THE BROOKINGS INSTITUTION

A NATIONAL COUNTERTERRORISM CENTER
THREAT ASSESSMENT OF ISIL AND
AL QAEDA IN IRAQ, SYRIA, AND BEYOND

Washington, D.C.

Wednesday, September 3, 2014

Moderator:

BRUCE RIEDEL
Senior Fellow and Director, Intelligence Project
The Brookings Institution

Featured Speaker:

THE HONORABLE MATTHEW G. OLSEN
Director
National Counterterrorism Center
MR. RIEDEL: Good morning, ladies and gentlemen. My name is Bruce Riedel. I am the director of the Intelligence Project at the Brookings Institution, and I want to welcome all of you today to this event sponsored by the Intelligence Project.

Our guest today is Matthew Olsen, the director of the National Counterterrorism Center. Brookings and NCTC have a longstanding relationship. We’ve been exchanging thoughts and opinions now for several years and we’ve been happily hosting NCTC officers under our Federal Executive Fellowship Program here.

The National Counterterrorism Center is a relatively new part of the United States’ national security bureaucracy. It’s only about 10 years old. It has many responsibilities, but the most important responsibility is to prepare the National Terror Threat Assessment. So it is NCTC that decides how serious a specific terrorist threat is, how serious a terrorist organization is, how serious a terrorist environment is. So when President Obama meets with his Homeland Security principals, it is Matt who opens the meeting by saying here’s what the threat is and how serious we think it is. It’s a pretty heavy responsibility.

He is not the Secretary of State. He is not the Secretary of Defense. He doesn’t decide what targets we bomb. He doesn’t decide whether we cozy up to Bashar al-Assad or not. He is extremely well qualified for the position he is holding.

Those in the audience here have already seen his bio. He’s a graduate of the University of Virginia and Harvard Law School. He’s worked in the Department of Justice, in the National Security Agency. He worked on the Guantanamo Bay review process back in 2009.

We asked him several weeks ago if he would come and give a public presentation here, and I’m very glad today that he’s agreed to do that. Of course, this is extremely timely with the Islamic State of Iraq and al-Sham’s killing another American
yesterday, with American commandos operating in Somalia, and for many, many other reasons. It is especially good to have him here today.

The format today will be quite simple. Matt will speak for 20 or 25 minutes and then I will take the prerogative of the chair to ask him a few questions and then we will open it up to the audience. Last thing I ask you, if you have your telephone on, please turn it off. I know you have an awesome sound call, but mine is even better, so please turn yours off. Thank you very much.

MR. OLSEN: All right, thank you very much, Bruce. This past May, a man walked into a Jewish museum in Belgium, opened fire, killing four people. The suspect, a 29-year-old French national, had recently returned from Syria, where he fought alongside the Islamic State of Iraq and the Levant. The very next day, a 22-year-old American from Florida blew himself up while detonating a massive truck bomb in a restaurant in Northern Syria, one frequented by Syrian soldiers. The bomb killed dozens. The American suicide bomber was with the al-Nusra Front, an al Qaeda affiliate, and the group posted online a video of the attack.

And then finally, over the past two weeks, an ISIL terrorist, probably of British origin, executed two American journalists who were taken hostage while covering the plight of the Syrian people. ISIL then posted these images for the world to see.

Let me pause here and echo the words of the President this morning. On behalf of everyone at NCTC, our thoughts and our prayers are with the families of Steven Sotloff and Jim Foley today.

Taken together, these horrific acts of violence highlight why security and intelligence professionals and officials in the United States, across Europe, around the world are alarmed about the rise of ISIL and the terrorist threats that we see emanating from both Syria and Iraq today, threats to both those in the region, as well as to the West. Last week and again this morning, the President spoke directly to these concerns, calling
ISIL an immediate threat to the people of Iraq and the people throughout the region. Likewise, the British prime minister announced that the UK was raising its threat level, citing information that ISIL is targeting Europe.

So this morning, I’d like to spend a few minutes talking about the nature of the terrorist threat that we see in Syria and Iraq. I will talk about the rise of ISIL and some of the challenges we face, but also why ISIL is not invincible. I will discuss how the situation in Syria and Iraq fits into the broader terrorism landscape as I try to place this into the overall context that we see. And then finally, I’ll touch on some of the steps we’ve taken to confront ISIL and other groups operating in Syria to address the threats they pose to our security.

So as I begin, let me take a step back and thank Bruce and The Brookings Institution for inviting me here to speak and also to acknowledge the terrific work that goes on here at Brookings across the full range of terrorism and intelligence issues. There’s a natural connection, as Bruce mentioned, between the work at Brookings and the work at NCTC. In the government, we’re the primary organization responsible for analyzing the terrorist threat information that we see and, indeed, we’ve sent some of our best and brightest here to Brookings to serve as fellows.

The other thing I’d like to say at the outset is that as the director of NCTC, I believe it is our role to talk to groups like this about our analysis and to share our insights. This summer the 9-11 commissioners issued a new report and they asked national security leaders, and I quote here, “to communicate to the public in specific terms about what the threat is and how it’s evolving.” So I see this event really as an opportunity to do just this and to shed some measure of light on the current discourse concerning ISIL.

So, look, there’s no doubt that the American public is gripped with the news about the violence that we see in Syria and Iraq, and this is completely
understandable, particularly in light of the video that was released yesterday and a couple of weeks ago. By every measure ISIL is a dangerous organization, an extremely dangerous organization operating in a chaotic part of the world. It has exploited the conflict in Syria, it’s exploited sectarian tensions in Iraq, both to enrich itself in these countries and it now spans the geographic center of the Middle East.

