were losing ground to al Qaeda because we had gotten there too late -- not too late to kill the group but too late before the revolution had metastasized.

What happened, though, is al Qaeda made the same mistakes globally that they made in Algeria and Egypt when the predecessors to al Qaeda tried to inspire revolutions there. That is, they killed too many locals. And so if you look at polling data and if you talk to people around the world, after 9/11 people looked at al Qaeda as someone who represented their voice. A vast wave of anti-Americanism was coupled with a vast wave of people who said the way to go against the Americans is to sign up with al Qaeda.

Increasingly, there's a wide and expanding gap between anti-Americans around the world, which is still prevalent, and views of al Qaeda in places like Jordan and Saudi Arabia roundly negative, not overwhelming -- roundly negative views of al Qaeda not because people had turned around and said the Americans were right but because

al Qaeda started to kill too many people in Iraq, in hotels in Jordan, in cities in Saudi Arabia. They killed too many people, the al-Shabaab group did, in Somalia.

So, I look at the mistakes of the al Qaeda predecessors in Egypt, in Algeria in the '90s and say these guys can't get out of their own way. And now they have destroyed the movement, not because of what we did operationally but because of what they did operationally.

MR. RIEDEL: Does that apply equally to places like Syria and Yemen in midst of the Arab Spring?

MR. MUDD: Not yet. And the difference between, I think, being an American citizen and being a practitioner in the counterterrorism world is that I think American citizens, despite what happened in Boston -- which I don't view as an al Qaeda event -- Americans have the space to focus on things that I as an American citizen regard as more important. And that is the drug activity in this country. That is education for children, childhood obesity. These are tragedies in this country, national tragedies that are strategic in nature and that undermine the fabric of America. Terrorism is a grievance over a short period of time but is not a strategic threat to this country.

I raise that in response to your question, because I think groups that are extremists, like the Front in Syria or al Qaeda of the

Arabian Peninsula in Yemen, have gone almost full circle. In the '90s they were locally based, fighting local governments like Mubarak. The genius of al Qaeda was to raise their targeting bar in the 2000s and say forget about Mubarak, go against the Americans. Now, al Qaeda's a nice tee-shirt, but the people who say al Qaeda increasingly are talking about we want to topple Assad; we've got local grievances in Yemen. I'm not sure that pendulum will go back to the Americans, but I wouldn't at the same time confuse people who call themselves al Qaeda with the internationalist al Qaeda of the 2000s.

I wish I could go back to the business. I'm getting into it.

Let's go.

MR. RIEDEL: Well, let's get into the business a little bit more.

Chuck Cogan, who was a senior CIA official in the 1990s, a kind of legendary figure in the Central Intelligence Agency's Directorate of Operations, has written that intelligence in the 21st century is "more about hunters not gatherers." In other words, in places like CTC and the FBI we're no longer in the classic business of collecting and analyzing intelligence and gathering it. We're now in a business where we not only gather but we hunt the target.

Others have written that the CIA is becoming more and more

militarized. It's a paramilitary organization. It is now so tied to the use of the drone. It's lost some of its footing in the old analytical world. Well, you were in the analytical world. Through all of this period, you can compare pre-9/11 to post-9/11. How do you see the maturation from gatherer to hunter?

MR. MUDD: Well, to me there are two really profound questions in what you say. One is about the nature of intelligence, and two is about the nature of how CIA conducts intelligence operations and analysis. So, let me move through these quickly, because both of them are -- the first, actually, is a bigger question.

If you look at the world we live in and you think about intelligence challenges of the past -- for example, if you look at Iran in 1979 you would say if you think of a pizza pie, the amount of knowledge about Iran in 1979 that was in the public domain was relatively modest. If you wanted to know about the man on the street, you wanted to get embassy reporting, you might want to get CIA reporting, NSA reporting, which is technical intercepts. If you look at the -- if you define intelligence as knowledge about a national security problem, it's not secrets. It's knowledge about a national security problem. I think intelligence professionals don't understand the revolution they're living in, because they're still living in a world of secrets, and in fact the knowledge that they

are pursuing does not have to be pursued via the acquisition of secrets.

So, to contrast 1979 Iran to sort of the green unrest a few years ago, how much dependence would you need on official sources to understand what was happening in Tehran? I would say little to none. You couldn't get a perfect picture, but you could get a pretty darn good picture of what people were thinking in Tehran at a pretty tactical level. And you can expand that out to problems going from Russia to Africa. When I want to think about Boko Haram in northern Nigeria, I would say I bet I could get 90 percent -- no, that's not true -- 70 percent of what I needed based on open sources. Can you imagine trying to do that 20 years ago?

So, the first is the acknowledgment that if you -- intelligence -
- if you follow, intelligence isn't secrets; it's just acquisition of knowledge. The knowledge world is far outstripping the intelligence world. There will always be intelligence secrets. But that sliver of knowledge is getting smaller and smaller.

The second point you ask about -- drones. When people talk about the shift of drones to DoD, I think this question is deeper than what they're saying. Let me give an easy answer and then a hard one. An easy answer is, as a former manager of complex organizations I think in the age of complexity, especially the 21st century, managers have to

refine complex problems into simple answers. Intelligence is about intelligence; it's not about, typically, applying kinetic power. The military does some intelligence, but they're typically in the business of applying kinetic power. So, I would say the intelligence guys do intelligence and the kinetic guys do kinetic. That's its simple answer.

Let me close by making this just a bit deeper.

If people were to go on to say that the way intelligence has evolved in the counterterrorism world is too tactical, there I would disagree every single day of the week. And the reason is in this new digital age, policymakers are asking intelligence professionals not only for answers about what al Qaeda is but for where the al Qaeda guy is, not only for a strategic answer about the state of al Qaeda's revolution but about where Imam al-Zarqawi is. It's a lot different in the past, and there's a growing methodology of intelligence analysis called targeting, and that is how I build a picture of where a terrorist is that is so granular and so tactical that I could pick up the guy off a battlefield and put a predator on him.

I think in the new era when you're thinking about drug trafficking organizations, international organized crime, human trafficking, that policymakers now know they have a new intelligence capability to find, fix, and finish a target whether it's a human trafficking target or a terrorism target, and I do not believe that that thirst for that kind of tactical

intelligence will decline.

MR. RIEDEL: This is a fascinating area, and I want to follow up, because in the book you refer to something you call "identity intelligence."

MR. MUDD: Yeah.

MR. RIEDEL: And you write that, "In an intelligence game where hunting people is a primary responsibility, the age of data is allowing this art form to explode."

MR. MUDD: Yeah.

MR. RIEDEL: Can you give us more context for what you mean by "identity intelligence" and how it's changed intelligence business in the last decade?

MR. MUDD: Well, if you look at threat when we used to focus on threat in the 21st century -- probably in the 20th century you might think of Nazis; you might think of obviously not only Soviet Union but its satellites and every place from Cuba to Angola to Nicaragua -- you're looking at massive state threats with strategic capabilities, like missiles, where classic intelligence collection, overhead photographs, for example, or human sources in the Kremlin are critical.

