

REVIEWING THE STATE DEPARTMENT'S ANNUAL REPORT ON TERRORISM

HEARING BEFORE THE SUBCOMMITTEE ON INTERNATIONAL TERRORISM AND NONPROLIFERATION OF THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED NINTH CONGRESS

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REVIEWING THE STATE DEPARTMENT'S ANNUAL REPORT ON TERRORISM

THURSDAY, MAY 12, 2005

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTERNATIONAL TERRORISM
AND NONPROLIFERATION,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:34 a.m. in room 2172, Rayburn House Office Building, Hon. Edward R. Royce (Chairman of the Subcommittee) presiding.

Mr. ROYCE. This hearing of the Subcommittee will come to order. This hearing is reviewing the State Department's annual report on terrorism. The State Department's last two editions of its yearly report on international terrorism have been mired in some controversy. The 2003 edition had to be reissued after significant errors were detected, errors that underreported the number of terrorist attacks for 2003.

This year the State Department issued its 2004 report, minus its traditional annex statistically reporting on the number of terrorist attacks worldwide. This change leaves us with two documents, *Country Reports on Terrorism*, produced by the State Department, and *A Chronology of Significant International Terrorism*, produced by the National Counterterrorism Center (NCTC), where we used to have one: *Patterns of Global Terrorism*.

Patterns had been around since 1983. It was widely used throughout the world because it was authoritative and it was comprehensive. In truncating this document, a pretty good brand name was jettisoned. Post 9/11, when we are finding that much of what we have been doing for years in the terrorism field has been ineffective, it is an odd time to play with success. The new *Country Reports on Terrorism* is a bit like a one-sided baseball card. We have the terrorist picture on the front and we see what team he is on. What is missing are the statistics on the back. In this case, it is the grisly statistics of attacks committed and deaths, injuries and damage inflicted. Looking to next year, I would ask the Administration to revisit its decision to split this report in two. One report makes sense.

I am not concerned, as are some, about the change in methodology that the NCTC is undertaking. There is room for improvement in classifying terrorist attacks, which is not an easy task. If the Administration needs a legislative fix to allow NCTC to input new statistics into a revived *Patterns* report, many of us would want to help, but I should comment that after the problems with

the 2003 report in which Members of this Committee were very interested, I do not understand why the Committee was not consulted as the decision to alter *Patterns* was made.

To some, this may be just a report, but it is a congressionally-mandated report dealing with the central security challenge facing our Nation. Regarding some of the rhetoric surrounding this debate, the spike in terrorist attacks from 2003 to 2004 is not proof that we are losing the battle against terrorism. The Administration invited this charge, though, when it trumpeted its initial set of 2003 *Patterns* numbers to claim that we were winning the battle.

Let us get some perspective. The struggle against terrorism goes beyond the statistics of *Patterns*. Terrorism is a complex phenomenon. Key to fighting it is countering anti-Americanism, countering militant Islam and various creeds that inspire terrorism and create a climate conducive to terrorist operations. *Patterns'* statistics said nothing about this crucial effort. This is not to disparage *Patterns*, as some have who call its statistics bad or worthless. This report is, or at least was, a useful tool, but again, it is not the ultimate scorecard in the battle against terrorism. It is not that simple. My hope for this hearing is that we examine the issues and look ahead. A commitment from the Administration to work with Congress on producing the best possible report on international terrorism would be a good start.

I will now turn to the Ranking Member, Mr. Sherman, for any statements he may wish to make.

Mr. SHERMAN. Thank you, Mr. Chairman, and thank you for your indulgence, because this will be a longer than usual opening statement. I thank you for lining up the State Department and the National Counterterrorism Center for what promises to be an uncomfortable hearing, although we will try to make it as comfortable as possible. That is why we provided you ice water and everything else to try to make these few hours go as smoothly as possible.

Mr. ROYCE. Hours?

Mr. SHERMAN. It will feel like hours for many of us. Hours just for my opening statement.

Mr. ROYCE. That is what I meant. [Laughter.]

Mr. SHERMAN. The main focus today may be the numbers, or more accurately, the lack of numbers in this report and I will certainly address that issue. But what I think needs focus, however, is the country narrative section. This guide is simply not helpful to Congress in determining which countries have been doing a good job and which countries have not, because virtually every country is lauded. You need a magnifying glass to look at this report—maybe some translation key, to understand that Spain is a better ally in the war against terrorism than Saudi Arabia. Let me quote: “Spain remained a strong ally in the global war against terrorism,” versus, “In 2004, the Kingdom of Saudi Arabia continued to support the war on terror.”

The narrative on Saudi Arabia continues by mentioning positive steps and ignoring the negative, including the fact that members of the royal family are funding Hamas. There is no mention of how countries need to improve and the Saudi example is just one of many.

Perhaps we can try to understand this report with some sort of translation key. Let me offer one. Where the report states one of our strongest allies, that is an A. Strong ally, B, ally C, supporter D and I guess there are no Fs, except those identified as a state sponsor of terrorism. What good does it do the Congress without this translation key? I do not know. We are the ones involved in trade agreements, foreign aid appropriations, et cetera, and we should not need a translation key to know which countries are really helping in the war against terrorism and which ones are funding the terrorists.

A “hear no evil, see no evil” approach simply does no good. Now I know this is sensitive information and it may cause diplomatic problems to release it, but the answer is not to give us nothing. The answer, if need be, is to give us a classified annex; an approach to examine would be the report on human trafficking. Countries are ranked in three tiers based on their level of effort to deal with this modern form of slavery. As a CPA, I also want to focus a little bit on the numbers that are not in the report. I think it is absurd for the State Department to try to disclaim numbers issued by another agency of the U.S. Federal Government, since the State Department is the face of the U.S. around the world and represents the entire U.S. Government, not just itself.

But the Chairman has asked me to be something less than hours long in this presentation. He has covered the importance of numbers and I yield back.

Mr. ROYCE. I thank my colleague for yielding and I want to thank our witnesses for being with us here today.

This past February, Dr. Philip Zelikow was appointed Counselor of the Department of State. Before rejoining the State Department, Mr. Zelikow was the Executive Director of the 9-11 Commission and a professor at the University of Virginia. He previously served as a career foreign service officer and on the staff of the National Security Council. Mr. Zelikow, we really want to thank you for your important work on that Commission report. It had a big impact and I believe it will have a pretty long shelf life.

With us also is Mr. John O. Brennan. He is the Interim Director of the National Counterterrorism Center. He previously served as Director of the Terrorist Threat Integration Center, the NCTC’s predecessor. Mr. Brennan is a career intelligence officer with the Central Intelligence Agency and again, Mr. Brennan, we thank you for your years of service to this country. I, at this point, would like to go to Mr. Zelikow for his statement.

If any of the Members have opening statements, we will include those in the record. Thank you very much.

**STATEMENT OF THE HONORABLE PHILIP D. ZELIKOW,
COUNSELOR, U.S. DEPARTMENT OF STATE**

Mr. ZELIKOW. Thank you, Mr. Chairman. It is an honor to be here before this Subcommittee that has spent so much time working on these issues of international terrorism and I look forward to discussing some of those issues with you today.

I am sorry that Congressman Poe stepped out of the room for a moment, because I was going to acknowledge that the last time I looked up at Congressman Poe it was when he was Judge Poe and

he was wearing his judicial robes. He was a State trial court judge in Texas, and I was a callow young lawyer 25 years ago, trying to make some arguments to him. It is good to be back with both of us having slightly different roles.

The Department of State has the lead responsibility for advancing our counterterrorism goals with other countries and welcomes the opportunity to submit a report to the Congress on those issues. After I say a few words on that subject, I will address the composition of the report and why we made the decision to revamp it. In 2004, the United States broadened and deepened its international cooperation on counterterrorism issues. We have discussed these efforts extensively in *Country Reports on Terrorism 2004*, which we transmitted to you on April 27. In that report, we offered a number of examples of this cooperation.

What I want to emphasize, and I am going to depart a lot from my prepared statement here, is that notably 2004 was also marked by progress in decreasing the threat from state-sponsored terrorism. But it is useful to remember that when this report first was developed in the Reagan era, state-sponsored terrorism was our primary focus and a lot of its orientation was around that.

Iraq's designation as a state sponsor of terrorism was rescinded in October 2004. Although they are still designated as state sponsors of terrorism, Libya and Sudan took significant steps to cooperate in the global war on terrorism in 2004. Unfortunately, Cuba, North Korea, Syria and, in particular, Iran, continued to embrace terrorism as an instrument of national policy and, as we have noted before, we find it most worrisome that these countries all had the capabilities to manufacture weapons of mass destruction and other destabilizing technologies that could fall into the hands of terrorists. Iran and Syria are of special concern to us for various reasons detailed in my statement.

Now let me turn to the process issues. For years, especially from the formative period in the Reagan Administration, there was a State Department report called *Patterns of Global Terrorism*. The law itself required two things. First, it required detailed assessments of specified countries. Second, information about specified terrorist groups.

The compilation of aggregate data about terrorist attacks was not a required part of the report and the State Department never put that data together anyway. But back in the Reagan era, the S/CT Bureau at the State Department was the U.S. Government's public spokesman on international terrorism and it kind of fell into the habit of simply providing this data. And the habit cut deeper and deeper grooves and then it became a ritual and, of course, that ritual was then re-examined last year. Why? Because the whole institutional landscape for counterterrorism was transformed.

In July 2004, the 9-11 Commission that I had the honor to direct, recommended creation of a National Counterterrorism Center to conduct all sorts of analyses of global terrorism. The President implemented the recommendation by an EO. The Center was then created by statute. It is important to notice that the statute says, just as plainly as can be, that the NCTC is supposed to be the primary organization for analysis and integration of all intelligence possessed or required by the USG pertaining to terrorism or coun-

terterrorism. The law states that the NCTC will be the USG's "shared knowledge bank on known and suspected terrorists and international terror groups, as well as their goals, strategies, capabilities and networks of contact and support."

So when I came into the State Department, along with my colleagues, I looked at this law and we sat back and said, "You know, maybe something has changed since the Reagan Administration. There is a whole new institutional landscape here. What is the right way that this should be done? What are the comparative advantages the State Department has as opposed to the comparative advantages that this new agency has been created by Congress to have?" And so we adopted a procedure that reflected that assessment that was fully compliant with the law on the books.

Let me conclude my statement by offering just a few additional concluding statements, none of which are part of my formal printed testimony. First, I take very much to heart Chairman Royce's statement about if you have a baseball card, you ought to have some relevant statistics about the players, the stuff that is on the flip side of the card. And it is a very good metaphor. But that is exactly what the aggregate data we were providing did not give you. The aggregate data which you look for on the ball card are the runs, hits and errors of that player. We were not giving you that kind of data. We cannot give you that kind of data today. The data we can give you today is more akin to saying how many runs, hits and errors were committed in all of major league baseball, writ large, lumped together. There would be some peculiar methodologies in which we said, "But, by the way, we do not count bunt signals and we do not count anything hit to right fields. Also do not segregate it by players and, in fact, our capacity to desegregate it by players is embryonic and very weak in many respects." They're not even desegregated by teams, so the value of those aggregate statistics that say, "Well, there were a bunch of runs, hits and errors in the major leagues last year," is not especially insightful when you are trying to analyze the skills and talents of particular players or particular groups.

The second point I wanted to make is that the way we approach the process problem here was really to reflect on what is the right way this should be done, since the President and Congress plainly wanted to change the institutional landscape for doing counterterrorism.

What I wanted to underscore, though, is that I take very much to heart the Chairman's and the Ranking Member's concerns about the quality of consultation. The quality of consultation in this case was not ideal and for that I am happy to take responsibility personally. As for the Department of State, I also take responsibility for any flaws and errors in the way we reached out to you and tried to talk to you in a forthcoming manner about the way we were seeing this problem and trying to adapt to it.