The group uses both terrorist and insurgent tactics and, like an insurgency, it has seized and is trying to govern territory. ISIL poses a direct and significant threat to us and to Iraqi and Syrian civilians in the region and, potentially, to us here at home. The group’s rapid success on the battlefield, its brutal tactics, its claim to be the new ideological leader of the global jihadist movement, these all account for our intense focus on the group and the threat it presents.

And then beyond ISIL, other terrorist networks in Syria pose a threat to us, even as we continue to monitor terrorist organizations across the Middle East and much of North Africa. So I’m going to talk now about how we at NCTC assess the threat from ISIL and I’m going to take a few minutes to walk us through this. I’m going to begin with the background of ISIL because I think it’s important to start there.

So the veteran Sunni terrorist Abu Musab al-Zarqawi founded the group in 2004. He pledged his allegiance at the time to bin Laden. Al Qaeda in Iraq as it was then known targeted U.S. forces, targeted civilians using suicide bombers, car bombs, and executions to pressure the U.S. and other countries to leave Iraq. It quickly gained a reputation for brutality and tyranny. In 2004, ISIL’s continued targeting and repression of Sunni civilians in Iraq caused a widespread backlash against the group, often referred to as the Sunni Awakening. This coincided with the surge in U.S. and coalition forces, as well as Iraqi counterterrorism operations, that ultimately denied ISIL safe haven and led to a sharp decrease in its attack tempo.

In 2011, the group began to reconstitute itself amid growing Sunni
discontent in Iraq and the civil war in Syria. In 2012, ISIL conducted an average of 5 to 10 suicide attacks per month in Iraq. And then by last summer, that number had grown to 30 to 40 such attacks per month. While gaining strength in Iraq, ISIL exploited the conflict and the chaos in Syria to expand its operations across the border. The group established the al-Nusra Front as a cover for its activities in Syria and in April 2013, last year, the group publicly declared its presence in Syria under the ISIL banner.

Al-Nusra Front leaders immediately rejected ISIL’s announcement and publicly pledged their allegiance to al Qaeda and Zawahiri. And then by February of this year, al Qaeda declared that ISIL was no longer a branch of the group. Now, at the same time, ISIL accelerated its efforts to overthrow the Iraqi government, seizing control of Fallujah this past January. The group marched from its safe haven in Syria, across the border into Northern Iraq, slaughtering thousands of Iraqi Muslims, Sunni, Shia alike on its way to seizing Mosul this June.

And through these battlefield victories the group gained weapons, it gained equipment, and it gained territory, as well as an extensive war chest. ISIL, we think, takes in as much as $1 million per day from illicit oil sales, smuggling, and ransom payments. By late June, this past summer, ISIL declared the establishment of the Islamic caliphate under the name The Islamic State and called for all Muslims to pledge support for the group and to its leader, Abu Bakr al-Baghdadi.

Now, three overarching factors, and I’m going to talk about these, account for the rise and success of ISIL. First, quite obviously, ISIL has exploited the failure of the Syrian and Iraqi states to maintain control over their more remote regions. Assad’s brutal treatment of his own people, his misuse of the resources of his country to forcibly suppress the moderate opposition has acted as a magnet for extremists and foreign fighters. In Western Iraq, the withdrawal of security forces during the initial military engagements with ISIL has left swaths of territory largely ungoverned there. ISIL
used these areas to establish sanctuaries in both Syria and Iraq from where the group could plan and train and plot, as well as amass and coordinate fighters and weapons with little or no interference. And with no security forces along the Iraq and Syria border, ISIL has been able to move personnel and supplies within its held territories with ease.

Secondly, ISIL was proven to be an effective fighting force. It’s battlefield strategy is both complex and adaptive. It employs a mix of terrorist operations, hit-and-run tactics, paramilitary assaults to enable the group’s rapid gains. These battlefield advances in turn have sparked other Sunni insurgents into action and they have helped the group hold and to administer territory. Indeed, disaffected Sunnis have few alternatives in both Iraq and Syria. The leadership in both of these countries has pushed them to the sidelines in the political process for years, failing to address their grievances, and ISIL has been recruiting young Sunnis to the fight.

And then third, ISIL views itself as the new leader of the global jihadist movement. It operates the most significant propaganda machine of any extremist group. ISIL disseminates timely and high-quality media content on multiple platforms, including on social media, all designed to secure a widespread following for the group. We have seen ISIL use a range of media to tout its military capabilities, its execution of captured soldiers, and a consecutive number of battlefield victories.

More recently, the group’s supporters have sustained this momentum on social media by encouraging attacks in the United States and against U.S. interests in retaliation for our airstrikes. ISIL has used this propaganda campaign to draw foreign fighters to the group, including many from Western countries. As a result, ISIL threatens to outpace al Qaeda as the dominant voice of influence in the global extremist movement.

All right, so today, ISIL has more than 10,000 fighters. It controls much of the Tigris-Euphrates basin, the crossroads of the Middle East, an area about the size
of the United Kingdom. And its strategic goal is to establish an Islamic caliphate through armed conflict with apostate regimes, those that it considers apostate, such as Iraq, Syria, and the United States. And from this position ISIL poses a multifaceted threat to the United States, and I'm going to talk about this now in some detail.

In January, ISIL's leader warned that the U.S. will soon be "in direct conflict" with the group. And there's little doubt that ISIL views the U.S. as a strategic enemy. This threat is most acute in Iraq. The group's safe haven and resources there present an immediate and direct threat to Americans. This includes our embassy in Baghdad and it includes our consulate in Erbil and, of course, it includes the Americans held hostage by ISIL.

In the region, in Lebanon, in Turkey, in Jordan, ISIL has the capability to carry out small-scale attacks and to threaten Americans there as a result. But the ISIL threat extends beyond this region to the West. ISIL has the potential to use its safe haven to plan and coordinate attacks in Europe and in the United States. This threat became real this past year with the shooting I mentioned in the Brussels museum by an ISIL fighter, and also with the arrest of an individual recently in France who was connected to ISIL and, upon his arrest, the police discovered several explosive devices.