I look at threats today, and I'm coming to believe that many of the threats we face will not have a simple national security definition. I

would characterize them as societal threats, that is, drugs, gangs. Again, I think health on the one end, things like obesity across this country on the other end, how infections are mutating over time -- I think these are going to be fundamental threats for this country.

Now, in a significant area of them -- I mentioned them earlier, non-state actors -- human traffickers, Mexican cartels, international organized crime -- those organizations have common characteristics. They have leadership. They move money. They move people. They, themselves, travel. Think about your own lives and keep those common characteristics in mind.

When you wake up in contrast to 20 years ago, everything you touch has bits and bytes. You are part of a matrix. You are on the grid. It's e-mail; it's texting. When you transition funds, it's not going to be cash dollars. It's going to be Visa debit card. I haven't written a check myself in four years. When you order my book -- well, not here, God forbid you read it in paper, but you're going to get it off Amazon. When you get money out, that ATM transaction is tracked. When you travel overseas, your travel date is automated.

So, if someone comes to me in the future of intelligence and says, all you've written about Mexican cartels is at the strategic level and how they're taking over Mexican society and damaging border towns in

Texas and California and Arizona, that's nice. Now I need you to draw a picture around cartel leader X so we can help the Mexicans do something about him or her. I'm going to say, okay, I want to array all that information about that organization, which, again, in contrast to 20 years ago is largely digital, and I want to know what that dude is going to do tomorrow before he knows it.

And then, finally, try to imagine if that's the picture I, as a relative digital novice, seek today in 2013. Try to think about where that's going to be in 10 years. Our ability to do what I have defined -- I'd like to copyright this -- as "identity analysis" is going to explode. Our ability to look at you in the middle of a cobweb and to instantly describe that cobweb through digital means I think will explode.

Pardon me, spiderweb, not cobweb. Correct the record.

Thank you.

MR. RIEDEL: Your career in many ways is unusual, Phil, but one of the most unusual is that you served both in the CIA and the FBI. Very, very few people get to look at this challenge from those two perspectives. Can you say a little bit about the two different cultures of the CIA and FBI?

And then, more importantly, in 9/11 we learned in extraordinary detail of the failure of the CIA and the FBI to share

information. We learned that the CIA knew that there were two of what became the 19 terrorists in the United States for more than a year and seemed to share that information only belatedly. Having now worked in both places, understanding their cultures, have we moved beyond that? Are we in an era when the intelligence communities, domestic and foreign, actually work together seamlessly, or do we still have a ways to go?

MR. MUDD: I think if you look at today compared to 12 years ago, you'd see profound differences. I'm not going to suggest that they're all (profound) -- because lovely people like me did the right thing. I'm going to suggest that a couple of other things happened.

One, the ability of any individual on September 12, 2001, to walk in a room and say share last, protect first. You had to walk in a room if you had information and have a pretty darn good reason why you weren't going to share it. Nobody wanted to sit on anything. So, you know, that's a reality check in Washington, D.C.

And the second is you have, sort of filling in behind that, policies and procedures that require you to share. So, if you want me to sit here and give you a Pollyanna view that says the CIA and the FBI go out for beers every night and say they get along the better, that's just not the case.

Washington, on the other hand, has changed profoundly.

Part of it, by the way, is not just because of terrorism but because of the way the world is changing.

Most of the problems I saw at the Bureau, whether it was organized crime or human trafficking, were not confined to national borders. So, by definition, when you're seeing problems metastasize in the age of globalization, that has an impact on forcing entities that previously were domestic or foreign to become a little bit more mixed.

The question -- I don't get this as often as I would have expected -- the question about cultural differences is pretty significant. It took me a while to understand this. When you are at the CIA, you're supposed to go find information, go find knowledge. You don't necessarily act in a linear fashion to find it. You say who has it, how do I find it, how do I create some weird-ass operation to get it. That's not very linear. It is very agile. And there's not a consideration, typically, of U.S. persons, because you're not dealing with U.S. persons.

When you cross over the river -- and I, to be blunt, get frustrated and sometimes angry with my CIA brethren because they don't understand domestic intelligence. They think they do. They think it's the same. The first question you have in this country when you're collecting intelligence is not how do I go find it? It is: What is appropriate in the context of laws and the U.S. Constitution?

You're not hunting knowledge. You're asking what's right and underneath, for example, do we spy on mosques? Answer? No. I know there are all these myths out there. We don't spy on buildings. You need to tell me there's somebody who's considering an act of violence inside that mosque. There's somebody who's considering how to send somebody over to Syria to fight in the war. I need a reason to be there, because it is inappropriate to intervene in a religious activity without you telling me forget about the building - it's not a mosque, it's a building, is there somebody in there doing something wrong?

And so I'll close by saying I would say the FBI is less agile than the CIA. It's far more, by the way, hierarchical. The way CIA people deal with the director would horrify most FBI agents. And it took me a while to adjust to that. When I was talking to Director Mueller I think some FBI folks are, like, you can't talk to him like that. And, like he pees in the morning, too. I can, too. (Laughter)

But before you argue -- and this is one of the things that frustrates me with the Agency -- before you argue that that sort of linear approach to problems is wrong, I want to tell you there's a real value to that. Your first question is: Is it appropriate to do what I'm about to do? Your second question is: If I have to do something, vis-à-vis a U.S. person, what is the least intrusive method? So, if I think maybe you're

contemplating an act of violence, my first question isn't: Am I going to surveil? You pick up your e-mail, pick up your phone, and recruit your girlfriend. My first question is: This is an American citizen, and I haven't proven they've done anything wrong yet.

So, that linear approach, methodical approach not only to collecting evidence but to how you approach a complex problem, to me, might be criticized from the outside, but before you criticize, understand that that's based on ensuring that we protect Americans' rights.

Again, it comes back to Boston. I'm afraid people are going to take one instance and blow it out and say, you know, they got something wrong. Well, do you want to surveil those guys? First of all, do you want to pay for it? Nobody in this country likes to pay taxes as far as I can tell. And, second, what's your predication? What's your predication? Is it looking at websites? And I'm going to tell you, that's protected speech.

MR. RIEDEL: Let's take the last two questions and mix them together, because I think you've just put us into a real interesting spot.

If identify intelligence and the spiderweb is going to grow, how do we ensure that the FBI can do that and at the same time respect our rights as citizens?

MR. MUDD: That's a rare one where I think the answer is relatively straightforward. The FBI is quite good on policy and process. And, remember, the FBI doesn't operate independently. I saw more oversight at the Bureau by far than I saw at the Agency. You've got not only the FBI's inspector general, you've got the Department of Justice oversight, and you've got the Department of Justice inspector general, and you've got the DNI -- the Director of National Intelligence -- inspector general, and you've got the Congress of the United States, the ACLU, and the godforsaken media of Washington, D.C. (Laughter)

MR. RIEDEL: Some of them are here today, Phil.

MR. MUDD: Yes. Okay, please leave now. (Laughter) No, I'm just kidding.