Third, I did want to respond to the comment of the Ranking Member, Mr. Sherman, about Saudi Arabia and tell him that if he would like to pursue that in questioning, I would be glad to respond to some of those concerns with him, because I think that is a very important country. You are quite right to raise those concerns and I would like to have a dialogue with you about that.

Mr. CROWLEY. Is that on the record that you want to have that dialogue or is that behind the scene?

Mr. ZELIKOW. I am happy to have it on the record in testimony here, in front of all of you. And then the final point, where I want to close, is simply to say we can talk a lot about this process issue of how this report should be done and what kind of data should be included in it and that is important. I do not, however, want that subject to completely obscure everything else that is in this report about how countries are performing in the global war on terrorism. Those substantive issues are the main body of this report. They are vital. They have been a continuing concern of this Committee and I do not want to drown out that kind of discussion by a preoccupation with these numbers games. Let me stop there.

[The prepared statement of Mr. Zelikow follows:]

PREPARED STATEMENT OF THE HONORABLE PHILIP D. ZELIKOW, COUNSELOR, U.S.
DEPARTMENT OF STATE

The Department of State has the lead responsibility for advancing our counterterrorism goals with other countries and welcomes the opportunity to submit a report to the Congress on those issues. After I say a few words on that subject, I will address the composition of the report and why we made the decision to revamp the Department's report to reflect the creation of the National Counterterrorism Center (NCTC), allowing each agency to concentrate in the area of its expertise.

International terrorism continued to pose a significant threat to the United States and its partners in 2004. Despite ongoing improvements in U.S. homeland security, our campaigns against insurgents and terrorists, and the deepening counterterrorism cooperation among the nations of the world, the slaughter of hundreds of innocents at Beslan school and major attacks in Madrid, on a Philippines ferry, and in Sinai, demonstrated the danger that international terrorism poses to friendly countries. Although fortunately there were no attacks on the homeland during 2004, the loss of American citizens in Iraq, Afghanistan, Saudi Arabia, Egypt, and Gaza this year reminds us that the U.S. homeland, U.S. citizens and interests, and U.S. friends and allies remain at risk.

In 2004, the United States broadened and deepened its international cooperation on counterterrorism issues. Increased diplomatic, intelligence, law enforcement, military and financial cooperation contributed directly to homeland security and the interdiction or disruption of terrorists around the globe. We have discussed these efforts extensively in *Country Reports on Terrorism 2004* our annual report to Congress transmitted to you on April 27.

In that report, we offered a number of examples of this cooperation. For example:

- Close cooperation with British, French and other authorities, coordinated through the State Department and U.S. Embassies in London, Paris and elsewhere, was pivotal to managing threats to airline security during the '03-'04 new year period.
- Information sharing with the United Kingdom and Pakistan led to the disclosure and disruption of al-Qaida attack planning against U.S. financial institutions.
- U.S. diplomatic and military assistance in Africa facilitated cooperation among Algeria, Mali, Mauritania, Niger, Libya and Chad that led to the capture and return of wanted GSPC faction leader El Para to Algeria to stand trial.
- Law enforcement officers in Iraq, Colombia, Indonesia, the Philippines, Saudi Arabia and Pakistan, among others, applied U.S. specialized counterterrorism training to bring terrorists to justice.

Notably, 2004 was also marked by progress in decreasing the threat from state-sponsored terrorism. Iraq's designation as a state sponsor of terrorism was rescinded in October 2004. Although still designated as state sponsors of terrorism, Libya and Sudan took significant steps to cooperate in the global war on terrorism. Unfortunately, Cuba, North Korea, Syria, and in particular, Iran continued to embrace terrorism as an instrument of national policy. And, as we have noted before, we find it most worrisome that these countries all have the capabilities to manufac-

ture weapons of mass destruction and other destabilizing technologies that could fall into the hands of terrorists.

Iran and Syria are of special concern to us for their direct, open, and prominent role in supporting Hezbollah and Palestinian terrorist groups, for their unhelpful actions in Iraq and in Iran's case, the unwillingness to bring to justice senior al-Qaida members detained in 2003, including senior al-Qaida members who were involved in the planning of the 9/11 attacks.

Now let me turn to the process issues. For years, as many of you know, statistical data on global terrorism has been published as part of an annual State Department report called *Patterns of Global Terrorism*, that was last provided to Congress in April 2004.

The law itself requires basically two things. It requires detailed assessments of specified countries, and information about specified terrorist groups.

The compilation of data about terrorist attacks is not a required part of the report. And, in fact, the Department of State itself has never compiled statistical data on international terrorist incidents. This function has always been performed by the intelligence community, although the State Department has traditionally released this data, going back to the years in which the State Department was the public voice of the U.S. Government on international terrorism generally.

Of course, that situation has been changing in recent years. In July 2004, the 9/11 Commission recommended creation of a National Counterterrorism Center to conduct all-source analysis of global terrorism.

The President implemented this recommendation by Executive Order in August and the center was created by statute in December 2004, in the Intelligence Reform and Terrorism Prevention Act.

But what's important for our purposes here is what the law that Congress adopted said the NCTC should do. The law states that the NCTC is the primary organization for analysis and integration of "all intelligence possessed or acquired by the United States Government pertaining to terrorism or counterterrorism." The law further states that the NCTC will be the United States Government's "shared knowledge bank on known and suspected terrorists and international terror groups, as well as their goals, strategies, capabilities, and networks of contact and support."

Given that statutory mandate, the State Department has focused its own report to Congress on the issues in its mandate, renamed *Country Reports on Terrorism 2004*, assessing countries and providing information on terrorist groups, which we are still statutorily required to do. And we respect and defer to the National Counterterrorism Center to assume its new mandate as the "shared knowledge bank" for data on global terrorism.

We are gratified by the way some serious experts on terrorism analysis have responded to these innovations. Former terrorism prosecutor Andrew C. McCarthy in "The National Review Online" noted that under our new approach, State and NCTC "have labored to make terrorism information more reliable, more accessible, and more reflective of common sense." Oxford Analytica noted that despite a new title and format "Country Reports on Terrorism 2004 continues to provide a detailed account of global anti-terror cooperation." Noted national security commentator Tony Cordesman at the Center for Strategic and International Studies wrote in a report called "Good Riddance to Meaningless Rubbish," "The news that the State Department has dropped the statistical appendices from its annual report (on terrorism) should not come as a shock to anyone. The State Department report has been (and is) extremely useful for its characterization of terrorist groups. It never, however, produced useful numbers on the patterns of terrorism." An analysis of the report by the Washington Institute for Near East Policy noted that the controversy over numbers "diverted attention from other, more significant aspects of the report. Country Reports 2004 provides a fairly balanced assessment of the evolving global jihadist threat, illustrating why and how jihadist groups pose a serious danger not only to the United States, but also to many other countries."

On April 27, NCTC committed to developing a new approach to compiling statistics that needs to be and will be significantly revised and improved, including NCTC's plans for providing a more comprehensive accounting of global terrorist incidents by June of this year. My colleague, John Brennan, is here with me today to discuss this with you.

The Department of State would support legislative changes that specifically task NCTC with the annual responsibility for statistical analysis of terrorism consistent with its basic mandate. The State Department would continue to prepare an annual report addressing state sponsors of terrorism, multilateral and bilateral cooperation on terrorism, terrorist groups and terrorist sanctuaries, as well as the new Section 7120 reporting requirements that lie within State's area of expertise. The Department has begun consultations on this topic. We will be working with DNI and

NCTC to shape a joint understanding on this topic. We will be back in touch with the Committee at a later date with a formal proposal.

Thank you, Mr. Chairman, for this opportunity to testify before the Committee.

Mr. ROYCE. Mr. Brennan?

**STATEMENT OF MR. JOHN O. BRENNAN, INTERIM DIRECTOR,
NATIONAL COUNTERTERRORISM CENTER**

Mr. BRENNAN. Good morning, Mr. Chairman, Members of the Committee. I am pleased to be here to address the role of the National Counterterrorism Center, known as NCTC, and the role that the Center has played over the past year in compiling chronology of international terrorism incidents. In the interest of time, I will summarize briefly the written statement that I have submitted for the record and focus on three broad issues.

First, I'll address the business process changes undertaken by NCTC to correct the kinds of problems that occurred last year. Second, I'll express concerns with the methodology associated with the statutory criteria and counting rules that have been used to compile statistical data in past editions of *Patterns*. And third, I'll explain the way ahead for NCTC.

First, the business process changes. To avoid a repeat of the quality control problems experienced last year, NCTC took a number of actions. We increased personnel assigned to the database from 3 part-time to 10 full-time individuals. We reengineered the database itself to improve data integrity. We established an incident adjudication board drawn from intelligence committee officers assigned to the NCTC to assure quality control. We then took on board, as appropriate, recommendations of the Department of State Inspector General, who reviewed the 2003 production process. Because of the significant increase in the resources we devoted to this effort, far more source material was reviewed and substantially more incidents meeting the statutory criteria were identified.

Significant international incidents rose from under 200 in 2003 to approximately 650 last year. While some of the increase is attributable to incidents in Iraq, the overall growth represented a statistical discontinuity, a function of increased resources dedicated to research and not necessarily to a rise in the number of terrorist attacks. Thus, the numbers compiled for 2004 cannot be compared to those of previous years in a meaningful way. On this point I must emphasize that the Department of State never applied pressure on NCTC to lower our numbers nor did it suggest that the numbers would not be included in its annual report because they were too high.

Let me turn to methodological concerns. In compiling the 2004 data, NCTC became increasingly concerned with both the statutory criteria itself, as well as the definitions that we were being asked to use. Of primary concern was the statutory definition of international terrorism, which is terrorism involving citizens or the territory of more than one country. This definitional approach may be valid for state sponsorship, but is far less useful for the kind of transnational threat we confront now. Indeed, this definition often produced results that were arbitrary and purely a matter of serendipity.

For instance, high profile terrorist incidents last year, such as the killing of Dutch filmmaker Theo Van Gogh by Islamic extremists, the downing of one of two Russian airliners by Chechen suicide bombers, and the sinking of a Philippine ferry by the Abu Sayyaf Group were excluded because they did not individually involve the citizens or territory of more than one country. These instances reflect just a few of the problems associated with using the traditional criteria.

The Department of State and many other Government organizations, including on Capitol Hill, shared our concerns regarding the often arbitrary nature of the designations and a consensus began to emerge on the need for a new methodology that would more accurately capture the universe of terrorist incidents.

Now, looking ahead, the stand up of the NCTC provides an opportune time to re-examine how the Executive Branch will fully satisfy congressional interest in understanding the phenomenon and prevalence of global terrorism. In addition to our release on April 27 of the chronology of significant international terrorism for 2004, NCTC will make available in June a more comprehensive accounting of worldwide terrorism incidents that is not limited by outdated definitions. This database will include terrorist incidents, regardless of whether citizens, property or territory of only one nation are involved. Clearly, such a comprehensive database will be more useful as a research and analytic tool and will make the methodology and the results as transparent as possible for you and for the American public.

Along these lines, we very much appreciate the efforts of the Memorial Institute for the Prevention of Terrorism, which is partnering with us to make the data accessible to the American public. The data to be released in June, like that released at the end of last month, will be available at www.tkb.org.

Mr. Chairman, I appreciate the opportunity to discuss the Center's role in this important issue and look forward to taking your questions.

[The prepared statement of Mr. Brennan follows:]

PREPARED STATEMENT OF MR. JOHN O. BRENNAN, INTERIM DIRECTOR, NATIONAL
COUNTERTERRORISM CENTER

Good morning Mr. Chairman. I am pleased to be here to address the role that the Terrorist Threat Integration Center (TTIC) and the National Counterterrorism Center (NCTC) have played over the past year in compiling a chronology of international terrorism incidents.