Now, at this point, we have no credible information that ISIL is planning to attack the United States. We do know that more than 12,000 foreign fighters have flocked to Syria over the past 3 years, including more than 1,000 Europeans and more than 100 Americans. Many of these foreign fighters have joined ISIL's ranks and the group may use these fighters to look to conduct external attacks. These foreign fighters are likely to gain experience and training and eventually to return to their home countries battle-hardened and further radicalized. Many are likely to possess Western passports and travel documents.

The FBI has arrested more than a half a dozen individuals seeking to
travel from the U.S. to Syria to support ISIL, and we remain mindful of the possibility that an ISIL sympathizer, perhaps motivated by online propaganda, could conduct a limited, self-directed attack here at home with little or no warning. And in our view, any threat to the U.S. homeland from these types of extremists is likely to be limited in scope and scale.

So as dire as all of this sounds, from my vantage point it’s important that we keep this threat in perspective and we take a moment to consider it in the context of the overall terrorist landscape. That certainly is, as Bruce mentioned, part of our responsibility at NCTC.

The rise of ISIL can be viewed as one, one manifestation of transformation of the global jihadist movement over the past several years. We’ve seen this movement diversify and expand in the aftermath of the upheaval and political chaos in the Arab world since 2010. The threat now comes from a decentralized array of organizations and networks. ISIL is only one of the groups that we’re concerned about.

Al Qaeda core continues to support attacking the West and, for now, remains the recognized leader of the global jihad even as it struggles to mount operations under sustained pressure. In Syria, veteran al Qaeda fighters have traveled from Pakistan to take advantage of the permissive operating environment there, as well as the access to foreign fighters, and they are focused on plotting against the West.

Al Qaeda’s official branches in both Yemen and Somalia remain extremely active. Over the past five years, of course, we’ve seen al Qaeda in the Arabian Peninsula, AQAP, repeatedly tried to take down an airline bound for the U.S. while, at the same time, targeting U.S. personnel in Yemen. AQAP retains both the intent and capability to carry out a significant terrorist attack against the United States. Its emir is now a leader within al Qaeda and the group’s propaganda continues to resonate with extremists outside of Yemen. And then al-Shabaab maintains a safe haven in Somalia.
and threatens U.S. and Western personnel in that region, even with the group’s losses since 2011.

Al Qaeda in Islamic Magreb has taken advantage of the security vacuum, the flow of weapons across porous borders to unify extremists in North and West Africa. Boko Haram is carrying out unprecedented levels of violence in advance of that country’s elections next year.

And then here in the United States, last year’s bombing at the Boston Marathon is a sober reminder of the sustained threat we face from self-directed violent extremists.

So as you can see, the terrorist threat emanates from a broad geographic area. It spans South Asia, the Middle East, much of North Africa. Terrorist networks have exploited the lack of governance and lax security in these areas. Terrorist groups, we think, are now active in at least 11 insurgencies in the Islamic world, and these groups contribute to the insurgencies and then exploit the government’s inability to fight on multiple fronts.

And then finally, I want to point out that identifying and disrupting these treats is increasingly challenging for us. These groups are adapting their tactics to overcome our defenses and to avoid our intelligence collection. Terrorist groups are looking for simpler, smaller-scale attacks that are easier to pull off. Point out as an example the al-Shabaab attack last year at the West Gate Mall in Nairobi.

And then following the disclosure of the stolen NSA documents, terrorists are changing how they communicate to avoid surveillance. They’re moving to more secure communications platforms. They’re using encryptions and, in some cases, they’re avoiding electronic communications altogether. This is a problem for us in many areas where we have limited human collection and depend on our ability to intercept communications to identify and disrupt plots.
So the point is this: ISIL has captured our immediate focus, but it is only one of the myriad groups that pose a threat to us as the terrorist landscape evolves and becomes increasingly complex and challenging for us.

All right, so with this context in mind, let me spend the last couple minutes talking about our strategy to confront and to ultimately defeat ISIL. As formidable as ISIL is as a group, it is not invincible. As with a broad coalition of international partners, we have the tools to defeat ISIL based on a determined and comprehensive, all-of-government approach.

In the near term, we’re focused on protecting our personnel on the ground in Iraq, including our advisors and our embassy staff, while addressing the humanitarian crisis that ISIL has created. Our military is taking the fight to ISIL. To date, we’ve conducted more than 120 airstrikes in support of Iraqi and Kurdish security forces, and provided the necessary air support to allow these forces to protect and regain key towns and infrastructure. Because of the successes of these strikes, ISIL is losing arms, it’s losing equipment, and it’s losing territory. These measures by Iraqi, Kurdish, and U.S. forces have revealed that ISIL is vulnerable to coordinated and effective military action. The strikes have begun to sap ISIL’s momentum and created the space for Iraqi and Kurdish forces to take the offensive.

In addition, over the last few weeks, the U.S. and its allies have provided over a million pounds of supplies, including food and water and medicine to isolated civilian populations who are under siege by ISIL in Sinjar and Amerli. These steps have helped to avert humanitarian catastrophes in these locations.

At the same time as the president has made clear there is no purely military solution to ISIL. Targeted military action, humanitarian aid, these must be part of a broader strategy over the long term, consistent with the approach the President set out at his speech at West Point in May. And with a clear-eyed assessment of the threat that
ISIL poses both inside and outside the region, we are implementing a comprehensive strategy that calls for a global coalition using all tools -- diplomatic, military, intelligence, law enforcement -- to defeat the group.