So, there will be problems. Most of what I witnessed -- it's going to sound offensive but it's a fact -- was 98 percent of what happened, Americans would say -- if they looked over our shoulders they'd say not only that's okay, but aren't you guys more aggressive than that? And then looking at what I called the volume business before -- in that volume business you're going to have an error rate -- it wasn't because somebody willfully made a mistake; it was a passive mistake, like over-collection from a telephone company. We didn't look at the records closely enough to know that the phone company gave us more than we

asked for. Well, that's unacceptable. I'm not saying we did the right thing. I'm just saying we went out there saying how do we spy on more Americans? So, I think the real question at the front end is not more data. That will happen. It's how do you handle that so you ask simple questions about what is the correct balance between looking at an American person and ensuring the country remains safe. And that requires smart people.

By the way, the smartest person I ever saw on this is a guy named Robert Mueller. He was fabulous. The man's an American hero. He should get the Congressional Medal of Honor not only for what he's done in counterterrorism but for how he's protected the American Constitution. I loved that man. Loved him.

MR. RIEDEL: Let's talk about another great American. You also helped to write Colin Powell's speech to the United Nations Security Council 10 years ago this spring.

MR. MUDD: Yeah.

MR. RIEDEL: And you laid that out in some detail, the takedown.

MR. MUDD: Yeah.

MR. RIEDEL: You didn't -- you weren't in charge of the weapons of mass destruction part of the story; you were in charge of the terrorism part of the story. That got a whole lot less attention, rightfully so,

than WMD did, but most of the attention that was in the speech was about the relationship between Abu Musab al-Zarqawi, who would go on to create al Qaeda in Iraq, and the Saddam Hussein regime. And the relationship, in retrospect, is pretty slim, at most.

MR. MUDD: Thank you. (Laughter)

MR. RIEDEL: What lessons have you learned from that experience? What lessons more broadly about intelligence support for policymaking if we're going to war? We are now engaged in another discussion about weapons of mass destruction in another I-country immediately next to the old I-country.

MR. MUDD: Yeah.

MR. RIEDEL: What lessons should people think about on listening to their government talk about these kinds of things?

MR. MUDD: You know, I used to think when I -- I came into service as a GS-9, which is a relatively junior -- not relatively -- it is a junior officer in the ranks, in 1985, and I looked up and my first question when I looked up at management was: They don't do anything. (Laughter) And then when I started to move --

MR. RIEDEL: I was the manager he's talking about.

MR. MUDD: Well, case in point. (Laughter)

When I started to move through the ranks and started to see

people like Colin Powell or Connie Rice or President Bush, George Tenet, I started to understand something that took me probably 15 years to figure out, and that is it's not the tactical questions that make the difference. It's whether you have the capability in terms of knowledge and experience and maybe patience and maybe the ability to keep your head, to step back and say what is the big, bigger, and biggest question here?

In the case of Iraq, I personally didn't ask those questions properly. The big question centered around a simple intelligence tenet: What do you know, what do you not know, and what do you think? And then how do you characterize those in simple terms?

So, I looked, for example, and I wrote -- I didn't help, I wrote the terrorism part of the speech. It focused on what do we know -- and I think sometimes mixed up a little bit what do we know and what do we think -- and it didn't spend a lot of time, for obvious reasons, emphasizing what do we not know.

MR. RIEDEL: Mm-hmm.

MR. MUDD: So, in retrospect, now, realize that intelligence is a support function. So, I'm going to close here in a second and it's going to sound like I'm talking out of both sides of my mouth, but once you give a product to a customer, they can do what they want. I don't make the decisions, I give you that product. So, if I give you a product and you

choose to say this is a pretty balanced product but I'm really concerned about this and I'm going to do something, my view is you got elected by the American people, you do what you want.

What I think, to close, we should have been more careful about is we probably -- and this is a lot of hindsight -- we probably, and me personally, should have said here is what we know, here is what we don't know, here is what we think about Zarqawi in Iraq, et cetera, here's a three-page summary, five-page summary, you can go choose to do with it -- now, I think we would have ended up with the same speech, but I think we got caught up in a simple mistake. It wasn't a willful error; it was a mistake of people saying what are the areas that cause us concern, because there were areas.

Let me give you one specific example. We knew al Qaeda guys were in Baghdad, including Zarqawi. That's a fact. And in retrospect, it remains a fact. We also knew they were pretty comfortable. That's a fact. It's not a fact that they were comfortable because Iraqi Intelligence Service took care of them. Now, that's not what we judged, but if you wanted to judge that, just because they say they're comfortable and just because you believe that the Iraqi Intelligence Service owns Baghdad, you can't put 2 and 2 together and make 4. You could say, because they say we're comfortable, maybe that means that they're being

hosted, but that's not a fact, and we probably should have been more comfortable there.

MR. RIEDEL: Before we go to your questions, I have one more historical episode to go back to, which you write about also in the book, the 2006 plot based out of London to blow up 10 or so jumbo jets flying from Heathrow to cities in the United States and Canada. You write in the book that this was "the most significant strategic plot we have witnessed since 9/11 and connected the al Qaeda heartland in Pakistan to a threat to the United States more than any other plot since then." Take us back to August 2006.

MR. MUDD: Yeah.

MR. RIEDEL: What did this plot look like when it was emerging? How serious was it? How dangerous was it? And then, lastly, is it a serious possibility that plots like that are still out there, or was 9/11 and 2006 too complex a plot to be successful against America in the world of 2013?

MR. MUDD: Let me take the second part first, and then I'll take you inside the room in 2006.

As an outside, nongovernment commentator, I would say the likelihood of a terrorist group conceiving, plotting, organizing, training, executing a 9/11-style attack -- it's hard for me to imagine that. But you

can't start in the world of -- if I were back in the business as a practitioner, you can't start a sentence with two words. Those words can't be "I think." And so I would be looking -- I would have a different lens if I were in this chair talking to you from the inside. I would be saying: Regardless of whether I think the likelihood of that is extremely low, there ain't no learnin' in the second kick of the mule. You know, I would have thought the likelihood would be extremely low 12 years ago. I'm not saying I would over-resource it. I would just be saying I don't know what I don't know, as Don Rumsfeld once said, and let me not limit my imagination about what might happen tomorrow.

Now, in 2006 -- I would say, by the way, in 2013 it's still the most significant strategic plot we've faced, for simple reasons. When I looked at complex terror problems as an analyst, I broke them down into about six, eight, or ten characteristics that are similar from plot to plot. That is: leadership, communications, travel, money, explosive device, operational security. If you look at those boxes, in this case think of every box. You had traveled to the heartland of Pakistan in operational training by core al Qaeda. You had operational security conducted by the young people involved in this group that was as good as any operational security we'd ever seen. We had complexity of explosive devices that was pretty mind blowing. Drill out the bottom of an energy drink -- I remember

watching the video from inside those guys' apartments before it was made public saying, "Shit, game on." How can I -- I didn't think of that. You had a careful selection of the targets to maximize both global impact in media but also loss of life. You had painstaking preparation of the plot, not too rapid. So, every one of the characteristics -- they didn't appear to have money shortages. Every characteristic -- most plots will have one or two of those. Every box -- I'm looking at the same -- we've never even gotten close to checking all these boxes on one plot, and I don't think we have since.