By way of background, the Intelligence Community (IC) has traditionally provided input to the State Department publication of Patterns of Global Terrorism. This has included, among other things, Appendix A, that laid out in some detail those incidents of "international terrorism" that were considered "significant". Because Patterns was produced in response to statutory directive, Intelligence Community input was consistent with the statutory criteria that, for instance, defined "international terrorism" as "terrorism involving citizens or the territory of more than one country". In many cases, the key statutory criteria, such as the definition of "noncombatant," whether an attack in a specific region should be considered "international" and what constituted "significant" were open to interpretation. In such cases the IC looked to the State Department to provide counting rules; these counting rules, coupled with past practices and our own judgment were then used to evaluate specific incidents.

With the standup of the Terrorist Threat Integration Center in May 2003, responsibility to support Patterns shifted from the CIA to TTIC. However, during the hectic early days of TTIC, the database to support Patterns received insufficient atten-

tion and resources. Adequate quality control was lacking, incidents were missed, and the document was published with numerous errors. As you are aware, these shortcomings were noted by academics and the press, and Appendix A was ultimately reissued. To avoid a repeat of such problems TTIC/NCTC took a number of actions last year:

- Increased personnel assigned to the database from three part-time to ten full time individuals;
- Reengineered the database itself to improve data integrity;
- Established an Incident Adjudication Board, drawn from Intelligence Community officers assigned to the TTIC/NCTC to ensure quality control;
- And took on board, as appropriate, recommendations of the Department of State Inspector General's Report which had reviewed the 2003 production process.

In the process of compiling the statistics for 2004, a number of issues became apparent. Because of the significant increase in the resources devoted to maintaining the database, far more source material was reviewed and a substantially higher number of incidents meeting the statutory criteria were compiled; significant international incidents rose from under 200 in 2003 to approximately 650 last year—a copy of the entire chronology of significant international attacks is provided for the written record. While some of the global increase was attributable to incidents in Iraq, the overall growth in total incidents represented a statistical discontinuity—a function of increased resources dedicated to research and not necessarily any change in the nature of global terrorism. The impact of such additional research is seen most clearly in Kashmir, where a dramatic growth is noted over previous years' data; there is little doubt that a more accurate accounting of the incidents in Kashmir would have reflected far higher totals than was the case in 2003 Patterns. In other words: the numbers compiled for 2004 cannot be compared to those of previous years in any meaningful way.

A rigorous application of the statutory criteria and counting rules clearly gave rise to a significant increase in the number of international terrorist incidents. However, in compiling the results, TTIC/NCTC became increasingly concerned with both the statutory criteria themselves as well as the definitions that we were being asked to use:

Of primary concern was the statutory definition of "international terrorism." This definitional approach may be valid for a state sponsored threat, but is far less useful with the kind of transnational threat that we confront now. For instance, the requirement that international terrorism involve the citizens or territory of more than one country necessarily implied that if a suicide bomber from Country A blows up a café in Country A and kills only citizens of country A, it doesn't count. But . . . if a suicide bomber from country A blows up a café in Country A and there happens to be a tourist from Country B in the café who is killed or seriously wounded, it counts. In other words, the end results were arbitrary and often a function of serendipity; analysts were left trying to determine citizenship of those people present at an attack or the makeup of an aircraft manifest. Representative problems from 2004 included:

- On 2 November the Dutch filmmaker, Theo Van Gogh, was killed by Mohammed Bouyari, a Dutch Moroccan and Islamic extremist. The murder was clearly a terrorist attack, but because they were both Dutch citizens this attack did not meet the statutory definition of "international terrorism"
- On 24 August two Russian airliners were destroyed in mid air by Chechen female suicide bombers. One aircraft apparently had all Russian passengers and crew and therefore, did not meet the criteria for international terrorism. The other aircraft had a single dual Israeli citizen onboard and therefore, is reflected in the international terrorism statistics.
- On 26 February a member of the Abu Sayyaf Group sank a Superferry, killing 118 people and leaving many more missing. Because the reported victims and perpetrator were all from the Philippines, the attack did not constitute international terrorism.

These are not unique instances. We have also identified over 100 other attacks conducted by Foreign Terrorist Organizations that do not meet the criteria for international terrorism.

In our compilation of 2004 data, we found problems not only with the statutory definition of "international terrorism", but also with incidents occurring in Iraq and Afghanistan. Determining "noncombatant" status in such an environment is hard enough. But in such "war-like" circumstances, it was often impossible to distinguish

between terrorism and insurgency; for instance, in some cases Iraqis were part of the Zarqawi network (a terrorist network) and in other cases they were Former Regime Elements (insurgency). Under the statutory definition, as noted above, attacks by Iraqis on Iraqis wouldn't meet the definition of international terrorism. But in the context of attacks against the U.S. military, we had little practical or intellectually defensible way of distinguishing between terrorism and insurgency; as such, with State's concurrence, we focused on attacks against international civilians.

Finally, we were advised by Department of State to continue to use the Community definition of "significant" as attacks that involve death, serious injury, or property damage over \$10000; that amount presents a very low bar, but it is the standard that has been used for many years.

These are just a few of the difficulties associated with counting international terrorist incidents. The Department of State and many others shared our concerns regarding the often arbitrary nature of the designations, and a consensus began to emerge on the need for a methodological change that more accurately captured the nature of the terrorist threat. I must emphasize that at no point did the Department of State attempt to pressure NCTC to lower its numbers, or indicate to us that the numbers would not be included in Patterns because they were "too high"

LOOKING AHEAD

Under the Intelligence Reform and Terrorism Prevention Act of 2004, NCTC has been given unique responsibilities to "serve as the central and shared knowledge bank on known and suspected terrorists and international terror groups, as well as their goals, strategies, capabilities, and networks of contacts and support". As such, I believe that this is an opportune time to reexamine how terrorist incidents are reported; we do not pretend to have all the answers and, thus, will be reaching out to subject matter experts both inside and outside the government.

Given the concerns highlighted above, we have serious misgivings about the utility of the data that was released on the 27th of April. As such, we will make available, by the end of June of this year, a more comprehensive accounting of worldwide terrorism incidents. The precise nature of this accounting is still being worked, but we will undoubtedly extend reporting beyond those incidents that only involve citizens or territory of two or more countries. Depending on what precisely is counted, this could raise the global totals to several thousand incidents. Several points are worthy of note:

- First, as is hopefully self evident, this will totally invalidate any comparisons with past Patterns reports. Beyond the differing levels of effort used this past year in comparison to previous years, methodologically, we will be counting very different things.
- Second, this must be seen as a work in progress. The definition of terrorism, relative to all other forms of political violence, has never been clear-cut. We envision reaching out to experts across the Government and academia to further develop and refine a more meaningful approach.
- Third, as we have done with the data released on 27 April, we will make both the methodology and the results as transparent as possible, ideally providing an interactive search capability on the INTERNET; we are currently reviewing precisely what can be accomplished by June. And in this vein, I also want to express my deep appreciation for the efforts of the Memorial Institute for the Prevention of Terrorism in Oklahoma City (MIPT). MIPT is partnering with us to make the data as accessible as possible to the American public. The data to be released in June, like that released the end of last month, will be available at www.tkb.org.
- Finally, I would caution against the natural inclination to want to use terrorist incidents as a simple metric to judge progress in the Global War on Terrorism. While we anticipate this new approach will provide data that can be used to more accurately depict the nature of terrorism around the world, it won't necessarily translate into a simple basis for judging whether we are prevailing in the struggle against terrorism.

Mr. Chairman, I appreciate the opportunity to discuss NCTC's role in this important issue and look forward to taking your questions.

Mr. ROYCE. Thank you. I am going to go to Mr. Sherman first for his questions.

Mr. SHERMAN. First, and this kind of goes to all of our Government panels that deal with foreign policy, I would hope that you

would prepare your reports, charts, et cetera, without using so much jargon that no one who is not a full-time foreign policy professional will be able to understand what you are trying to say. We have been trying to figure out what an IRF is up here, which you have as a big chart, showing us IRFs. We have no idea what they are. Perhaps you could tell us, but more importantly, what process do you have to make sure that those of you who live in this world where you throw around acronyms—keep in mind, I am on three different Committees. I guarantee you, each of my 10 Subcommittees has a different definition of IRF, some of them relating to home financing. Are you going to find out what IRF is?

Mr. ZELIKOW. You know, Mr. Sherman, I just did and I thought I was—

Mr. SHERMAN. Here is the chart you just handed us with all the IRFs on it.

Mr. ZELIKOW. I know. I was trying to think where we used that acronym in the report, and here I actually thought I knew something about Islamic terrorism and discovered a whole new acronym thanks to you and our staff.

Mr. SHERMAN. Do you want to tell us what it is?

Mr. ZELIKOW. Islamic Radical Fundamentalists, I believe.

Mr. SHERMAN. Islamic Radical Fundamentalists, okay. Let us talk about Saudi Arabia. Here is a country whose government funds Hamas. Does the Saudi Government believe that killing Israeli babies in their cribs, deliberately and as a mission objective, constitutes terrorism?

Mr. ZELIKOW. The deliberate targeting of innocents is terrorism.

Mr. SHERMAN. Does the Saudi Government agree that applies to Israelis or have they segregated the human race into two categories—the Israeli category, not subject to that definition of terrorism?

Mr. ZELIKOW. Well, I think that is a question better addressed to a representative of the Saudi Government to answer. But let me put it a different way. When it comes to the position of the Department of State and when we talk to the Saudis about what terrorism is, we do not have a category where we carve out and say, “Attacks on Israelis, okay.” We view attacks on Israeli innocents as terrorism just as much as we view attacks on American innocents as terrorism.

Mr. SHERMAN. So why have you not issued a report calling Saudi Arabia on it? And the first sentence should be: Saudi Arabia continues to fund terrorism.

Mr. ZELIKOW. Because the issue is, what is the role of the Kingdom?—not of individual Saudi citizens. But what is the role of the Kingdom?

Mr. SHERMAN. Are members of the Royal Family considered mere citizens in a country where the country is named after a family?

Mr. ZELIKOW. I think it is fair to say they are considered especially prominent citizens. There are thousands of them.

Mr. SHERMAN. Right. Now you would think that a country in which those who fund Hamas are praised by the government, given especially prominent roles in deciding government policy and, of course, are allowed to fund Hamas openly, certainly has a fair amount of governmental involvement in funding Hamas. Why is

that not the first sentence: The Saudi Government encourages its citizens and certainly makes it legal for its citizens to fund Hamas?

Mr. ZELIKOW. Well, actually, it is legal for citizens of many governments to make contributions that find their way to Hamas, including the governments of a number of non-Islamic countries.

But let me step back and describe the problem this way. On the one hand, you have a Saudi society that is long conditioned to supporting a lot of Islamist groups of which we disapprove. Because of the nature of Saudi society, because of the fact that Saudi society has a state religion, you can have a very clear-eyed view of what Saudi Arabia is and the distance that it has to travel.

On the other hand, I have been to Saudi Arabia, I have talked to representatives of their security forces. They are in shoot-outs with al-Qaeda almost on a weekly basis. The interlocutors I had in Saudi Arabia when I went there for the 9-11 Commission included people who were in hospitals a few weeks after we met them because they had been nearly assassinated and had had relatives and close friends murdered by al-Qaeda in these shoot-outs. So you talk to Saudi security officials who are literally burying their colleagues killed fighting al-Qaeda and look them in the eye and say, "You guys do not care about terrorism," and that is a hard thing to do.

So you have two faces here. You have a Saudi society that has a lot of the concerns that I think you were justifiably expressing. But on the other hand, you have to notice that something has happened in the way the Saudi Government is approaching terrorism over the last few years and that something is positive. So how do you—

Mr. SHERMAN. But what seems to be their approach is, they clamp down on terrorists who kill them and they try to divert the popular support for terrorists by saying, "Let us all have a telethon in support of killing other people, namely Israelis." So you have a Saudi Government which, of course, defends itself, but one of its mechanisms for defending itself is to show the supporters of Islamic Radical—IRF, I guess, is the term here?