This effort starts with Iraq’s leaders. Only a government in Iraq that is representative of all Iraqis and will make the necessary political reforms to unite the country will be effective in combating the group. We have concentrated on working with Iraqis and international partners to ensure that the new Iraqi government stands for all Iraqis. An inclusive Iraqi government that represents Sunnis and Shias and Kurds alike will reduce sectarian tensions throughout the regions, not just within Iraq, and demonstrate to marginalized Sunnis that there is a viable alternative to ISIL and its form of governance. In recent weeks, Iraqis have made progress toward this goal, naming a new prime minister.

This strategy also requires regional and international partners. Some nations will provide military assistance, direct and indirect, while others will provide humanitarian assistance. This effort is underway in Iraq, where other countries have joined with us in providing humanitarian aid and military assistance and support for an inclusive government.

This week at the NATO Summit, Secretary Kerry and Secretary Hagel will meet with their counterparts to enlist the broadest possible assistance. And then both secretaries will travel to the Middle East to develop more support for this coalition. As Secretary Kerry observed recently, no decent country can support the horrors perpetrated by ISIL and no civilized country should shirk its responsibility to help stamp out this disease.

A broad international consensus against ISIL will provide the foundation for concerted action to achieve a number of objectives. First, we’ll continue to take direct action, both unilaterally and in concert with our partners, to degrade ISIL’s capacity to
wage war and to diminish its territorial control in both Iraq and in Syria.

Next, we’re continuing our support for Iraqi and Kurdish security forces and for the moderate Syrian opposition. They are facing ISIL on the front lines.

Next, we’ll also counter ISIL’s extremist messaging campaign by working with partners to emphasize the battlefield successes of Iraqi and Kurdish forces and to highlight ISIL’s atrocities and the grave threat that the group poses to Iraqi Sunnis.

And then finally, we will continue to enhance our intelligence collection within the region and we will build on established security measures here at home to combat any threat that we see here. This includes working to stem the flow of foreign fighters to Syria and Iraq.

So in sum, our attention is concentrated on the security crises in both Iraq and Syria, and rightly so. ISIL and other groups operating in Syria threaten our people and our interests in the region. And left unchecked, they will seek to carry out attacks closer to home. But no terrorist group, certainly not ISIL, is invincible. The slaughter of tens of thousands of innocent Syrian and Iraqi civilians has shocked and united all civilized peoples, or the barbaric murders of two American journalists and the attack at a Jewish museum in Brussels have demonstrated that these terrorist threats are not confined to one part of the globe. As the President has set out, the U.S. will continue to do whatever is necessary to protect Americans at home and abroad while we work with Iraqis, our partners in the regions, and our allies over the long term to bring peace and security to a chaotic part of the world.

Thank you very much and I look forward to our discussion. (Applause)

MR. RIEDEL: Thank you very much, Matt, for that very sober, but unhysterical, description of the threat that we face today. You started in Belgium and I’d like to go back to Belgium, too.

As I listened to what you said, you’re portraying an organization which
has followers, sympathizers, and some cell structure now in Western Europe. If I were to compare that to al Qaeda, say, in 1999 and 2000, when we knew it had a pretty well developed cell structure in Europe, in Hamburg, in Spain, in Southeast Asia, and as we now know in the United States of America, what I'm hearing from you is we're not at that level of acute threat today, but we could be there. Is that a fair summary of where NCTC thinks we're standing today?

MR. OLSEN: So I think that's a useful point of comparison and I think, Bruce, you're spot-on in saying that we certainly aren't there. ISIL is not al Qaeda pre-9-11.

And I think, you know, we also are not, as a country and as a counterterrorism community here, but also across Europe, we are not what we were in pre-9-11. We are so much better postured in so many ways to see, detect, stop any type of attack like what we saw on 9-11.

There is concern about, and I highlighted this, you know, the number of Europeans who've traveled to Syria, and certainly some of them, perhaps many, have joined forces with ISIL. They are the ones who are returning home. That is sort of the model that we're most concerned about and it's highlighted by what we saw in the Jewish museum in Brussels. A, you know, sort of a loan offender, possibly acting on his own, possibly acting at ISIL’s direction, but, in any case, a smaller-scale type attack looked brutal, lethal, but, you know, nothing like a 9-11 scale attack or what we saw that AQ was capable of at that time. So I think that's an important point of comparison.

MR. RIEDEL: You and your analysts, I'm sure, spend endless hours reading their propaganda and you also have the benefit of your intelligence collection.

MR. OLSEN: Yeah.

MR. RIEDEL: From looking at their propaganda and the terror threat picture that you have, though, do you have any doubt about their long-term intentions vis-
à-vis both Europe, but, more importantly, the American homeland?

MR. OLSSEN: No. I think we do spend a lot of time reviewing their propaganda and, of course, also the information that we’re able to glean that’s not part of what’s in the open sources. And, yeah, I think that there is no doubt in our view that that is ultimately how they see us and ultimately that they see us as a strategic threat and one, as they publicly stated, they will inevitably confront. So I do think that, you know, at some point in time, allowed to proceed on the path they’re on, in other words, left unchecked, they would turn their sights more to the West and potentially to the United States.

MR. RIEDEL: The head of this organization is a very mysterious figure, Abu Bakr al-Hashimi al-Qurashi al-Baghdadi, literally meaning he is a descendent of the prophet Muhammad, if anything that he says is true. Do you feel the American intelligence community has a solid handle on who this guy is, where he comes from, what his ideology is, or is this still a work in progress for us?

MR. OLSSEN: I think we have a pretty good sense. Abu Du’a is another name that he goes by. I think we have a pretty good sense. I do think that your characterization of him as somewhat shadowy is absolutely fair. He has not struck a public persona in the way others have. There are other members of the group that have a larger public persona. So certainly, we spend a fair amount of time within NCTC and the broader CT community learning what we possibly can about him.