MR. RIEDEL: Pretty scary.

Okay, we'll take questions. Please identify yourself before the question, and we have a microphone coming to you. How about right here, the young lady with -- right there.

Please identify yourself.

MS. NOORI: Sure. Good morning. I had the pleasure to listen to Phillip, and I watched you on CNN yesterday with the debater Fareed.

MR. MUDD: With -- oh, yeah. You know, I got a -- I'm serious, I got a lot of nasty-grams after that. I'm not kidding. I got a lot of nasty e-mails after that.

MS. NOORI: Okay, I didn't --

MR. MUDD: So, if you want to send a nasty e-mail, don't.

MS. NOORI: I'm Zheela from Voice of America. I'm a producer for Afghanistan TV, and I had the pleasure to be at another event with Phillip and (inaudible) before. So, the reason I'm here -- I want to make -- your comments in view of -- so, do you think the terrorist network is -- I mean, the al Qaeda leaders are all dead. Then here it comes, the Boston bombing happens.

So, do you think it is linked to the radicalized mind or thinking or, again, this terrorist attack? Or do you see it primarily a terrorist attack or non-terrorist attack? And do you see any future traits followed by this Boston bombing? And if there's a future trait, where will it come from? From Chechnya? -- which is -- and how do you think it's going to affect the public mind and how -- give us your views about that. Thank you.

MR. MUDD: Okay. Just a couple of thoughts. I mean, obviously this is an incident of terror. It's a politically motivated act that was designed to kill innocent civilians, which is a classic definition of terror. I think -- by the way, that's not what I know, because I don't know yet what these guys think. That's what I think. I think that's pretty clear. I mean, they had some kind of political ideology going through their minds, so.

But if you bookend the 12 years of post-9/11, you start the bookend with guys like Khalid Sheikh Mohammed, who is a very smart man. When I first started -- when I was at CIA seeing the debriefing reports come in and our engagement with him at CIA facilities, he's a very smart individual. And his mind will never change. He is a deeply committed ideologue who has fragments of emotion that push him to violence.

I think what we will find in this case -- and this really is a summation of 12 years of counterterrorism -- is deeply emotional kids who conduct acts of terrorism that are colored by fragments of ideology. I predict -- Khalid Sheikh Mohammed will never say he's sorry, because he's not. I predict this kid, if he lives, will eventually say he's sorry, because he's more emotionally driven than ideologically driven. And that, to me, defines a lot of what we've seen in the transition from al Qaeda operations to more affiliates and especially some of these home-grown kids.

I'm not saying they shouldn't rot in jail. Don't misinterpret me. I'm saying I live in the world of cold analysis and facts. I don't live in emotions in this country. Most of the e-mails I'm getting on these issues are a bit -- I'm going to buy a new house, because people in this country just go nuts over this stuff. My cold analysis is that this is more emotion

today than it is ideology. So, yeah, there's a fragment of terrorism but not like the core al Qaeda guys.

Lastly, on threat, what I worry about is we have decimated the people who pose a strategic threat, and many who have followed in places like Mali call themselves al Qaeda, but, as I've mentioned, they're more locally focused in terms of targeting.

This is like a forest fire. The fire is down, but it's not out. I'm worried that some spark will ignite them so that they become more of a threat to us. I don't think they're a huge threat now. I'm not talking about whether one person gets through JFK Airport. I'm talking about a strategic threat.

And so when I look at it, to close, I look at those potentials for forest fire and look for two things. One, do they have leadership that has a broader vision than their local environment, and do they talk about it. Two, do they have a safe haven to plot and plan over time and space? You can follow with money, explosives, recruits, et cetera, but leadership and safe haven are the most dangerous things in any terrorist organization I think, and so that's what I look for.

MR. RIEDEL: Right over here. Just wait for the microphone, and please identify yourself.

MR. ROBERTS: Hi, I'm Dan Roberts from *The Guardian*. I

just -- to take your point about the criticism of the FBI being naïve and not understanding the scale of the problem. But you also made a very interesting point about after 7/7 attention turning in Europe to home-grown radicals, and I wondered whether you thought the balance of resources in the U.S. may need to switch after Boston to spend a bit more of that finite resource looking at home-grown radicalization in the way that it seems at times to have successfully done in the U.K and Europe.

MR. MUDD: I don't think so, and the reason is pretty simple. The question in the law enforcement business is not what happens when someone gets in your sights. If we have predication that says that you are contemplating committing an act of violence, I don't care what your ideology is. We've got a lot of sovereign nation people in this country that are nuts. We've got a lot of white supremacists. So, you know, whether it's Islam or Christian -- we had Eric Rudolph, by the way, a Christian who committed an act of murder, and he should rot in jail, and he is. So, when you contemplate an act of violence and we know about it and you're in our sights, the U.S. government apparatus is incredible.

The question is who gets in the sights.

Now, in the course of what I watched in daily threat briefs -- initially when I went to the FBI they were twice a day, but at the end there were daily threat briefings -- they're very tactical -- whether or not you

were connected to a central organization or whether you were home grown, it did matter. If we could find you and you were considering an act of violence, you're going in. So, we would look at home-grown all the time. My question is: What kind of screening do you want to put in place to get an American into that lens? And I'm going to tell you, before you want to swing that pendulum too quickly, be careful. You have two brothers who, by definition, have very few vulnerabilities. Intelligence lives off mistakes and vulnerabilities. That is, communications, talk to the wrong source, talk to the wrong radicalizing imam.

Okay, what are the vulnerabilities of two brothers talking to each other in a room who are going to buy carpenter's nails, a pressure cooker, and the most basic explosive device around? If you want to guarantee that we find those folks -- and, by the way, the FBI wouldn't guarantee it anyway, because even if you pushed them to violate civil liberties to protect security, they're not going to do it. I live there; they're not going to do it, despite what you think. I would say there's only so much you can do in an open society to penetrate a closed circle where people aren't exposing vulnerabilities. It's not much more complicated than that.

We will see this again, and we're going to ask ourselves again how did we fail, and my question is: Before you ask that question, I

want to know how you're going to boil 10,000 people you interview down to that one case before you tell me we missed that case, and how are you going to deal with the 500 false positives. People never talk about the false positives. They talk about the one guy you missed.

MR. RIEDEL: Right here in the front.

MS. FILBERG: Diane Filberg.

MR. RIEDEL: Where are you from?

MS. FILBERG: California.

MR. RIEDEL: I mean, what's your --

MS. FILBERG: Oh, I'm unaffiliated. I'm a retired clinical psychologist.

MR. RIEDEL: Cool.

MS. FILBERG: Two small questions. One, you've been taking a lot of notes. I'm wondering if you had any thoughts you wanted to share with us that weren't covered.

MR. MUDD: You mean me or him?

MS. FILBERG: You. You. And, two, you know, politics has taken fear of an event possibly happening and, you know, revved it up, and I'm wondering what you think needs to be done to get our society to understand that there is no guarantee and they have to live with probabilities of something happening.