Mr. ZELIKOW. No, I just discovered that IRF is, in fact, not our term at all, but it was referenced in, I guess, Larry Johnson's report, not in our charts. And it was on Larry Johnson's Powerpoint slides, not ours.

Mr. SHERMAN. Okay.

Mr. ZELIKOW. So it is actually not an acronym we invented, but it may be a contribution Mr. Johnson has made to our discourse on this subject.

Mr. SHERMAN. This simply illustrates that the entire foreign policy establishment has disconnected itself from the American people, now to the point where they now speak a foreign language, one that they, sometimes, themselves do not understand.

Mr. ZELIKOW. We tried pretty hard in the *9/11 Commission Report* to be pretty jargon free.

Mr. SHERMAN. No, the *9/11 Commission Report* is the only report—and perhaps because it was not written by the foreign policy establishment—the only report on foreign policy that is written in English.

You look at a Saudi regime that seems very dedicated to defending itself and its own survival and not at all dedicated toward the

survival of innocents anywhere else in the world. Their funding of madrassahs even here in the United States is creating the seed core for future terrorists.

Mr. ZELIKOW. I really should allow John Brennan to comment on this, too, because John actually lived in Riyadh for a number of years and has seen this during some pretty bad times.

Mr. SHERMAN. By the way, you can just excuse the government on the theory that, you know, you could excuse the Nazi government on the theory that, well, the people of Germany at the time believed in Nazism.

Mr. ZELIKOW. Mr. Sherman, I teach and write about the Nazi government and that is a subject I feel like I understand a little bit. And I think the equation of Nazi Germany to the Kingdom of Saudi Arabia, in researching its government policies, is a stretch.

Mr. SHERMAN. Well, it is by no means clear what the Saudi Government would do if it had that kind of power, but the point I am making and I am going to stop making that analogy, is that you can excuse the Saudi Government only in the sense that it has created a populace that believes in killing and believes in funding terrorism and schools for terrorism around the world. And then they say, "What do you want us to do? Our populace demands that we fund hate schools around the world and that we fund terrorists around the world so we are trying to do less of it." Let us hear from the other witness.

Mr. BRENNAN. Thank you, Mr. Chairman. I lived nearly 6 years in Saudi Arabia and your statement that the Saudi Government does not care about the killing of innocents outside of Saudi Arabia could not be further from the truth. There—

Mr. SHERMAN. Have they once said to a family of Israelis that they are sorry for funding the terrorists who killed them?

Mr. BRENNAN. That is a question you should address to the Saudi Government, but I am saying that U.S. citizens are also providing funding and support to various organizations worldwide involved in terrorist activities. So just like U.S. citizens, which is the focus of a lot of effort on the part of the U.S. Government, there are Saudi citizens, there are citizens of Europe and of Asia and other places that do this. So I would just say that the Saudi Government, in terms of commitment and as Dr. Zelikow said, there are Saudis who have been killed in the defense of American citizens and others within the Kingdom of Saudi Arabia. And they are working every day to try to defeat the scourge of international terrorism.

Mr. SHERMAN. They fund Hamas. They glorify—

Mr. BRENNAN. The term "they" is very ambiguous, sir.

Mr. SHERMAN. Okay, government-controlled TV stations glorify and applaud the funding of Hamas and the killing of Israelis. The fact that police officers try to stop criminals even when the criminal is trying to attack an American, police officers around the world try to stop criminals from committing crimes on their beat.

But you have a government that applauds—you are right. Our Government needs to do more to prevent U.S. residents and citizens from funding Hamas and, in fact, I am about to go to the other Committee that I sit on where we are focusing on just that. But it is one thing for a government to do everything possible to

prevent the funding of Hamas and to have a few of its citizens violate its laws and find ways around its laws. It is another thing for the government-controlled TV station to glorify Hamas and I yield back.

Mr. ROYCE. If I could go now to Mr. Poe, I think he was next in order?

Mr. POE. Thank you, Mr. Chairman. Mr. Zelikow, good to see you again. You have come a long way since the——

Mr. ZELIKOW. You, too, Judge.

Mr. POE [continuing]. Days of the courthouse. Now I see you are dealing with other types of terrorists instead of local terrorists back in Houston, Texas. It is good to see you again.

The purpose, of course, of this entire hearing is to discuss the controversy over the reports on terrorism the Department of State is required to produce. There seems to be confusion, at least to me, in the process for creating this information and how the report seems to be, in my opinion, bureaucratic mumbo jumbo. I am not, as you know, a believer in excuses or wordy explanations. I think the American public deserves answers, correct answers, to what is exactly taking place in the war on terror, what the truth is. Whatever it is, we can deal with it in Congress. And it seems that we need useable data on terrorist activities and developments, both hard numbers and proper analysis on the intangibles. And we have to have reports that enable us to make policy decisions with regard to the war on terror.

I have just a couple of questions. What do you define terrorism or a terrorist to be? I know the United Nations cannot come up with an answer. It reminds me of one of our Supreme Court justices years ago who used to talk about pornography. He could not give a definition of pornography or obscenity, but he knew it when he saw it. What is our definition of terrorism or a terrorist?

Mr. ZELIKOW. I will just give you my own workaday, plain language definition. It is that terrorists are people who deliberately and violently target innocents for political ends.

Mr. POE. Is that our policy statement and definition? Is that the Administration's definition of terrorism or is there another definition that other agencies work with?

Mr. BRENNAN. I would say, sir, that in the production of the *Patterns* report over the past many years, the definition is included in the statute that obligates the State Department, in fact, to produce the report. And that definition says that it must be a violent act involving non-combatants, premeditated and perpetrated by a sub-national clandestine agent and politically motivated. And, for international incidents, which *Patterns* addresses, they must involve the citizens or territories of more than one country. So that is the congressionally-mandated, statutory definition of international terrorism that we respond to.

Mr. POE. Okay, my question is: Is that a universal definition that is used in the State Department or are there other definitions used and are those definitions the result of some of the data that we receive?

Mr. ZELIKOW. There is no universal definition. There are definitions in United Nations documents, in various Administration documents. One of the things we are trying to do is to get the Admin-

istration to use a consistent vocabulary in defining terrorism. I think that vocabulary will reflect, maybe in slightly fancier words, the plain language definition that I offered to you. John had to make the careful point that we are obliged to basically count numbers according to a counting rule that defines what it is we are supposed to count. So he gave you the counting rule.

But I think your question was a more direct one than that and I tried to answer it directly. But right now, there is no universal definition even within the U.S. Government that I would like to be able to point to and say everything an Administration spokesman will say will echo these precise words, but that is where we want to get to.

Mr. POE. All right, thank you, Mr. Chairman.

Mr. ROYCE. Thank you. We will go to Congresswoman Betty McCollum of Minnesota.

Ms. MCCOLLUM. Thank you, Mr. Chair. Well, I had some questions that I had prepared. They are based on a statement that was made in the testimony about Libya and Sudan, offering significant cooperation in the war on terrorism, therefore, they were being given kudos for having improved their behavior, I found this offensive and outrageous. Is the janjaweed militia committing acts of terrorism in Sudan? The answer is yes, unless you want to argue that they are not. Are they a terrorist organization? Yes. Is the janjaweed including excursions into Chad out of Sudan as part of their war on terrorism? The answer would be yes. Is Sudan a state sponsor of terrorism when they send in airplanes and helicopter gun ships to murder women and children? The answer would be yes.

Our country has used the term genocide in what is going on in Sudan. We just spent \$4 million providing relief to the victims of genocide in Darfur. Up to 300,000 people have been murdered in Sudan, with two million displaced refugees, and yet we are giving them glowing reports for cooperating on the war on terrorism. I think we do need a definition, because other than that, we are being hypocrites in this room, talking about fighting the war on terrorism.

Mr. ZELIKOW. Congresswoman, I am sympathetic to your concern. We have spent a lot of time in the last few weeks and months actually working on the problems of Darfur and the North-South Peace Accords and trying to get help to combat just the kinds of horrific depredations that so trouble you. They trouble us, too.

Question: Is Sudan a state sponsor of terrorism? Yes, and it is so designated by the United States Government. Question: Do we regard the acts committed by the janjaweed militia as terroristic? Yes, we do. And therefore, we believe that action including forceful, violent action needs to be directed by the international community to curb those abuses and mitigate the suffering that they have caused.

The problem that we confront, the dilemma that we confront, is, in fact, in the intelligence world; in the netherworld where a lot of counterterrorism work goes on, Sudan actually—one part of the Sudanese Government actually has done a number of cooperative things with us in that world. And so then you have to figure out how do you acknowledge that fact, which has helped us, and it has

helped us with people who are targeting us outside of Sudan. How do you acknowledge that fact without appearing to turn a blind eye to the horrors that so trouble you and trouble us? And that is the dilemma that we are trying to balance and that is why I have approached your question the way I have.

Ms. MCCOLLUM. Well, I am very concerned when we have government officials saying that they are cooperating on the war on terrorism. Whose war on terrorism? I am very concerned about the safety of Americans. I take an oath of office to protect that. I take it very seriously, but we also have human rights hearings and try to hold ourselves up to a high standard and we slip and fall down sometimes. But when we are saying, well, because they are with us on the war on terrorism against who we are fighting with, we are going to say that they are moving forward on the war on terrorism, when horrific acts that are state-sponsored are taking place. I think at a minimum, if you are going to describe what is going on in Sudan, it would only be respectful to the people who have been murdered and displaced, to recognize in the same breath that there are significant problems out there. And then the question becomes, whose side are we on?

Mr. ZELIKOW. Right, no, it is a fair point—

Ms. MCCOLLUM. I have another question, Mr. Chair. Would the State Department consider an individual who participates in the planning and helps create the plot that results in a commercial airliner being blown up and 73 civilian lives lost, would you consider that individual a terrorist and the act of blowing up the civilian airliner an act of terrorism? And I ask this question because just such an incident happened in 1976, when a Cuban airliner was blown up off the coast of Barbados. Seventy three people were killed. Now we have learned that one of the masterminds of the plot, Luis Carriles—

Mr. ZELIKOW. Luis Posada Carriles.

Ms. MCCOLLUM. Thank you very much. Is now hiding in the United States and he may be seeking political asylum. As a terrorism expert, I ask both of you if this gentleman has a record of sowing the seeds of terror throughout Latin America and, in fact, he was convicted in the 2000 Panama bombing plot. And since we are fighting a global war on terrorism, would you recommend that the Justice Department and the Department of Homeland Security or President Bush, to grant this individual political asylum when he has such direct ties to terrorism and he, himself, has described himself as a terrorist?

Mr. ZELIKOW. Yes, ma'am, let me answer your question this way first. Was that attack on an airliner an act of terrorism? Yes. Second, what does that, therefore, mean about the consideration of any legal issues regarding the status of Luis Posada Carriles if he were to seek asylum in the United States? The answer to that is a legal determination that will have to be made by the Department of Homeland Security and it will be made on the basis of the evidence available to that Department. The Department of State is actively assisting the Department of Homeland Security in compiling that evidence so that they can make that determination.

Ms. MCCOLLUM. Mr. Chair, just a comment. I am for moving forward with diplomacy. I have a clear record that shows that. But

I also think we are entering into very dangerous waters by not being clear as to who is a terrorist, why they are a terrorist and that people and nation states are going to be held accountable for their actions. And I am seeing all kinds of zigzag lines and moving off on this side, saying to countries, "When you are with us on this issue, we will forgive you for yesterday's sins." Now that is not, in my opinion, fighting a consistent war on terrorism in which everybody understands what side the United States is going to come down on. Thank you, Mr. Chair.

Mr. ROYCE. Mr. McCaul?