MR. RIEDEL: Do you think he comes from the same ideological bent as Zarqawi and bin Laden? I mean, certainly the level of violence, the brutality puts him in that category.

MR. OLSSEN: Yeah, I do think he shares that ideology, both in terms of the level of violence and, ultimately, the grandiose aspirations that he’s set forth. And so, yes, I would put him in that same category.
Interestingly, of course, the ISIL has set itself on a path apart from Zawahiri and the rest of al Qaeda, in part based on their disagreement with the tactics and the approach. But that’s more about means and I think with respect to ends, they share the same ideology.

MR. RIEDEL: You emphasized that ISIL or ISIS or whatever you want to call it -- it’d be nice if they would change their name to something simple for all of us to follow -- is part of a broader transformation of let’s call it al Qaeda-ism in the last couple of years and a new generation of al Qaeda. In that context, how worried are you that the old al Qaeda core, perhaps with some new leaders coming in, is poised to be resurrected and resurge as the United States and NATO withdraw forces from Afghanistan and the Pakistan arena? Are we in danger of seeing a repeat of what’s happened in Iraq, where al Qaeda in Iraq we thought was if not destroyed, at least on the back foot, resurrecting itself with al Qaeda core or al Qaeda core-like groups in South Asia?

MR. OLSEN: So, I mean, we’re obviously vigilant in monitoring that possibility and working closely, obviously, as well with the Afghan security forces, as well as our other partners in the region, to continue to maintain the pressure that we’ve been able to place on al Qaeda to ensure that that doesn’t happen. And so I’m confident that we’ll take the steps that are necessary to prevent anything like that type of resurgence of al Qaeda in that part of the world.

MR. RIEDEL: I’m going to press you a little bit here. There’s a difference between confident that we take it seriously and being worried that this is not the 2014 threat, but the 2017 threat.

MR. OLSEN: Right. And I think -- so it’s fair to press me on that point, Bruce. I mean, and part of my job is to be worried about these things, right? That’s why I have all the gray hair that I have. But I am comforted when I see the work that goes on across our government and our work with others, so I’ll go back to that point that we are
going to take the steps that we need to take to make sure that whether it’s 2014 or 2017, we don’t see that type of resurgence. And so, you know, the President has made a number of speeches where he’s talked about this and sort of what I talked about in terms of the diffusion and decentralization of the threat, and that we need to be very, really steely-eyed about this threat, where it comes up, where it rises to the level of presenting the kind of threat to the U.S., whether it’s our interest in the region or certainly here at home and that we’ll do whatever is necessary to disrupt and defeat that threat.

MR. RIEDEL: You mentioned that Secretary Kerry and Secretary Hagel are now going to the Middle East after spending the weekend in Wales. The question I’m constantly asked by people, and you hear it on talk shows everywhere, is where are our Muslim allies? Why are we fighting these people? And the common American perception is many of our allies are taking a lackadaisical approach. And this is, of course, most often heard with regard to Saudi Arabia. Without compromising, you know, any intelligence collection activity, how would you characterize how our Muslim allies -- and you can name names if you want or you can stay vague if you’d like -- are happy or working with us? Or you can shout out the ones who help the most and be quiet about the ones who don’t.

MR. OLSEN: Right, right. And everyone knows the countries that we work so closely with in the region. I mentioned areas where, you know, I think it begins with the threat. So you look at the areas that are threatened, the countries that are threatened by the rise of ISIL, and, you know, obviously Lebanon, Jordan, Turkey, and increasingly others in the Gulf, Saudi Arabia. So these are countries that we are closely allied with and are working with to -- on both, you know, openly and less openly, to take on this threat. So, you know, I look forward to the results of what’s happening at the NATO Summit and then further diplomatic efforts; again, more in the purview of the Secretary of State and the Secretary of Defense to build those partnerships and to form
this coalition that, I think, you know, there's every reason to believe based on what's happened so far, will coalesce.

MR. RIEDEL: I mentioned in introducing you that you worked on Guantanamo, and we talked before this event. It's haunting to see Americans dressed to look like Guantanamo prisoners. Looking back, how damaging has it been, how damaging is it still today, that the Guantanamo facilities six years after President Obama called for it being shut is still open to our overall efforts to counter the al Qaeda-ism's propaganda efforts?

MR. OLSEN: Well, you know, there's no doubt that, first, as I mentioned, it is important to note our view that there's no group as successful and effective as ISIL is at using propaganda, particularly using social media. They have outpaced any other extremist group at how they've used the Internet to spread their message. And, you know, part of that is, as we've seen in the past, part of that is the Guantanamo imagery. And that along with a number of other sort of tools are things that they turn to, or messages that they turn to, to try to spread their message, radicalize others.

I mean, I do think it's important to say here there should be no equivalency and we should reject any sense of equivalency, right, between what we saw in those videos and our country's policies, and I want to make sure that that's clear. At the same time, obviously, you know, we're working hard in support of the President's goal to close Guantanamo and that we're at NCTC, along with the rest of the community, part of that effort.

MR. RIEDEL: You've been doing this for some time now and you mentioned in your talk that not only is the threat transformed, but we are transformed. The National Counterterrorism Center was set up -- actually it derives from an earlier effort, TTIC, but we don't need to go into the chronology of bureaucracy here -- to connect the dots because we felt after September 11th, we knew after September 11th,
information wasn’t properly shared. Looking at how NCTC functions in particular, but how the U.S. Government more broadly functions today, how would you characterize for Americans the level at which we’re now connecting the dots, bringing this information together, and really making sure that we don’t have vital pieces of data slip between the cracks as they did before September 11th?

MR. OLSEN: So that’s kind of a softball, isn’t it, Bruce? (Laughter) And I appreciate that.