MR. MUDD: Yeah. No, I take notes because if someone asks a question that's complicated -- like, the first question had about three parts and I've only got one brain and I'm out of government so I don't employ it very much anymore. (Laughter) So, I just usually, like yours you said, what's on your notes and what about (inaudible) because I don't want to forget the first question. So, no, there's nothing interesting in here.

On your question about fear, my struggle with this -- I'm not going to give you a helpful answer, because I tend -- after 25 years, now almost 30, as an analyst, I look at the world -- even my personal life I look at very analytically. Like, when I buy a car, I go through an analytic process. I just moved to Memphis, Tennessee, to get involved in investment banking. I went through an analytic process. It's very emotional, not that I have emotions, but unemotional to try to make sure I could break down a complex question -- should you move to Memphis? -- in a series of thought processes.

Okay, so why do I raise that in answer to your question. I look at 10 nieces and nephews I have and think about America in the country they will grow up in and what threats they face. And those threats are drugs, particularly crystal meth; gangs, which have gone from local to regional and national and now international. I think about health, I

mentioned earlier. We have a problem with accepting that to be healthy in this country you need to eat less and exercise more. I do worry about things like how disease morphs, about things like penicillin and whether it will be useful in 20 years. And if I look just broadly at the question of what is a threat to our children, and I rack and stack what I see as an American versus what I see as a national security professional, the balance is like this. And I just wish we would have cold conversations about what's a threat to America. And the struggle is this country mixes up analysis with emotion. Because I say that these guys were not the greatest terrorists ever, I'm going to get nasty e-mails. That doesn't mean we should not grieve for four mothers who lost children.

Can you imagine? I don't have -- I can't even imagine and I don't have children. I can't -- I was looking at my two-year-old niece yesterday. She lives across the street, and I swear, I could cry right now. If that ever happened, I don't know what I would say. The senselessness of losing respect for the sanctity of life? How -- but that doesn't mean we should sit back and say there are 10, 12, 15,000 murders in this country, most of which are, to be blunt, in the black inner city, and we seem to say that's okay. We have -- I would say we should have hard conversations about priorities, but we won't. So, that's why I'm not going to be a politician one day. I'd be useless.

MR. RIEDEL: Over here, the gentleman.

SPEAKER: My biggest management peeve is the firewall between intelligence and policy. The biggest brain trust in the area, the highest number of PhDs is in the area around McLean. And to think that the President is not allowed to interrogate those people for policy suggestions is shocking.

MR. MUDD: What do you mean "interrogate"? Interrogate who?

SPEAKER: I want to see a channel whereby an analyst can take a separate piece of paper, you know, not one that's intelligence analysis but policy suggestions that allow analysis to pass from the intelligence agencies to the President. He's free to accept it or reject it. And he, in turn, is free then to ask this collection of PhDs, this huge brain trust, for policy suggestions in addition to NDU and the State Department policy planning people. Let the firewall have a hole in it so that information can pass both ways, as long as it's clearly marked that this is not an intelligence piece, this is a policy piece. Why is the President deprived of that brain trust?

MR. MUDD: Okay, I don't buy it. But I don't buy it only half way for a couple of practical reasons. First, I do not want, if I'm a managing analyst, a GS-12, to be anchored in interpreting information --

let me be quick. If an individual who works for me makes a police suggestion, I don't want them to be thinking, wow, does what's coming in support what I told the President? I want them to be agnostic in saying I had a view yesterday about what's going on in Syria. I have a view today that's changing only because the information that's coming in is changing, not because I told the President yesterday Assad will be gone in six months and here's how to accelerate it, and now I want to support that position.

But, let me be a realist. Two things. First, when I was in a senior position, I'd get asked all the time, including a couple of times by the President of the United States, what should we do, I'd tell him. I just didn't want a GS-12 to be in that position, not because I don't -- this is not a sort of -- I'm not smarter necessarily than a GS-12, but that person who's working for me may not have -- doesn't have, by definition, the perspective that the President needs to hear. So, when you get into a senior position, I do believe the wall is broken down.

And, finally, I'm not sure the President needs many more opinions. When I worked at the National Security Council and I worked at senior positions in the CIA, the government, despite what you see on TV, has some damn smart people, and there are a lot of them. So, it's not that the President doesn't have a lot of people giving him smart positions. I'm

not -- we did have terrific people at CIA. But if you've got 15 brilliant people giving you ideas, I'm just not sure you need the 16th. And I didn't feel constraint from telling the President what I thought.

MR. RIEDEL: Right down here in front.

Good morning, Phil.

MR. MUDD: Hey.

COL. ANGEVINE: I'm Colonel John Angevine, U.S. Army.

MR. RIEDEL: Yeah.

COL. ANGEVINE: I'll take you back to the beginning of your discussion where you said that the United States can have an emotional response to, like, Boston for example. But when you take a look at various different countries' approaches to terrorism at large, international terrorism, what countries do you think, on that spectrum, have the best approach or the most useful approach for what we're likely to face in the next 10 to 15 years? And where do you think the U.S. has settled out on that potential continuum is the way I'm framing this question. Where do you think the U.S. settles out on that, and how do you think we should move to something that's more relevant to what we're going to face vice what we're currently facing?

MR. MUDD: In my experience, I always thought the Brits were pretty good, partly because they have a lot of experience. Also,

practically speaking, they have a lot fewer resources, so they're forced to operate with an efficiency that we have to learn from and that we can learn from -- I think we did learn from. I spent a lot of time talking to Brits about how to conduct domestic intelligence operations, and the partnership was terrific. I love those guys. They're wonderful.

I would add a cautionary note, though, before we go down this road too far. One is the American people don't have an appetite for death as a result of terrorism. So, if you want to parallel what some more experienced practitioners, including, say, in France or Britain or Israel do, that's not simply a practitioner's question. That's a question of resilience. We don't have the resilience to handle a kid with an AK47 in a mall. There are 300 million weapons in this country, and there are hundreds of thousands sold every month. So, before you say let's triage, let's get more efficient, my first question is, yeah, but I have to put that through a political lens that says people in this country do not accept -- they'll accept violent crime at an unbelievable rate; they won't accept terrorism.

And the second thing that people don't understand here is people view Europe as sort of a liberal place where everybody works 35 hours a week and you can wear thongs in the street in Germany in the summertime, which I think is pretty cool. But when you look at security practices in countries like France and Britain, Americans don't realize how

aggressive their domestic security services are. I think most Americans, in terms of both human and technical operations that are run in Europe, but also in terms of just societal issues -- like the prevalence of surveillance cameras in London, most Americans don't realize the liberal Europe that they see when you get behind the closed doors of security services. Those security services do things that Americans would not like. So, before we want to draw parallels I'd say, you'd better give me some pretty damn clear guidance on what you want, because what you want is really not what you think you want.

MR. RIEDEL: Let me follow up on that, because there was a -- when the 9/11 Commission Report came out, some will argue what we need is a MI-5 rather than an FBI. Can you give us -- can you help us think about what the differences are? You hinted at them, but give us a little us a little bit more and why we don't want MI-5.