Mr. MCCAUL. Thank you, Mr. Chairman. I wanted to ask our two witnesses, as I look at Larry Johnson's graph here, it appears that, it leads one to believe that we spiked in international terrorist incidents in 1985 and that it dramatically improves in 2003, all the way down to 200. I know that the new methodology has it spiking again at 650 terrorist international incidents. Is there a way so that I can get a better understanding of how, you know, historically accurate this graph is? Is there a way to go back and modify this using current methodology, so that we know for the last decade how numerous the international terrorist incidents have been, to get a true reading and a gauge of this?

Mr. BRENNAN. Congressman, as we discussed, there are inherent flaws in the methodology right now in terms of what we, in fact, put out last month based on the statutory criteria established. That is why we want to move forward with a database that is not limited by those statutory definitions. To try to go back now over the last 20–25 years and to re-adjudicate or relook at all of those incidents, I do not think, first of all, it would provide a meaningful sort of output based on that methodology. And the amount of analytical resources that would be required to do that and do it comprehensively and well, I think, would be not to optimize those very precious analytic resources we have right now that are involved in the war on terrorism.

Mr. MCCAUL. Do you agree with that, Mr. Zelikow?

Mr. ZELIKOW. Yes, sir, I do.

Mr. MCCAUL. I spent a lot of time before I ran, I worked counter-terrorism issues in the Justice Department, I was used to fighting the war on terror here at home. I know you worked on the 9-11 Commission, Mr. Zelikow. One of my issues up here has been the lack of border security enforcement. As you know, Ramzi Yousef got in the country in 1992, claimed political asylum, was given notice to appear, did not show up to the hearing, and conspired to blow up the World Trade Center in 1993. Then his uncle, Khalid Shaikh Mohammed was a mastermind of 9/11. They talked about airplanes and flying those into buildings back as early as 1995. I am concerned that there may be many more Ramzi Yousefs in this country and we have no idea where they are.

Obviously the PATRIOT Act has given us a lot of tools to try to locate and try to monitor potential threats inside the United States. But my question is—and I do not know how involved you were with the recommendations and maybe that is my first question of the 9-11 Commission.

Mr. ZELIKOW. Very.

Mr. MCCAUL. One of the recommendations that was made and was actually put in the Intelligence Bill was an authorization of 2,000 additional border patrol, about 1,000 interior agents and then about 8,000 detention beds. And I wanted to know what was the methodology for coming up with those numbers, because surprisingly to me, the funding has not been asked for that. I have 45 Members backing me with appropriations to fund that, and if you could maybe educate me and give me some insight into how the 9-11 Commission came up with those numbers?

Mr. ZELIKOW. I am trying to return now to my former life.

Mr. MCCAUL. I know this is maybe not the focus of the hearing, but I am curious.

Mr. ZELIKOW. I do not have the report handy. I do not recall that we actually specified numbers in the report. People later wrote legislation that did specify numbers in order to respond to our recommendation that the forces should be significantly strengthened. But I do not think we had a methodology for specifying exact numbers and I don't think we purported to offer them.

Mr. MCCAUL. Okay.

Mr. ZELIKOW. But we did say that the border security side of this needed to be significantly beefed up, that it was elemental to the notion of national security that a country ought to be able to know who is coming in. We recounted, in addition to the cases you mentioned, we recounted examples like Ressam, who is actually in all kinds of immigration trouble in Canada and yet was able to cross our border to try to blow up Los Angeles International Airport at the end of 2000.

So we are in complete sympathy with your concerns about border security and we were on the 9-11 Commission, but I do not think we had a particular methodology for how to crank out numbers to address it.

Mr. MCCAUL. Well, as a member of that Commission, would you agree that those numbers are—in terms of the number of agents and detention guards, do you believe in your opinion, should that be fully funded?

Mr. ZELIKOW. When we testified on this last year, we did not really take an opinion on what the right number was and I certainly could not take one now. We tended to defer to the wisdom of Congress and the Executive Branch in sorting that out.

Mr. MCCAUL. That is a good answer. I am concerned that the current policy where those coming from Mexico seeking work or voluntarily termed it, it is people from countries other than Mexico that we give the notice to appear and they disappear. That is, in my view, one of the biggest threats facing this country right now.

Having said that, if I could indulge the Chairman, you mentioned Cuba being listed as a state sponsor of terrorism. I think there is some confusion with some of the Members as to why they are. I think there are those who advocate that we should have a more liberal policy with Cuba in terms of trade, but I am interested as to your opinion as to why the State Department has put them on that list. I believe there are good reasons for that, but I would like to hear that from you.

Mr. ZELIKOW. Well, again, just to put it plainly, quite aside from Cuba's political system on which nobody on this Committee needs

any education from me, we have—and have had for a long time—evidence that the Cuban Government sponsors and supports terrorist organizations. That is, organizations that—and we are talking about Cuban Government sponsorship, not simply the sponsorship or contributions by individual Cuban citizens. And it is a long-standing concern.

Mr. MCCAUL. Can you list some of those organizations that they are sponsoring?

Mr. ZELIKOW. I want to defer to the listing we have in the report on Cuba and I would prefer not to elaborate any details beyond what we have in the report.

Mr. MCCAUL. Fair enough. Thank you, Mr. Chairman.

Mr. ROYCE. Thank you, Mr. McCaul. I would assume along your line of questioning there when you mention the work of a 9-11 Commission in making that recommendation—and we commend you. We commend you for your good work, Mr. Zelikow, on the 9-11 Commission. But we assume when you made that recommendation to increase border enforcement, you might have meant more than zero in terms of interior enforcement and you might have meant more than 210 in terms of the numbers suggested by the Administration for border patrol. Hence, the conclusion by Congress that you had something more in mind along the lines of 10,000, which we had authorized over the next 5 years as we believed necessary to meet your objectives. We have yet to achieve that, but at least yesterday the Senate did pass the House-originated bill, picking up your 9/11 recommendations on the issues of identification security, ID security, on the recommendations of being able to reform the asylum laws to give the judges more discretion in that area on expedited removal for those who could do us harm and on border security.

And so we are grateful for the time and effort that the 9-11 Commission put in compiling that report. We are now going to go to Mr. Issa for his questions.

Mr. ISSA. Thank you, Mr. Chairman. I would sort of like to pick up from the previous questions. It seemed that Brad Sherman wanted to make a big point that if there is a telethon and he interprets it as an outcry, “Do not attack me, go attack Israel,” that that has to be classified by the State Department. I do not want to get back into the details of that, but I am concerned that his definition of terrorism and probably every Member’s here definition of terrorism, and your definition of terrorism versus the one that is in your document that says what international is versus what terrorism in general is, is unworkable, particularly when I hear somebody who—you are part of the Administration, after all—saying you are trying to get the Administration to speak consistently when it uses the word “terrorism,” to paraphrase you.

Is it Congress’ responsibility, or would it be helpful if Congress took the lead and delivered a new set of comprehensive definitions of terrorism by macro-category of terrorism and then with breakdowns? Is that something that we have been remiss in doing that has led to so much confusion on and off the dais?

Mr. ZELIKOW. Frankly, Congressman, it is our responsibility to come up with a solid, workable definition, whether Congress acts or not. We cannot pass the buck to Congress and say, “You need

to tell us how to think.” We need to try to think on our own, but if you want to give us a reporting requirement on terrorism, it would be better to have a more realistic definition of terrorism that more conforms to the real world we all see.

Not to fault Congress in the past, the origins of this law really go back to the 1970s and the 1980s and the way international terrorism was perceived back then and the role of state sponsorship. But the problem is, we understood it in the 1980s, where state sponsorship was so prominent. It has now really been replaced by a problem of transnational terrorism with different kinds of organizations and individuals involved and the current accounting rules create all the kinds of indefensible anomalies that Mr. Brennan described.

So if you still wanted us to count stuff, and we would recommend, actually, if you get into analyzing terrorist groups and counting what they do, that Congress be assigned the lead role on that side of it to the NCTC, with the State Department focusing more on policies and the actions of government.

But if you wanted to give us counting rules and wanted to redefine terrorism, yes, a better definition would be good, as long as it did not turn into a politicized definition, and sometimes there is a danger of that.

Mr. ISSA. Mr. Chairman, I would ask at this juncture that, with your concurrence, that I be allowed to work with staff and these agencies to try to further at least the preparation of that new definition, that we work mutually in a way that would allow for those definitions to be brought from the 1970s to current day.

Mr. ROYCE. Let me add, Mr. Issa, a concern I have here. We have worked with the United Nations for some time now on the need to clarify and define terrorism, and the necessity of getting U.N. clarity on this is of some overarching importance. We have made some strides, but the last thing we need to do is send mixed signals from the United States. I do think that this Committee, and Mr. Issa, you and I and the other Members of the Committee, do need to engage with the Administration and with State in putting this issue to rest. So let us get our definitions down and let us get concurrence on how we are going to handle statistics. And in my opening statement, I had mentioned that I thought that especially inasmuch as these compilation, stats, reports were being changed, the inclusion of this Committee in that process should have been considered. So I think you raise a very good point and I thank you for raising it.

Mr. ISSA. Thank you, Mr. Chairman, and perhaps to put a personal note on my frustration and interest in this area—in 2001, an organization which has chapters both in and out of the United States, its President and another individual plotted and purchased the materials to bomb my congressional office and that of a mosque in California. They were U.S. citizens who also enjoyed the opportunity or the consideration of dual-citizenship with Israel. They were politically motivated based on an assumption that they had to dissuade activities going on at the mosque, whatever they were, and a U.S. Congressman who is of Arab ancestry—but a third-generation American—from some vague wrongdoing relative to the State of Israel.

They purchased the gunpowder and prepared to use it and, fortunately, the FBI seized them and they were arrested. Unfortunately, under the current definition, is it international? Well, if you call them U.S. citizens attacking a U.S. mosque and a U.S. Congressman, well, then, no, it is just an attempt at plain old domestic terrorism. But it was 100 percent motivated by their global view of the world and particularly a misguided belief that somehow we endangered the safety of Israel.

The fact is, it was as international as anything else. It just did not happen to go over a border. And because they did not actually blow up the mosque, they did not have a chance to kill someone who was a citizen of another nation. But they certainly, to quote something that was on the FBI tape, "were not worried about collateral damage," which, I guess, included myself, my staff and anyone who was in the mosque at the time.

So I am personally very interested in working on both, as the Chairman said, a United Nations standard and a U.S. standard.

And I might close with only one statement. I understand that you cannot go back and look at 20 years of history without having too many people flyspecking whether you put enough time into the details of 20-year-old attacks. And I know that for every attack that killed someone, there is a group that wants it judged a certain way. But I would say that having looked at polling and other data for years, the work product that you have already that went into this over the 20 years undoubtedly had a checklist that said, U.S. foreign person, this, this, this. And that those cross tabs might be extremely valuable if you could make some portion of them available to this Committee that would show the detailed consideration. This would allow the Committee to draw its own conclusions from the source data. There is no question in my mind that you have had a spreadsheet for 20 years that broke down the checklist of a lot of questions about various terrorist activities. If that could be made available, then without the State Department being on the hook, it would allow the Committee to look at the data in a multitude of different ways for the benefit of all of its Members in determining rises and falls in certain types of terrorist activities. You can answer if the Chairman will allow.

Mr. BRENNAN. Yes, there are records, historical records of all of this. We will go back and take a look at it and get back to you regarding your request.

Mr. ISSA. Thank you and thanks for your indulgence, Mr. Chairman.

Mr. ROYCE. Thank you, Mr. Issa. We are going to go to Mr. Tancredo and then Mr. Weller.