You know, so one thing to point out here is that we just last week celebrated our 10th anniversary. We were created by an Executive Order in August of 2004 and then codified in the Intelligence Reform Act later that year. So 10 years of history for NCTC, relatively young organization, but really reflective of the overall counterterrorism community in the level of collaboration within this community, the level of information sharing. I think it stands as a model for the rest of the government in how we work. I mean, we were -- you know, the imperative of 9-11 gave us the momentum to break down barriers to sharing information and we basically have been working that since 2001 and certainly since we were created in 2004.

But, you know, more concretely, look, there are real examples of the government working together in ways that are hard to imagine. And, you know, I would point to the captures of people like Abu Anas al-Libi and Abu Khattala, you know, earlier this year, where the intelligence community, working with our military forces, working with the law enforcement community, you know, these individuals are now facing justice. These are one a long-time al Qaeda operative indicted for his role in the 1998 embassy bombings, another charged with his role in the attacks in Benghazi. You know, these are examples of a seamless counterterrorism effort where, again, intelligence, military, law enforcement, all working together and all coordinated. In a way it’s hard to imagine, you know, really any other country being able to pull off something like that. And so it’s
something that I’m particularly proud of as I see, you know, NCTC’s part, small part, in
supporting that, but, again, I think more exemplifying the level of collaboration and
coordination within the U.S. Government’s counterterrorism community.

MR. RIEDEL: Well, now that we’ve given you at a softball we’ll go to the
hardballs. Please identify yourself and please make it a question and not a speech.

Barbara, please.

MS. SLAVIN: Thanks, Bruce. Thanks. I’m Barbara Slavin. I’m from the
Atlantic Council and Al-Monitor.com. Two questions. Is it possible to defeat or even
substantially degrade IS while Bashar Assad remains at least in nominal control in Syria?
And what is the role of Iran in helping the United States defeat what is clearly at this point
a mutual threat? Thank you.

MR. OLSEN: So on the first question it absolutely is -- without regard to
the part of your question about Assad, as I pointed out, we are committed to and it’s
absolutely impossible to both degrade and defeat ISIL, particularly over the long run. It’s
going to take time and part of that will mean working to secure a political transition in
Syria. As long as Assad is in that position, a ruler with no legitimacy in his own country,
we have seen that Syria is a magnet for extremism and extremists to flow to that country,
which, obviously, complicates the security picture from our perspective, but provides
resources and support for ISIL, al-Nusra, other groups. So, you know, I think broader of
the strategy over the long term is a political transition in Syria.

And with respect to the second question, with respect to Iran’s role in
Iraq, obviously Iran has interests in that region, as well. It’s a neighbor, and so, but I’m
not going to say much more about Iran’s role.

MR. RIEDEL: Over here.

MS. McKELVEY: My name’s Tara McKelvey. I work for the BBC. And I
wondered if you can tell us a little bit about sort of the homegrown presence, like
Americans joining the fight in Syria. And specifically, I’m wondering about radical preachers, like how you’re dealing with them now, like when we know who they are and whether it’s different now, and also how you compare it to how the UK’s handling that problem.

MR. OLSEN: So it’s interesting, obviously the UK raised its threat level. They have a different system than we do for that particular question, the threat level question.

Look, you know, I mentioned that we think over 100 Americans have traveled to Syria. Now, to be clear, we don’t know how many of those have joined ISIL. We think 100 have gone there to join in the Syrian opposition effort and many of those, we think, have joined with extremist groups.

And the problem in the United Kingdom is substantially more significant in terms of numbers; I think the prime minister mentioned as many as 500 in his remarks last week. So the situations are similar. The situation is more pronounced in the UK in terms of the concern about foreign fighters traveling to those countries and then returning home. I think that’s largely just a consequence of the geographic proximity of the UK to Syria and the ease with which one can travel there.

So we’re doing a number of things. The FBI has the lead on this with us and the Department of Homeland Security to understand, first, what’s causing folks in the United States to desire to go to Syria. This is part of a broader strategy to counter violent extremism. You know, we’ve seen this in the past with individuals desiring to go to places like Somalia. Certainly, the UK has this, as well, with the number of individuals seeking to go to Pakistan and other places. So we work really closely with the UK in understanding the nature of that radicalization process and the kinds of steps we can take from a law enforcement perspective to stem that flow. Here in the United States we have tools and, again, the FBI has the lead here when we see someone who’s committed
a crime, being able to arrest them before they go.

   MR. RIEDEL: Right over here. Garrett?

   MR. MITCHELL: Thanks very much. I’m Garrett Mitchell and I write The
Mitchell Report. And I want to come back and ask the flip side of a question that Bruce
posed much earlier, which was about whether our departure from Afghanistan puts us
back where we were in 9-11-2001, and ask this question. You talked about what the
motivating factors of Americans joining ISIL might be. Is it possible and do we have a
way of analyzing, if not measuring, the extent to which America’s staying in the game
kinetically in these countries and the so-called collateral damage in particular that it
causes is breeding more ISILs and al-Nusras than it is eradicating and doing so multi-
generationally? And allied to that in the sense of realism I think I have to ask, and if the
answer to that might be yes or probably yes, do we have a choice?

   MR. OLSEN: You’re obviously familiar with the proposition that you
pose. And I think one of the ways I would answer that question is to, you know, refer
back to the work that’s been done in the last couple years by the administration, by the
President, to set our efforts, you know, our direct action efforts, on a sound legal and
policy footing, one that has key points that we will take such action only when there is a
continuing imminent threat to U.S. persons, and one that is enduring, that will be in place
for the foreseeable future and that is dedicated to limiting any harm to noncombatants.
This is, I think, the way that we have announced this approach and that we can hold out
to the rest of the world to show that it’s one that, I think, addresses the concern that you
raise. At the end of the day, the President has again made clear that where there are
continuing and imminent risks or threats to U.S. people, to Americans, you know, to
answer that last part of your question, then the choice is to take the action that’s
necessary to stop those threats.