MR. MUDD: I think this -- people think I'm going to come to the conversation when I was in government and I used to have to represent the FBI and say MI-5, that is a domestic security service here in the United States, would be bad. My answer is: I don't think it would be.

My only question is it's not clear to me that it's a better solution. It's sort of a grass-is-greener solution. There are two reasons why. The first is if you look at, for example, British operations, when you

conduct an intelligence operation, you have to do a handoff to law enforcement, which is not -- it's not inefficient, Brits are brilliant, but it's not the most efficient way to do business. And when you look at the evolution of what the Brits are doing over time, they're embedded more and more closely -- I'm talking about field embedding -- between intelligence and law enforcement, and that is because they want to ensure that the handoff is neat.

And so I look at them coming slightly a baby step closer toward having an integrated service. When you look at us, I think we've said, well, we've had law enforcement, federal law enforcement, that we want to add more intelligence to. We're taking a baby step toward how MI-5 operates. The inefficiency of breaking those two out -- I think you would have more efficient intelligence service. But then you'd say at the same time we'd have to develop policy and procedure to do handoffs.

And the second thing I'd say is eventually -- this town has such a short time span in terms of how it looks at the world -- eventually that service is going to make a mistake within, I'd say, five years and everybody's going to say, wow, why did we ever do that? It's almost a guarantee.

The last thing as a bureaucrat would be the fighting between the Bureau and the domestic security service would take at least -- and

this is not a joke -- 10 years to work itself out for how do you conduct a federal intelligence operation in, you know, Detroit and how do you have a federal law enforcement operation in Detroit. Oh, that's going to be ugly.

MR. RIEDEL: Right here.

MR. KNUCKLESON: Good morning. George Knuckleson, a policy consultant with the U.S. Special Operations Command, Special Ops, going back 45 years to include Rice Bowl and those operations.

One of the big issues you talked about is sharing of intelligence. A couple of years ago in his testimony in front of this joint intelligence committee, Admiral Blair, who was the first director of DNI, talked about the issues with Title 10, Title 50, and whether we needed a new Title 60 to bridge that gap. We've got effective informal relationships that existed because of people with a background like Secretary Gates, Panetta, and General Petraeus. But, again, last week the testimony on the Hill, I know with a testimony with Mike Flynn -- General Flynn -- and General Clambert talking about the new defense clandestine service to enhance HUMINT. Any comments on the need for a --

MR. MUDD: I'm not a lawyer, so I'm going to skirt the Title 10 (inaudible). I'm just not an expert on that.

Having worked a lot with DIA, and going back to my original principle of simplicity in the midst of complexity, I would say this.

Intelligence should do intelligence; military should do military. There's an exception to that, and that is war zones. So, if I saw the expansion of defense HUMINT, one of the questions I'd have is I could easily see that at a war zone, because defense intelligence has tactical requirements that small, strategic organizations like CIA would have a difficult time servicing. So, let's take war zones off the table.

In general, if you're executing operations against an adversary with kinetic force, I would say that's a defense operation -- in general. Now, if you have a need to move with agility after 9/11, I'd say, yes, CIA can do that for a while and then after 10, 12 years somebody's going to say let's transition that kinetic ability back to the kinetic guys.

If intelligence does intelligence, and we're getting into the world of identity intelligence in the battlefield, I'd say outside war zones I might still maintain if I were a CIA identity analyst, great tactical intelligence analyst who could go into a fusion operation, like -- since you and I are from the same worlds -- like in Balata Bagram where some of the intelligence professionals who are providing tactical support to the kinetic guys come out of the intelligence business. I know this is -- I was a little bit inside baseball, but I suspect -- does that make sense?

MR. KNUCKLESON: I think the key thing is when Mike Flynn (inaudible) to break down those walls.

MR. MUDD: Yeah.

MR. KNUCKLESON: -- when he and General (inaudible) break down the walls with conventional forces, and I think what happened to (inaudible) right now is also breaking that down across the --

MR. MUDD: Yeah, I think -- let me broaden this out to be a little more help for the rest of you guys. I think we should be thinking about nonconventional war zones and how you ensure that the military and intelligence can work together, because I think if you're looking, again, at everything from drug traffickers to human trafficking, there could be a kinetic arm of that. It might involve Special Operations, but there's also clearly an intelligence component.

The last thing I'd say is both in terms of how intelligence professionals are embedded in the military in Washington in what we call purple assignments, how the DNI forces people like me to get assignments in the FBI or Defense Department, that is critical. We have to keep forcing people to learn how other organizations think.

And, secondly, one of the revolutions of the past 10, 12 years of war is field field fusion. If you're running operations in the field, the operations you're running in a tactical operation center must include FBI, CIA, and NSA, and there has to be a formal -- not a casual -- a formal doctrine to ensure that happens. Those combined operations

that include every aspect of American power are brilliant in their execution, and the most brilliant man executing these operations was Stanley McChrystal.

MR. RIEDEL: Over here.

MR. GLUCK: Thank you. My name is Peter Gluck.

There are two issues --

MR. MUDD: From where?

MR. GLUCK: Pardon me?

MR. MUDD: From where? What's your -- just chillin'?

MR. GLUCK: From here.

MR. MUDD: All right.

MR. GLUCK: I don't have an affiliation.

MR. MUDD: Thanks for coming. I can't believe you guys show. This is great.

MR. GLUCK: I just come to learn.

There are two issues where media reports have been confusing. One is the issue of whether the surviving suspect in the Boston Marathon bombing is eligible to be treated as an enemy combatant. Some say that as an American he can't be. I don't know -- I'd like to know whether that's true or not.

MR. MUDD: Yeah.

MR. GLUCK: The other issue is whether not Mirandizing him has the same consequences as the public safety exemption. There's an inference that the public safety exemption is more limiting in terms of the amount of time that he can be questioned without being given right to counsel. Which is it?

MR. MUDD: I'll take this as a practitioner not a lawyer, because I don't know all the legal -- for example, whether enemy combatant is constitutional, I don't know, but I'll give you -- this is one of the areas where when I watch the media and the debate -- and I'm not being facetious -- I can't quite understand it, because there are facts regarding these issues that aren't in the debate. It's like the people debating this don't actually understand, to be blunt, what they're debating. So, on the enemy combatant issue, first, I suspect that's the -- you can do that legally. Again, that's not my question. But my real question is that practitioner would be -- I don't understand why you want to do that.

And that relates to your second question about things like Miranda. We have the authority to question people without Mirandizing them immediately. We have that authority. We did it when I was at the Bureau. We did it routinely. No, "routinely" is too strong a word. So, it's not like it was an either/or. If we want to talk to this guy we could talk to him.

And I'd say something else. If kids want to talk -- in this case, he's a 19-year-old -- my experience is whether you Mirandize them or not, they'll talk. You know, his bubble -- there's a psychiatrist here -- his bubble is burst. That is, he and his brother were feeding off each other. My guess is he's going to be crying. I saw suspects as soon as you arrested them -- serious counterterrorism guys -- they start crying, because their bubble is burst. Their closed circle is broken.