Mr. TANCREDO. Thank you, Mr. Chairman. I apologize for not having been able to be here for the first part of the discussion. I do not have specific questions. I do, however, just have an observation to make. Looking at this in sort of the macro-cosmic way here, I guess, I have been concerned for some time about the use of the word "terror" as a description for the thing with which we are at war. And I understand that this is not directly related to the discussion we have just had. But I, on the other hand, want to just say that there is a hope on my part that we will work toward getting the United States and the rest of the world more comfortable

with the idea that, for the most part anyway, and the entity with which we are at war, is something that I think we can more accurately describe as Islamo-Fascism, because it is the political dimension of Islam that is primarily responsible for the attacks we have faced and for the threat that we face.

I am always concerned about the fact that we fear uttering that, talking about it, because there are these politically-correct implications for doing so. But, on the other hand, if we do not, it becomes difficult for the American people to understand exactly with whom we are at war. Because terrorism is an amorphous sort of concept that does not really, I think, help us generate the kind of understanding on the part of the American public of what we face, how long we are going to be in this situation and the exact nature of the threat. And if we do not know who we are actually fighting—if we do not know the real—it is like saying “at war with terror,” it is like saying, during the Second World War, “we were at war with the kamikazes,” you know.

Terror is a tactic, it is not an entity with which we can be at war, it seems to me. And so I, again, understand this is a little bit aside, perhaps, from the focus of the discussion before I got here, but it is something I had been quite concerned about for a long time—that we constantly use that word and I think that we do so because we are afraid to use the right words.

And in that case, we do no one a favor, it seems. I do not know, to the extent that my comments are of any value, I would like to place them in the record. Thank you. I have nothing else. Well, you can certainly respond.

Mr. ZELIKOW. Let me offer two comments on that, Congressman. First, the 9-11 Commission wrote on this precise question and it wrote in words that echo almost word for word what you just said. And it said terrorism is a tactic, that you have to define the enemy and that the enemy is Islamist terrorism. And there is actually a long footnote that explains what we mean by the term “Islamist” or “Islamism” that defines it in terms that you would recognize by the phrase of the term “Islamofascism.” There are a variety of other phrases one could adopt.

If you do not have a clear understanding of the enemy you are focusing on, you cannot then devise meaningful strategies oriented to that. And that is simply reflecting back on a previous job and the views we had then, but I thought that it was important you know that the 9-11 Commission echoed your views.

Mr. TANCREDO. And I appreciate that.

Mr. ZELIKOW. And there was actually some controversy.

Mr. TANCREDO. I can imagine that, too.

Mr. ZELIKOW. But we thought it was important to say it and say it plainly and I think it has advanced the debate.

The second point, I would say, is that there is a good understanding in the Administration at this point, and general sympathy for the concern you have raised. And I think that will become increasingly apparent in the way the Administration expresses itself on this subject, which is not to say that we do not care about terrorist groups that have other agendas. Of course we do, yet obviously, our global effort has a significant focus on Islamist terrorist groups and there are various other words that one could use if you

do not like the term "Islamist," but we understand what we are talking about.

Because that, in turn, allows you to focus on the policy agenda, including the political agenda, like the broader Middle East and North Africa initiative to try to address the political and economic crisis in the Muslim world in a more comprehensive way. This is not an anti-Islamic or anti-Muslim approach, because what is going on here, as the Administration recognizes, is not a clash between the West and Islam. It is a clash within Islam about the future of that civilization, in which people who want to preserve a true peaceful vision of one of the world's great civilizations are fighting for the survival of those ideals and asking America to take a side. That is the kind of battle we are waging right now in Iraq, for example.

Mr. TANCREDO. I am glad you bring up Iraq. Just having returned, we found, we were told time and time again that what is happening there is that the conflict is morphing into something that is more of a conflict between the United States, the Coalition, I should say, and Islamic terrorism, rather than just the Baathists that made up the original cadre, I think, of problems. There is a change and the connection, of course, throughout the world of these groups. I mean, it is not unique to Iraq, naturally. It is a worldwide effort. They are connected by this ideology, if you will.

I am just so glad to hear you say, and maybe that is where, maybe when I originally read the report, that is where it got stuck in my mind. But I am really glad to hear that it is in there. Thank you very much for your time.

Mr. BRENNAN. If I could just make one comment, I think a lot of the discussion today addressed the issue of how important terminology really is. And I think when we look at the phenomenon of terrorism, as you say, Islamist militancy, the term "jihad" is frequently used to describe that. Jihad, though, in Arabic and Islam, is Holy War. I would argue that we should get away from using the term "jihad." We should start talking about this as a hirabah, which is an unholy war, it is a forbidden war. And we should stop talking about the people who actually carry out these attacks as mujaheddin, which are martyrs. We should be talking about them more as mufsidoon, which are evildoers.

And I think as Phil accurately said, this is a phenomenon within the Islamic Arab world right now and so that phenomenon, the carrying out of violent acts against innocents, should not be seen in any way as jihad. It should not be seen as martyrdom that will bring you to heaven. It should be seen as an unholy war, hirabah, by mufsidoon, the evildoers that are not, in fact, working on behalf of Allah.

So I think that is one of the things that we have to be working with very closely as we are with the Saudi Government, with other governments, to make sure that the characterization of terrorism is not viewed as something that is, in fact, valued and something that is going to attract the increasing numbers of individual recruits in this effort.

Mr. TANCREDO. Thank you very much. Thank you, Mr. Chairman.

Mr. ROYCE. Thank you, Mr. Tancredo. Mr. Weller?

Mr. WELLER. Thank you, Mr. Chairman, and thank our panelists for joining us today. Much of the discussion that I have listened to while I have been able to attend this hearing this morning has focused on radical Islamic terrorism, focused on the Middle East. But I would like to turn the focus to our own neighborhood, the Western Hemisphere here and, of course, the links between narco trafficking and piracy of intellectual property rights (IPR)—whether entertainment or film or music—in regions such as the tri-border region, in Paraguay, Argentina, Brazil or other hot spots where smuggling has traditionally been conducted in Latin America. These practices, of course, have been used as a source of funding for terrorism.

Hamas, Hezbollah, and others use narco trafficking and IPR piracy to finance their terrorist activity in the Middle East and elsewhere. And also, you have the FARC, the ELN, the AUC, and other terrorist groups primarily identified with the conflict in Colombia, engaged in narco trafficking. And I was wondering, could you share with us, based on the report that you shared with us today, your observations regarding the links between narco trafficking, IPR piracy in Latin America and the financing of terrorism?

Mr. ZELIKOW. Well, I actually do not have much to add to the way you introduced the question, because it sounded like a pretty accurate summary to me. You basically said, if I understood you right, that these terrorist organizations are engaging in a wide range of criminal activity to fund their work. That includes, for example, things ranging from IPR, but it could also include cigarette smuggling. It could include drug trafficking and does include narcotics trafficking, say, in Colombia, to use one of the examples you mentioned.

In fact, your pinpointing of the tri-border area as an area in which criminal activity sustains the potential activities of terrorist groups is spot on. So I really do not have a lot to add to the way you summarized the problem.

Mr. WELLER. Mr. Brennan?

Mr. BRENNAN. Terrorism has so many dimensions and I think you have put your finger on the issue of how terrorist groups are able to take advantage of networks of different opportunities that are available to either bring people into the country to facilitate terrorist activities, to bring material and other things.

The Intelligence Reform and Terrorism Prevention Act of 2004—passed in December of last year—set up a human smuggling and trafficking center, specifically so that there could be, in fact, an element that is going to intersect with the National Counterterrorism Center to make sure that we are looking at all of these avenues of sort of ingress into the United States, not just in terms of individuals, but also what type of networks are they taking advantage of?

A lot of the terrorist groups try to not rely on others in order to do this, but if there are opportunities in terms of document forgery, smuggling, money laundering and other types of things, they will seize upon it. We see that in Europe, we see it in other places. So it is a phenomenon we have to get our arms around.

Mr. WELLER. You talk about the issue of human smuggling. Always a concern is that if they could smuggle drugs, they could use

the same pipeline to bring in individuals or WMD or other unwelcome items. What do you see from your study? We passed major legislation in response to a growing concern here in our country, but also one that every time I speak with leaders in Central America and the Caribbean, the growing presence of not only just regional gangs, but international gangs, MS-13 being a very visible example here in the Washington area because of some of the horrible crimes they have committed. But also there has been suggestion of links between criminal gangs such as MS-13 and international terrorist network for the purpose of smuggling individuals into the United States. What can you share with us, Mr. Brennan, based on your report?

Mr. BRENNAN. I would have to defer to the Bureau to address the issue about exactly what is happening as far as MS-13.

Mr. WELLER. But are we talking about any type of organized gang activity? Because people—traditionally we do not think of a criminal gang as a terrorist group. But as we have seen with the FARC and what started out as the ideological left wing and became a narco trafficking, not only is still left wing, but they have become a criminal and terrorist organization. What is the data that you have been able to obtain with your report? Is this is an area on which you focused?

Mr. BRENNAN. We are looking at the intersections between known criminal and other activities and terrorist organizations. As I said, the types of organizations—international terrorist groups really try to establish their own mechanisms and will not hold themselves sort of hostage to the vagaries of sort of criminal gangs and activities that are going to be involved in trying to shake them down and whatever else.

But this also gets to the issue of the definition of terrorism, because there is a lot of criminal activity. In fact, it starts to move over. If it is politically-motivated violence, as you rightly pointed out, a lot of groups started out as gangs locally and then had a political dimension added to them over time. And so what I think we are trying to do—certainly in the National Counterterrorism Center, working with our partner agencies—is to look at that evolution and to look at the different activities that groups, networks, and others engage in that can, sometimes unwittingly, in fact, advance the cause of terrorism. Because one of the things that terrorists will try to do, operatives and others, is to come into the United States. They are not going to say, “I am a terrorist group” or “I am a terrorist.” So they will try to take advantage of whatever existing pipeline is available.

So there can be a lot of unwitting support and cooperation by these terrorist and criminal elements.

Mr. ZELIKOW. Congressman, could I just add one comment to that?

Mr. WELLER. Surely.

Mr. ZELIKOW. Because I actually want to use your question as an opportunity to make a big point. It is a big policy point for this Committee looking forward on a lot of issues.

The phenomenon we are dealing with worldwide, when you look at how we try to build up the capability of other countries to combat terrorism is more and more less about how we support some

particular counterterrorism unit and more on how we actually build up forces of public order and the rule of law in these countries. That means we have to engage deeply the whole police and administration of justice in these countries. We have to think about the role of the State Department and our diplomacy and national security is not just limited to funding some elite unit. But let us actually figure out: Is this a country that basically can have any minimum law and order at all? Because if it does not have any minimum law and order at all, we will create the environments in which we will encounter these gangs, which will, in turn, lead to the environment in which we will encounter these terrorist groups, whether it is the tri-border area, whether it is lawless Afghanistan in the 1990s, whether it is parts of West Africa today or the horn of Africa today.

Those are the places where the greatest dangers to the United States will arise and there is not a neat distinction between the collapse of public order, generally, and the terrorism sanctuary problem. And I think by putting your finger on the issue of transnational organized crime and its link to transnational terrorism, there is a policy side to this. Therefore, how do we orient our programs and policies in that broad gauged way? And that is the point I wanted to leave with you.

Mr. WELLER. And that is a very important point to make, because as we gather data, how are we going to use it in our best interest? Mr. Chairman, if I may have the privilege as to one additional question? I realize there is a red light on and you have been very generous.

Just as a follow-up, you know, the most visible and the most dangerous terrorist group in all of Latin America is the FARC, identified with the conflict in Colombia. Again, FARC started out as a leftist group and got involved in narco trafficking. Now it appears to be operating outside of Colombia as well. The self-described foreign minister of the FARC was apprehended in Caracas, Venezuela with Venezuelan citizenship, Venezuelan papers, and passports. The former President of Paraguay had his daughter kidnapped and brutally murdered by the FARC this past year.