   And again, I think you’ve seen that level of aggressiveness from the
counterterrorism community, whether it’s in situations that I mentioned where we’ve captured individuals because, where we can, we have taken that step. We’ve captured individuals like Abu Khattala, even dangerous missions like that, where we’ve been aggressive; certainly, as was announced recently, this past summer, where we sought to rescue -- unfortunately, not successfully, but sought to rescue -- American hostages held in Syria. So where we need to be aggressive, where we need to be assertive, we will be. But, again, the counterterrorism policies for direct action are on a footing, I think, that we can hold out as being appropriate and legal and sustainable over the long term.

MR. RIEDEL: Over here. Those of you who come early and get in the front get a benefit of my inability to see anything more than 10 feet away, so.

MS. VARGAS: Hello. Thank you for being here. My name’s Christine Vargas. I’m from Avascent. Simply put, terrorism as a global phenomenon is fed by recruits, young men in areas and situations that feel disenfranchised, discriminated against, and economically stifled, and are, therefore, infinitely susceptible to well-orchestrated propaganda promising prestige and a paycheck. Could you comment a bit more on the propaganda countermeasures that NCTC is implementing with or without international partners to combat the allure of joining the fight, as well as any economic programs in non-failed states where recruitment is high, that could bolster those communication efforts?

MR. OLSEN: So I think that’s a very good question and, obviously, as you look across these areas that I mentioned when I went through this sort of around-the-world description of the types of threats we’re concerned about, you know, one of the common themes that we see in some of these countries is not only just a lack of governance and a lack of security, but problems more deep-seated even than that in terms of economic opportunity, educational opportunities, you know, really deep-seated socioeconomic problems that certainly are the conditions that can give rise to basically
young men with little hope, little future, turning to extremism and radical and, in some cases, ultimately violent extremism behavior.

So, you know, there’s a broad array of things that need to be done that go far beyond the remit of NCTC to address these problems, and these are long-term systemic concerns that I think we’re working with the rest of -- you know, with our allies, with regional partners to address, and largely work done through the State Department as well as, in some cases, the Defense Department to address. So that’s a big part of, I think, an answer to your question.

The first part of your question sort of about counter-messaging, so at NCTC one of our -- you know, one of the things that we do is really analyze the nature of the message that our adversaries are putting out. You know, what messages are they using? Why do they think these resonate? Do they resonate? If so, in what ways do they resonate and with whom? And we then can provide that information to, you know, other elements of the government, particularly the State Department, that’s got a more outward-facing role in helping to push back on that message through its diplomatic and strategic communications.

So we don’t -- at NCTC, in any event, we wouldn’t be the ones to actually send out that message. We help analyze it, understand it, and then inform those that are responsible for shaping, you know, an image of the U.S. and shaping a counter message that is going to be effective.

MR. RIEDEL: I want to build on that question a little bit. In 2000/2001, we were dealing with the failed state in Afghanistan and its repercussions. We’ve got failed states now going by the half-dozen lot. We’ve got Syria, Iraq failed or failing. We’ve got Libya, which is barely a country anymore. We’ve got Yemen, which is a prime candidate, I think, to move up into this dubious category; Somalia still; Mali; Northern Nigeria. If I look at it, the resources of the counterterrorism community in the United
States are now being really asked to be stretched very, very far and wide. How do we figure out what the priorities are and how do we make sure that Boko Haram doesn’t blow up Detroit next week because they have the intention to do so, but we don’t have the resources focused on Boko Haram’s strategic thinking?

MR. OLSEN: Right. So a really important part of what we do and really just a central question and, you know, as we look across the Middle East and North Africa, as I tried to lay out, we see all these countries that are, right, in some sense not being effective at governing. And we see terrorist groups take advantage of insurgencies. I listed, you know, the number 11. It may be, you know, more or less, but that’s about where we see the number of areas -- countries where terrorist groups are taking advantage of insurgencies. And prioritizing and understanding what’s happening in these countries so that we can allocate limited resources, limited counterterrorism resources, effectively is a central challenge for us.

You know, the President talked about this at West Point and he’s talked about it on other occasions where he’s laid out the importance of having to work with our partners and build up the capabilities of some of these countries and seek to develop solutions beyond the U.S. going in, obviously militarily. So, you know, as I look across these countries I think the key for me, from NCTC’s perspective, is to be very precise and careful about identifying the level of threat that they pose, that these groups pose that operate and not just putting all of these groups on the same plane.

So we don’t see -- you know, as vicious as Boko Haram has been, we don’t see Boko Haram posing a threat to us here in the United States or even now really having an agenda to do so. Now, that doesn’t mean that might not change, but right now, you know, Boko Haram is not core al Qaeda. You know, the groups operating in Libya, you know, brutal, malicious, certainly the terrorist attack in Benghazi was a significant attack. But, again, we don’t necessarily put those groups, those individuals, on the same
plane as we do core al Qaeda, AQAP, or now ISIL.

So I think the challenge is prioritizing, being clear about the threat, being steely-eyed about where we see the need to put our limited resources, and then making a really concerted effort to build capacity and international coalitions to deal with these problems.

MR. RIEDEL: We are getting close to the witching hour, so I’m going to take three questions, starting here and then right there and then the gentleman back there. And, hopefully, we’ll have time for one more round.

MS. SAPIRO: Thank you. Miriam Sapiro from Brookings. My question is to take you back to Syria. During your remarks you talked about the importance of working with the post-Maliki government as a strategy for Iraq. And during the Q&A you mentioned political transformation. Assad has shown his staying power over and over again. So what, in your view, is the short-term strategy for the U.S. to address the threats you identified with respect to Syria?