So, first, yeah, I would say question him for a few days, let's see if he starts talking, let's make sure we take care of him. Eventually you'll Mirandize him. Second, even if we did Mirandize him, my experience was if they want to talk, they'll talk, and if they don't, they won't. Even if you don't Mirandize him, all he has to do is say, where's my OJ, man? I'm not talking. Right? This is not that complicated.

I wrote an article on this a couple years ago and said what's the point of the debate? It's a political debate in a city that's polarized. That's why I moved to Memphis. I can't take this anymore. (Laughter) I'm not kidding. This is ridiculous.

MR. RIEDEL: Right here.

MS. SONNENFELDT: Marjorie Sonnenfeldt, friend of Brookings.

Mr. Mudd --

MR. MUDD: Yes, ma'am.

MS. SONNENFELDT: I imagine you gave a lot of television interviews yesterday.

MR. MUDD: Yeah.

MS. SONNENFELDT: But I saw only one, and when you were asked what was the first point that you would make on the whole topic of the Boston bombings, you said you would look not for the spider, but for the spiderweb. You alluded to the spiderweb again this morning in your talk, for which I thank you -- it was a great talk.

MR. MUDD: Thank you.

MR. SONNENFELDT: Q&A.

MR. MUDD: Really. You like it?

MR. SONNENFELDT: I like it.

MR. MUDD: Good. I do it for free. Better be fine.

(Laughter)

MR. SONNENFELDT: Can you tell us how much or how often we rely on foreign governments -- other governments' intelligence sources, realizing that they may share some interest with our government but not all, and in particular, in this case, points up the relationship with the Russians?

MR. MUDD: Yeah. Often, but with caution. I mean, there

are common ways that someone can move from being a regular citizen to being in the investigative net. Those ways would be: He's talking to somebody who's a known terrorist; we have an informant who says this guy's talking about committing an act of violence; he talks about violence to a friend who then tips us off. We had a case once -- you all may remember this -- where we had people involved in a terror plot get some of their photographs processed and they were plotting against Fort Dix in New Jersey, and the clerk at the store called us and said there's some very disturbing these videos -- or photographs where they were. And you have foreign government services call in, which is not uncommon.

Behind the scenes, forget about politics. Security services, if there is a threat, will not sit on it. You don't want to sit on something that leads to murder of innocents someplace else. That's a bad place to be. So, even if you're adversaries -- not adversaries -- even if you're not the best of friends, and I think I would put Russia in that category, you're going to pass that.

That said, my first question in this case would be: Look, the Russians have engaged in a brutal war against the Chechens with rampant human rights violations -- and I didn't fall off the turnip truck yesterday. They have an interest in getting us to chase Chechens in this country. I got it. So, by definition, if they say this is a bad guy, I'm going

to look at it. But the lens through which I look at it, as soon as that lead is past, has nothing to do with Russia; it has to do with is this person doing something that violates or contemplates violating the laws of the United States of America. That's it.

So, yeah, I got to take the lead. You wouldn't have wanted me to drop the lead. You wouldn't want the FBI to drop the lead. But as soon as I get that lead, the same investigative process would apply as when an informant, an American citizen, walks into our office in Atlanta, Georgia, and says, my friend wants to build an explosive device. I don't say that the cases, once you pick up the lead, would change.

Before I stop on this about Boston, let me repeat what I said earlier. People are going to say, you know, should the FBI have followed this up more, and I'd ask the question again: If he weren't in our databases, what would we say? I just -- it's so frustrating being a practitioner, because people don't want us to be up on the wrong people and then when we drop a case they say why aren't you perfect. I just -- I'm sorry. In an open society we can't follow everybody who hates Americans.

MR. RIEDEL: All the way in the back.

MR. WATERMAN: Thank you. Shaun Waterman from the *Washington Times*. Thanks very much for doing this, Phil.

MR. MUDD: Can you speak up just a little?

MR. WATERMAN: Thanks very much for doing this.

I wanted to pick up on that last point and circle back to what you said about identity analysis.

MR. MUDD: Yeah, yeah.

MR. WATERMAN: Where do we get -- I mean, you know, you've spoken about the net, the investigative net, the need to make sure we have a high bar. What about the foreign intelligence connection? I mean, isn't that -- isn't this an example where, you know, the CIA might have wanted to follow up if there was a connection with Chechens?

MR. MUDD: They will follow up.

MR. WATERMAN: So, I mean, when the FBI first interviewed him.

MR. MUDD: I suspect they -- I mean, I don't know. I suspect they did. But just a couple of comments. First, if I were at the threat table the past week, I'm not sure I would have seen any of the video shown on TV except in passing to a sort of threat meeting, because you have two knowns, that is, these two spiders. And that, at that point, is a law enforcement and public safety question.

My initial question is: Even if there are two brothers who conducted what looks to be a relatively rudimentary conspiracy and attack,

I still have to prove the negative. That negative has very little to do with that law enforcement action in Boston; it has to do with money, travel, who radicalized them; who did they radicalize; who they talked to in school; who were their friends and family; did anybody know anything? So, there's a whole parallel intelligence investigation going on in addition to what you are seeing play out on every TV across America. And I'm guaranteeing that a lot of the people outside Boston were spending far more time on proving those negatives than they were on watching CNN.

Now -- and I'm sure, you know, given that some of this was overseas, namely, their travel, a lot of people doing that intelligence investigation are outside the Federal Bureau of Investigation. I mean, that's a standard part of the business. You can't start a sentence, again, with "I think" -- I think there are two brothers, and because of the nature of the attack and how simple it was that they didn't have a foreign terrorist connection. I suspect if they did, it was relatively modest. Maybe it was ideological. I always separate ideology from operations. Maybe somebody radicalized them as opposed to trained them on how to build a bomb. But my suspicion's irrelevant. I want to make sure that's true, because I can't afford some piece of that conspiracy resuscitating in three years and rebuilding another attack on Boston or New York or Chicago or Miami.

MR. RIEDEL: Gary.

MR. MITCHELL: Thanks very much. I'm Garrett Mitchell, and I write *The Mitchell Report*, and I was intrigued by your comments earlier -- and you've made mention of this a couple of times -- that we angst about Boston and yet the strategic threats to us really lie elsewhere -- from childhood obesity to -- et cetera.

MR. MUDD: Yeah.

MR. MITCHELL: A couple of us were talking just before the session began about what struck me about last week as an interesting observation about us as a country. In Boston, we killed three people and maimed or injured how many others.

MR. MUDD: Yeah.

MR. MITCHELL: In West, Texas we flattened a town, killed 16 or 17 people, injured 200. And the incident that captures our attention and lowers our flags to half mast is Boston.

MR. MUDD: Yeah.

MR. MITCHELL: And then you talked about the distinction between terrorist are those who are ideologically driven versus those who are emotionally driven.

MR. MUDD: Yeah.

MR. MITCHELL: And -- I'm searching for a way to bring this

together, but what I really want to ask --

MR. MUDD: Don't ask me. (Laughter)

MR. MITCHELL: Yeah. Having thought a lot about this more than most mortals, I'm interested in a couple of things. One is if we take -- I'm just going to use four examples: Khalid Sheikh Mohammed, the two guys in Boston, Ted Kaczynski; the Unabomber; and Timothy McVey. Going forward, which of those models, if you will, should we be most worried about and which of those models and or circumstances have we the capacity to anticipate in some way or another. I'm just curious how someone like you thinks about that stuff.