From your study, what is the pattern that you are seeing particularly with the FARC? They have 65 political prisoners, all mostly elected officials that they have kidnapped and are holding hostage. What is the pattern you see in their international activities?

Mr. ZELIKOW. Well, mindful of where we are on time, I would just say your description is more or less apt. The FARC is a significant, dangerous, transnational terrorist organization that operates beyond the borders of Colombia. The work that the Colombian Government is doing with American support against the FARC is very important. So it is really just a way of underscoring the message you were trying to convey.

Mr. WELLER. Well, the Plan Colombia is working and, of course, we in the Congress continue to review it to make it work more effectively. Mr. Brennan, do you have a quick observation to share? Mr. Chairman, you have been very generous. I appreciate this.

Mr. BRENNAN. The FARC has multiple agendas, outside of Colombia, inside of Colombia. It has a political agenda, it has an illegal, illicit agenda as far as narco trafficking activities. It is a very

dangerous, lethal organization that poses a serious threat, not only in Colombia but also Paraguayans and others, including American citizens.

Mr. WELLER. I noted the so-called foreign minister of the FARC was apprehended in Caracas, Venezuela, obviously outside the borders of Colombia. In your statistics, the data that you have obtained, have you seen any direct governmental links with neighboring nations of Colombia that appear to have provided any support for the FARC or any of the other terrorist groups operating in Colombia?

Mr. ZELIKOW. I would rather not get into detailed comments on all of Colombia's neighbors. This specific case of Venezuela is obviously one that the Government is looking at pretty hard.

Mr. WELLER. Mr. Brennan?

Mr. BRENNAN. I agree.

Mr. WELLER. Okay, thank you, Mr. Chairman, you have been very generous.

Mr. ROYCE. Thank you, Mr. Weller. I would like to go to Mr. Brennan. Just to take from your testimony, you said you caution against the natural inclination to want to use terrorist incidents as a simple metric to judge progress in the global war on terrorism. I was going to ask you, if we are not going to use that, how do you judge progress?

Mr. BRENNAN. The intention is to make sure that we do not take aggregate numbers, where we do not really delineate and distinguish between a single attack that may be low level violence against an ATM machine that happens to be in Europe, but somehow meets the statutory definition of terrorism, and compare that one for one against a 747 flying into the World Trade Center.

So what I want to make sure is that in conjunction with the State Department, we really provide information in our report that is able to educate and inform and to very accurately try to represent the phenomenon of terrorism. But aggregate numbers, I do not think, are good ones. I fully agree there need to be metrics and as we now move forward not be limited by these definitions that create these anomalies. I think we should be able to establish a baseline and to compare from year to year and take a look at exactly the phenomena of terrorism.

Mr. ROYCE. One of the advantages of *Patterns of Global Terrorism*—the old report prior to the reports being bifurcated—is that we would turn to the back of the report and see in chronological order exactly who committed the attacks, who we suspected or who acknowledged perpetrating the attack. We could find out how many Americans were killed in that attack and how many of those of other countries were killed in that specific attack. And frankly, I think it was useful. It was educational. I am obviously an enthusiast for making whatever changes you want to make, but getting back to the emphasis of *Patterns of Global Terrorism*, in which the stats are right there in that report along with the bar graphs. And adjusting how you do it, but still having access to that information.

I want to ask Dr. Zelikow—you have stated that these statistics do not tell us anything about the war on terror; the statistics are simply not valid for inference about the progress, either good or bad, of American policy. Last year, when discussing the mistakes

made in the report, the then-Coordinator for Counterterrorism, Cofer Black, stated that the numbers are what essentially drives the report. What changed?

Mr. ZELIKOW. I did not think the numbers in 2003 were valid for policy inference either and I would not have made the statements that they made then.

Mr. ROYCE. All right.

Mr. ZELIKOW. I am just being straight with you, Mr. Chairman.

Mr. ROYCE. I understand. I am trying to be straight, too.

Mr. ZELIKOW. I am trying to be an honest, dispassionate analyst of the statistics. I do not think they are especially valid for inference about American policy now, either way, and I did not think they were then. But I was not in the Administration then.

Mr. ROYCE. Well, then I will not follow up with the point I was going to make. The report is supposed to provide information on countries who have not provided help in the fight on the war against terrorism. Last April, when I chaired the Subcommittee on Africa, we held a hearing on efforts to combat terrorism on the African continent. And when asked to single out a country in Africa not cooperating in the war on terror, an official from the State Department's Office of the Coordinator for Counterterrorism—as a matter of fact, he was the Associate Coordinator—he named Eritrea. Yet in the section on Africa, Eritrea is not specifically singled out.

So we do not often get State Department officials to name names, yet when they do in congressional testimony, they do not even show up in the report. Could you look into that for me?

I also wanted to say that I share Congresswoman McCollum's concerns about Sudan. We did travel to Darfur, Sudan. We saw the effects that terror have had there, including wasted villages like Tine, and including the effects of amputations on some of the kids. So I wanted to stress her points.

And not to belabor this point, but it is important to return to something Mr. Brennan said in his testimony in terms of the definition of terrorism being seen, in your words, as a work in progress. The definition of terrorism relative to all other forms of political violence has never been clear cut, you said. We envision reaching out to experts across the government and academia to further develop and refine a more meaningful approach.

Well, we have had a problem for years with a non-aligned movement adopting what was basically in their view a one man's terrorist is another man's freedom fighter. Now, we finally get to the point where the Secretary-General has moved in our direction, and I would like to ask you two to comment on this debate and what we are trying to accomplish at the U.N. I also think it is important that we come to a quick resolution of how we are going to define terrorism and move off of the thought that this is going to be a work in progress and it is only relative to exacting standards. Mr. Brennan?

Mr. BRENNAN. One of the things I think we have to make sure we do is really look at terrorist activities on the part of all types of groups. There are a lot of groups that hide under the cover of legitimate, social, political and other types of activities. For example, Hezbollah. Hezbollah is a political organization. It has seats in

the Lebanese parliament, but yet Hezbollah, as an organization, is still a perpetrator of terrorism.

And so therefore, we have to make sure that we do not, in fact, validate in any way a group's other activities as long as they continue to prosecute terrorism-like activities, whether it is Hezbollah, Hamas, or others. I think we have to look at that and make sure that they are sanctioned and they are identified as terrorist organizations for as long as they provide one ounce of support for terrorism.

Mr. ZELIKOW. I agree with that. I think it is good to try to aspire to the right kind of definition. Obviously, we have some serious definitional problems. I will just again underscore the danger that this process can easily become politicized and people use the formal articulation of a definition of—

Mr. ROYCE. You know, we have gone through that with the U.N. for a number of years. A number of us have invested a lot of time and effort to get from that quagmire to the point where we have a Secretary-General trying to come up with a definition that moves us away from the ability, from the wiggle room that allows these excuses.

Mr. ZELIKOW. And it is better now.

Mr. ROYCE. So we have some tough decisions to make here, but you are going to have say no to some people, make those decisions and get a definition that is going to allow us to move forward and press this point in the Security Council.

Mr. ZELIKOW. Well, let me just say that it is better now and that the post 9/11 Security Council Resolution on Terrorism was a quantum leap forward. The Secretary-General and his use of this term is still not quite where we would like him to be.

Mr. ROYCE. I understand that. That is why I want to move this debate forward as quickly as we can.

Mr. ZELIKOW. And one final comment, Mr. Chairman. I just really do want to acknowledge the point you made about Sudan and the point Congresswoman McCollum raised about Sudan. And I want to take your comment and the Congresswoman's comments as constructive criticism of the way we put that, because if we said anything that conveyed the kind of mixed signals that I think you may have inferred, I just want to go out of my way and again repeat that we do not want to convey that kind of ambivalence about the attitude we have toward what is going on in Darfur, where our Government is urgently trying to mobilize international action.

Mr. ROYCE. And I think we need some straight shooting on Eritrea, as well. I am just going to conclude by saying that we have some questions that we will submit for the record.

I wanted to give those here a sense of why I think there is advantage to including in the report, if we go to *Patterns of Global Terrorism for 2003* and you turn to May, you can just march down the information, Riyadh, Saudi Arabia, suicide bombers driving cars boobytrapped with explosives drove into the guarded Vinnell housing complex, killing eight United States citizens and seven Saudis. Al-Qaeda is responsible.

In Israel, in the French Hill intersection of Jerusalem, a suicide bomber dressed as an Orthodox Jew and wearing a prayer shawl

boarded a commuter bus, detonated the bombs attached to himself, killed seven persons and injured 26. Hamas claims responsibility.

And then on to Afghanistan; five German peacekeepers killed there. The U.S.-funded school, located 300 feet from the explosion, lost 13 windows: Al-Qaeda. It is, I think, a useful tool to have everything combined in one report. I do not mind the chronological order. It allows us to follow the magnitude of these attacks. I understand some of the points you have made in terms of changing the methodology of the compilation, but I just thought I would give you my observation on that.

Mr. ZELIKOW. Mr. Chairman, I am sympathetic to the goal. Let me say something that is really unusual for a bureaucrat. This is bureaucratic turf the State Department does not necessarily need to defend, because I strongly supported, when I was on the Commission and I testified to the Congress on this, the creation of the NCTC to provide an authoritative focal point for analyzing transnational terrorism. And if you basically create NCTC to be that authoritative focal point, you have to really mean it, whether you work for NCTC or for the State Department.

So if you want the one report, I would urge you to think about whether or not that really should be at NCTC, because otherwise you then begin to get a mixed message. On the one hand, Congress says it wants this for that Center and on the other hand, it sends a different message as to who is going to be the authoritative compiler.

Mr. ROYCE. Well, State is the lead agency for terrorism policy.

Mr. ZELIKOW. On the policy side.

Mr. ROYCE. Right. Well, thank you both very much for your testimony here today. We are going to go to the second panel.

Ms. MCCOLLUM. Mr. Chair?

Mr. ROYCE. Congresswoman McCollum?

Ms. MCCOLLUM. Mr. Chair, as the second panel is coming up, I am sure you had an opportunity to look at page 90, which describes the ongoing violence in Sudan. It does lead with that, but it does not really get into it in specifics, so I appreciate the State Department's willingness to clarify exactly what is going on.

Mr. ROYCE. I thank you for raising that point.

We are going to hear from Mr. Raphael Perl, a specialist in international terrorism policy at the Congressional Research Service. He has written numerous articles on terrorism. Mr. Perl previously served in the office of the Secretary of Defense. He is a retired Army Reserve Colonel.

We will then hear from Mr. Larry Johnson, Managing Director and Co-Founder of BERG Associates, which helps corporations manage risks and counter threats posed by terrorism and money laundering. Mr. Johnson previously worked for the Central Intelligence Agency and he served as Deputy Director of the State Department's Office of Counterterrorism. Mr. Perl?

STATEMENT OF MR. RAPHAEL F. PERL, SPECIALIST IN INTERNATIONAL TERRORISM POLICY, CONGRESSIONAL RESEARCH SERVICE

Mr. PERL. Mr. Chairman, thank you. In my testimony today, I focus on two areas. First, the importance of numbers and data to

sustain the credibility of the report and second, options to strengthen the State Department's reporting role here.

First, the issue of data. As a researcher, I cannot overemphasize the core importance of data. Data provides the context for and the basis of analysis for a report. In the academic and scientific community, analysis without reference to data, even if logical and persuasive, is viewed with skepticism. So for the purposes of maintaining credibility, an annual report to Congress on global terrorism would benefit from the availability of a significant compilation of relevant data.

Moreover, separation of data from the report may not be very user friendly to the readers of the report. You cannot flip it over and look at the data and flip back and look at the report.

Permit me now to address the issue of strengthening the report. When the report was originally conceived, the primary threat from terrorism was state-sponsored. But since then, the threat has evolved with organizations like al-Qaeda and non-state sponsors of terrorism, increasingly posing a major and more decentralized threat.