MR. RIEDEL: And here.

MR. OLSEN: Yeah, well, part of it is to say that it’s -- you know, ISIL now has changed the ballgame with respect to the border, right? So there’s really not a border between ISIL -- I mean, between Iraq and Syria. So when we look at this as a challenge, we look at both countries.

The short-term strategy has been, as I discussed, to protect Americans in Iraq, those in our diplomatic facilities, particularly in Baghdad and Erbil; and then to help avert the humanitarian crises that we saw beginning to form in a number of places. So that’s the short-term strategy.

The longer-term strategy is to build an international coalition that will bring all of the tools that we have to bear on this problem, and that includes beginning with more inclusive governments in Iraq. And they made strong progress there under a
new prime minister, with the announcement of a new prime minister. But then over the longer-term it includes a transition in Syria to a government that will be inclusive, as well. And obviously, that is a long-term proposition that’s going to require a concerted diplomatic effort by not just the United States, but by particularly countries in the region.

MR. RIEDEL: Okay, we’re going to take three. One right here.

MS. BEZRA: This is Shayla Bezra with Fox News. My question relates to threats that you talked about, foreign fighters going to Syria and the region and bringing their skills, newly acquired skills, back home. So with that in mind, are there any cells in the United States, whether it’s people who have come back and kind of flew under the radar or people who have remained behind as some kind of organizational support?

Also, what can you tell us about the second American from Minneapolis, who apparently worked at the airport?

And then the second part of my question is about the video yesterday. Within a few hours of the video coming out, there were reports and apparently ISIL posted on their Twitter page or Facebook page apologizing to their followers that the video was issued -- I mean, posted by mistake. Could that be seen as sort of a fracturing within the organization and some kind of power struggled in terms of the propaganda leadership and influence?

MR. RIEDEL: I’m going to take two more. Right here behind her.

MR. OLSEN: Why don’t I go ahead and answer that question. Oh, you’re saying later, we save those for later?

MR. RIEDEL: This will be the last round.

MR. OLSEN: Okay. Because I won’t remember those three questions and then next two.

MR. RIEDEL: Right.
MR. OLSN: So let me just quickly answer.

MR. RIEDEL: Okay.

MR. OLSN: I’ll answer the first part. The second two parts of your question I think are more in the range of sort of speculation, so I won’t touch those.

But, look, no indication at this point of a cell of foreign fighters operating in the United States, so, you know, full stop. We’re mindful and, you know, vigilant about the possibility of individuals more likely on their own, you know, one, two, coming back from Syria. Again, we’ve seen that model in Europe, so there’s every reason to be concerned about that as a potential, not happening now, not something we’ve seen now, but a potential in the United States. So, you know, to be clear, we’re working very hard, you know, not just NCTC, but the FBI, Department of Homeland Security, the entire counterterrorism community, along with, particularly, European partners, to understand who those individuals are, to track their movement, and to be in a position to disrupt any violent activities they might engage in.

MS. BEZRA: The (inaudible)?

MR. OLSN: No, I don’t want to talk about that.

MR. SHORE: My name is Steven Shore. Has there been any -- does ISIL have any objectives against Israel? Have they attempted any actions or is, for some reason, Israel off their radar screen?

MR. OLSN: So as I sit here I’m trying to think if there’s been any indication along the lines of attacks against Israel. I’m not thinking of anything that -- nothing comes to mind in response to your question. Certainly, you know, given everything we know about that part of the world, there’s reason to be concerned about ISIL turning its sights there, but, as I sit here today, I’m not aware of anything in particular.

MR. RIEDEL: Very last question over here.
SPEAKER: Thank you very much. I’m (inaudible) for Voice of America (inaudible) Region Service. We broadcast through Pakistan-Afghanistan border regions. This morning there were reports from the region that ISIL has distributed pamphlets translated into Pashto and Dari. And also, our reports suggested they have (inaudible) to the propaganda in parts of Peshawar and the border regions, and people were pasting some of the posters on the back of their cars.

My question is in the background that ISIL is reaching out there and experts are believing that some of the Taliban groups might be interested in an alliance. How much of this is a concern to the United States, particularly at a time when they want to have a stabilized Afghanistan left behind? Thank you.

MR. RIEDEL: Can I broaden that? I think it’s a great question and I’ll broaden that a little bit. You said that Baghdadi and the Islamic State are now trying to be the new al Qaeda. How much indication do you see that out there in Yemen, Libya, Pakistan, maybe as far as Indonesia, that message is now starting to resonate and we’re seeing an alignment of other groups with the Islamic State?

MR. OLSEN: All right. It’s a great question. So what we have seen so far, not necessarily an alignment of other groups wholesale. We have seen individuals, including influential individuals within some of these groups state their either alliance with ISIL, in some cases, you know, more affinity for the successes that ISIL has had and their tactics. So, you know, it’s a very dynamic situation with the rise of ISIL, the competition between ISIL on the one hand and AQ on the other. A concern that we have to perhaps to demonstrate that they are the leader, they would seek to carry out an attack that would, you know, put their -- establish their bona fides. So it’s a very dynamic situation.

I go back to the propaganda point. You know, we focused on, obviously, English language propaganda, but they are using propaganda in a range of languages, across the region, so it’s not just focused on U.S. or Western audiences. So it’s
obviously an area of grave concern for us, so we’re watching that situation very closely.

MR. RIEDEL: Thank you very much, Matt. Obviously, the prize for a group like ISIS is to be a global jihadist group and attack the homeland. And it’s just got to be a constant concern for all of us. I want to thank you for coming here and giving us a sober, serious, but also balanced assessment.

Because Mr. Olsen is obviously a very, very busy person, can I ask all of you to stay in your seats for a minute while he and I try to slip out the back door? Thank you very much. (Applause)
CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the foregoing 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