MR. MUDD: First, I'd take Ted Kaczynski of the list. He's a psychotic. I don't do -- he's a mental health issue that results in violence. So that, to me is -- that's another American phenomenon, the incidence of mental illness in this country. So, he doesn't come into my world. I, as a practitioner, would bunch Boston and McVeigh together. Obviously, McVeigh didn't have a foreign linkage, but basically people who have a relatively small circle of conspiracy with some elements of an ill-conceived ideology -- I put them together, because that circle is so small that the ability to find vulnerabilities, as an intelligence professional, is going to be very limited. So, I would say the likelihood of those in the future is higher is than KSM -- Khalid Sheikh Mohammed, the architect of 9/11.

I look at Khalid Sheikh Mohammed as a paradigm only in the sense of looking at leadership of al Qaeda affiliates in places like northern Nigeria or Mali or -- still I would say in Indonesia, in Yemen -- and looking at the issue of safe haven and saying I don't see the Khalid Sheikh Mohammed follow-on coming.

But I don't want to get there too late. So, I look at people who might come in behind and say I want to maintain a capability to stop that from happening now, because that's a strategic disaster. But I don't think that's prevalent right now; I think it's unlikely to reemerge. I do think the interesting question in the future is going to be the balance between intervening too soon against someone like that and alienating population and intervening too late after they send someone against Los Angeles or Chicago. That's -- with the capability of a drone to intervene without U.S. forces, that question of balance is going to be really interesting. You don't be in another 9/11 situation where the American public says: How many times do we need to be signaled by a foreign group that we need to take out their leadership before they attack us? And you also don't want to alienate a whole swath of population that talks a good game but will never come to America.

MR. RIEDEL: We have about five minutes left. Let's take three more questions, bundle them, and give Phil the last word.

Over here and then here.

SPEAKER: Hi. I just wanted to come back to a point you made early about sharing intelligence with the public and the fact that lots of intelligence isn't secret these days. Could you apply that thought process to the decision-making on when to release the video pictures of the bombers last week?

Again, another criticism that's being leveled at the FBI, and I appreciate -- you're quite right, you're cautioning us in some of this criticism -- but that is that the images were released quite late in the process at a time when lots of people could have been helping before then. Do you think there is a tendency to sort of hide this stuff too much still?

MR. RIEDEL: Okay, let's keep going.

MR. CHANDLER: Gerald Chandler, independent. Could you tie together more of what you said about differences between the U.S. way of looking at things and international ways? You've talked at one point about having lots of intelligent people here, but even earlier you said we take too short a view of things, and on the other hand you said that the Brits and French are more aggressive with what they do with their public. So, you could you try to tie that together. Why, if we're so intelligent or have so many intelligent people, they're not paid attention to or whatever it

is that happens? Why don't we learn from the British and French or why do we ignore them?

MR. RIEDEL: And one back here.

MR. ALDRIN: My name's Andrew Aldrin. I'm from American University School of the National Service.

You talked about the explosion of identity intelligence and being able to create a background profile on a target based on his or her digital exhaust, and I wondered if you can comment on the issue of big data in itself and how prepared are today's analysts in the intelligence community to grapple with this volume of data. And I'll frame this by giving a rather shocking statistic. From the dawn of civilization 2003, the world generated about 3 Xbytes of data, and now most experts are saying that we generate about 5 Xbytes every two days.

MR. MUDD: Wow.

MR. ALDRIN: So, how are we able to kind of grapple with this inflow of volume and targets that we might --

MR. MUDD: Okay, let me try to take each of these quite quickly.

On the hiding too much, you know, one of the beauties of spending so many years in situations that were pretty stressful and making a lot of mistakes and participating in pressures is that I hope gives

one perspective. And my perspective view would be as months go by people will say that case was resolved pretty quickly, and the question of whether a video was released in hour 1 or hour 12 I think will fade in sort of a tactical mess.

I don't -- you know, people on the inside will Red Team this; that is, they'll go back and say if we deal with this situation again what should we do? In this case, you've got to balance -- when you put something out like that, there are a lot of Americans who think they saw that guy in Boston. So, you're going to have triage a thousand-plus tips. I don't know how many would come in. That's going to take manpower that might be working on other investigative issues.

It's a fair question. I'm not -- all I'm saying is I think, in the general scheme of things, this was handled pretty well. I do believe that the broader question of how comfortable Americans are with pervasive video coverage in cities is going to be raised. My guess is tactically Americans will say, this is great; in about 90 days they'll say, we don't like it.

But, yeah, I don't -- I remember a couple of days ago wondering how quickly they would be released. Maybe it was a couple of hours late, maybe a couple hours too early. But, overall, that operation went down pretty fast in terms of the identification of the target and the

takedown.

Second, on the difference between U.S. International, this is really not an intelligence question; it's a cultural question. This is a frontier culture. It's a culture where people say, I can do what I want, the government doesn't have a right to tell me what to do. I think other cultures are more comfortable with intrusiveness of government whether it's intrusiveness in video cameras or intrusiveness in how domestic security services conduct operations.

And now let me go -- I don't want to say the wrong thing, so hold back, Bruce. I think when you look at what citizenship means in culture where citizenship is defined by blood, that is, I'm a German because I come from a German family; whereas citizenship in this country is defined by an oath that some countries -- and, by the way, I don't mean German here -- some countries might look at citizenship and say there's us and then there's people who took the oath and our citizens and our (inaudible). There's much more of an acceptance -- in other words, maybe -- of surveilling immigrant communities that we would or should be comfortable with here.

So, I'm sure I didn't say that quite right, but it is what it is.

The last, on big data, analysts are pretty good at this, given how quickly this arena is exploding. I think pretty good on some classic

areas of data, things like, you know, looking at phone traffic, for example. As social media explodes, I think we're being overwhelmed with how to -- if you look at how you would deal with big data and analysts, think about your old high school physiology textbook that has transparent pages. It has muscles; it has bones; it has veins. And as you lay over the transparent pages, you get a picture of the human body. Think of the increasing number of digital pages you've got to overlay -- e-mail, phone, now Facebook, Twitter -- putting all that together is going to be difficult.

What I would say on that, though, is policy and national debate is behind capability. Capability is okay. I don't think we have any idea of how we would tell the government, as American citizens, where our definitions have changed. When you walk out of Safeway, if somebody wants to search your body, you're going to say no. If you walk into National Airport, if someone wants to search you, you're going to say yes. We have an understanding of physical space as citizens. We do not have an understanding of digital space -- at all.

MR. RIEDEL: Thank you, Phil.

MR. MUDD: Sure.

MR. RIEDEL: You have demonstrated I was right 25 years ago. Thank you for your time.

MR. MUDD: Sure.

MR. RIEDEL: Thank you for your service, and thank you for
your book.

MR. MUDD: Thanks for coming.

* * * * *

CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2016