Clearly, the threat today is becoming ever more global. The terrorist of the past wanted to change his country, but the terrorist of tomorrow and today wants to change the world. And as the gap between the haves and the have nots increasingly widens, the use of terror may become more and more the ballot box for the dispossessed.

Many analysts today suggest that terrorism is assuming the characteristics of a global insurgency. More and more, the struggle is seen as a conflict for the hearts and minds of the vulnerable, with the media at the center of the battlefield. Given these important changes, how might they best be reflected in future reports of *Patterns*? No matter how the report is structured, analysis—including impacts, and not just merely rearranging the numbers—is an important element.

Useful also might be a set of meaningful predictions based on trends, survey data and intelligence inputs and clearly enunciated policy statements, supplemented with goals and objectives and criteria to measure progress. This may prove desirable, as well.

The report might include, at a minimum, levels of cooperation and state antiterrorism efforts. Which states support or incite terror? Which states countenance or allow terror? Which states stand firmly opposed to it? Which countries are cooperative but vulnerable, which are exemplary?

The responsiveness of international organizations to anti-terrorism programs: We have talked about the U.N. here, but going beyond the U.N. to encompass regional organizations and others such as Interpol and the Financial Action Task Force.

Profiles and data on major terrorist groups, not only those on the foreign terrorist organization list. Emerging groups, including activities, capabilities and attributed significant incidents.

Trends, including all reported incidents of major significance, categorized by location, target and method of attack, with emphasis on incidents affecting U.S. interests and data on fundraising and recruiting trends would likely be of interest to Congress, as well.

Attitudes and factors contributing to terrorism and its support, especially the economic consequences of terrorism. This is potentially an important coalition building tool and I would be happy to take questions on this issue after my testimony.

Special topics would continue to receive focus. Terrorism and weapons of mass destruction. Links to narcotics and crime as we have heard today. Fund raising and money laundering. The economic impact of specific attacks and the impact of technology—including the Internet—on terror and counterterrorism. And finally, the report might include a proposed action agenda with goals and objectives for the year ahead. This concludes my formal testimony, Mr. Chairman, thank you.

[The prepared statement of Mr. Perl follows:]

PREPARED STATEMENT OF MR. RAPHAEL F. PERL, SPECIALIST IN INTERNATIONAL TERRORISM POLICY, CONGRESSIONAL RESEARCH SERVICE

Mr. Chairman, distinguished Members of the Subcommittee, my name is Raphael Perl. I am a senior foreign policy specialist with the Congressional Research Service of the Library of Congress. I thank you for the opportunity to be here today and to address issues relating to the Department of State's annual report to Congress on global terrorism, which is entitled this year, *Country Reports on Terrorism 2004*. In previous years this report was entitled *Patterns of Global Terrorism*, and prior to that, *Patterns of International Terrorism*. In my testimony I refer to this new report version as "*Country Reports*".

FOCUS OF TESTIMONY

My testimony will focus on two areas of potential concern to Congress:

1. *The importance of numbers and data* to sustain credibility of the report; and,
2. *Options for consideration by Congress to strengthen the Department of State's reporting role* in this area so vital to the security of our nation.

In discussing options, I remind the Committee that the Congressional Research Service (CRS) does not recommend any particular policy option or approach. Although I confine my discussion to selected options, CRS is prepared to address the merits and downsides of a full range of additional issues and options at the Subcommittee's behest.

This year's annual report to Congress has both a new title and a modified format. *Country Reports* continues to provide information on anti-terror cooperation by nations worldwide. It continues to list state sponsors of terrorism, which are subject to sanctions. However, this year statistical data on terrorist incidents are not included as an integral part of the report. They are provided and released concomitantly with the publication of *Country Reports* by the newly created National Counter Terrorism Center (NCTC). The NCTC will likely release more detailed statistical data later this year—perhaps as early as June 17th, the date that a new, congressionally-mandated report on terrorist sanctuaries is due.

It should be noted that this separation of the NCTC data from the *Country Reports* may not be very user-friendly for readers of the reports. One option would be to include the NCTC data as an appendix.

THE IMPORTANCE OF DATA

As a researcher who has served both at the Congressional Research Service and at the National Academy of Engineering, I must stress the core importance of data. Data provide the context of, and basis for, subsequent analysis. Analysis without underlying data often lacks credibility. In the academic and scientific community, analysis without reference to data—even if logical and persuasive—is viewed with skepticism. For the purpose of maintaining credibility, an annual report to Congress on global terrorism would benefit from the availability of a significant compilation of relevant data. Although in most cases data are integrated either in the text or in an appendix of a report, at the very least data should be in some manner readily available elsewhere, in print or on the Internet, as appropriate.

Overview

Looking at things afresh, what areas might an annual global report on terrorism address? What trends might it home in on? How might it be structured? How rigid or how loose might congressional reporting requirements be?

It has been some fifteen years since Congress mandated the first annual report on global terrorism. When the report was originally conceived as a reference document, the primary threat from terrorism was state-sponsored. But, since then, the threat has evolved, with Al Qaeda-affiliated groups and non-state sponsors of terrorism increasingly posing a major and more decentralized threat.

The terrorist threat we face today has greatly increased in complexity and danger. It has evolved to have a major economic aspect. Technology and the Internet are both major facilitators and mitigators of this threat, aiding both terrorists and those who seek to interdict them. It appears that, in today's globally interconnected world, the distinction between domestic and international is becoming increasingly blurred. And it appears that some terrorist groups may look to an expanding range of criminal activity to provide financial and logistical support for their causes.

Clearly the threat is becoming ever more global. The terrorist of the past wanted to change his country. The terrorist of today often wants to change the world. And as the gap between the haves and the have nots widens globally, increasingly the use of terror may become the "ballot box" for the dispossessed.

Many analysts suggest that terrorism today is rapidly assuming the characteristics of a global insurgency, with strong ideological and often religious motivations. More and more, the conflict is seen as a struggle for hearts and minds of the vulnerable, with the media at the center of the battlefield.

Given these important changes since the report was originally conceived, how might they best be reflected in future reports?

Structural Issues and Options

The current report begins with several short chapters: legislative requirements, an overview, a brief analysis of global jihad and a description of international antiterrorism efforts. This is followed by country reports broken down by region, and finally, by a chapter on terrorist groups.

Much of the current report corresponds to the Department of State's structure of regional bureaus, which include Africa, Europe, East Asia and Pacific, Europe and Eurasia, the Near East and North Africa, South Asia and the Western Hemisphere. However, as international terrorism and, more particularly, Islamist militancy become more decentralized, regional or country-specific presentations alone may not reflect the wider picture, and an expanded transregional focus may add value.

A report which also includes a number of supplemental categories of information about terrorism could prove useful for congressional purposes, especially if it presents facts and data, along with understandable tables and graphics.

An integral question is who should prepare and publish such data and what should they measure? The NCTC might well be tasked by Congress or its own administrators to develop meaningful data compilations on terrorism, including and going beyond those eliminated from the State Department report this year. Ideally, some flexibility should be granted in the development and publication of this data. A series of seminars and workshops to explore these possibilities, with congressional participation, might prove useful in this regard.

Analysis, including impacts—not merely reformulating the numbers—is another important element; Congress could specify subject areas of particular interest, such as terrorist involvement with weapons of mass destruction or narcotics trafficking.

Also useful would be a set of meaningful predictions, where possible based on trends, projections, survey data and intelligence inputs where available. Finally, clearly enunciated policy statements might be set forth, including goals and objectives, as well as criteria to measure progress.

The Government Accountability Office uses goals, objectives and measurement criteria in order to report on operational efficiency. These are also needed to facilitate decisions on funding and resource allocation. The Government Performance and Results Act (GPRA) has similar requirements. And the Department of State already includes such criteria in its Mission and Bureau performance plans, and might be able to develop some variation appropriate to its report.

The more specific Congress can be about requirements and structure of the report, the more pertinent and responsive the product is likely to become. To the degree that many perceive the presentation by region and country as providing a useful and informative guide to international cooperation, this format could be retained. State might then also present analysis and predictions in a manner tailored to its

own functional organization, which includes Political, Economic, Consular, Administrative, Public Diplomacy and Commercial components, plus Diplomatic Security and other lateral offices, with each component providing relevant but different outlooks on the challenges and impacts of terrorism .

In addition to required information and structure, the Department of State might be encouraged to provide supplementary facts, analysis, predictions, and other relevant information in separate chapters or annexes without prejudice for future years. This flexibility could maximize the use of the Department's expertise by including such topics as the linkage of terrorism to weapons of mass destruction, terrorist narcotics activities, and other areas of interest without the possibility of creating requirements that may outlive their usefulness. Some of this has already been legislated by Congress in Public Laws 108-458 and 108-487.

The public diplomacy elements of the report are of great relevance to terrorism policies, given the amalgamation several years ago of the Department of State and the U.S. Information Agency. Since the decommissioning of the Strategic Information Initiative, State appears to have the sole departmental charter for winning hearts and minds abroad, a critical strategic component of any long-term, reality-based, and forward-looking antiterrorism strategy.

Arguably, the report is an appropriate vehicle for describing, among other results, the trends in public opinion polls abroad concerning aspects of terrorism or Islamist militancy, when available or significant. The report might discuss current public diplomacy initiatives which attempt to mitigate support for terrorism and how successful they have been.

The report's usefulness to Congress would likely be enhanced by inclusion of classified appendices to inform Congress about sensitive issues and analysis. Often countries do not want it made public that they go out of their way to assist the United States in certain sensitive anti-terrorist operations. And often it may not be productive to strongly criticize countries in a public document if the feeling is that they can be won over. Yet, clearly this is information of interest and importance to Congress.

After the structure of the report is generally determined, the baseline content could also be defined. Further options concerning content and subject matter are discussed below.

Report Content

Regardless of whether information is presented in country reports or in separate chapters (or both), the report might include, at a minimum, information of potential interest to Congress such as the following, some of which is already present:

- *Levels of state cooperation* (or lack thereof) in antiterrorism efforts. Which states support or incite terror? Which states countenance or allow terror? Which states stand firmly opposed to it? Which countries are cooperative, but vulnerable? Which are exemplary?
- *Responsiveness of international organizations* to antiterrorism programs, going beyond the United Nations to encompass regional organizations and others, such as Interpol and the Financial Action Task Force (FATF).
- *Profiles and data on major terrorist groups*, as well as on emerging groups, including activities, capabilities and attributed significant incidents.
- *Trends*, including all reported incidents of major significance, categorized by location, target and method of attack, with emphasis on incidents affecting U.S. interests. Data on fund-raising and recruiting trends would likely be of interest to Congress as well.
- *Attitudes/factors contributing to terrorism* and its support.
- *Economic consequences of terrorism*.
- *Special Topics*: some options might include:
 - Terrorism and weapons of mass destruction.
 - Links to narcotics and organized crime.
 - Fund-raising and money laundering.
 - Economic impact of specific major attacks.
 - Impact of technology, including the internet, on terror and counter-terror.
- *Proposed action agenda*; goals and objectives for the year ahead.

CONCLUSION

In combating terrorism, we are engaged in an ongoing campaign, not a war in the traditional sense. Both Congress and the Administration are heavily committed to this open-ended effort. Communicating the best information available as clearly as possible to the Congress will benefit the United States in this campaign.

As in the past, a major component of any meaningful annual report to Congress on international terrorism will likely focus on the successes and failures of diplomacy and the levels of cooperation provided by states in the global campaign against terror. A well-structured, comprehensive report could include supporting information, profiles on major and emerging terrorist groups, discussion of major developments or trends in terrorist activity—especially those directed against U.S. personnel or interests—and evaluation of the impact of terrorism on individual nations and the global economy.

The report would likely continue to include a potentially changing array of special topics, supplemented by presentation of a policy-driven action agenda with both short-term and long-term goals and objectives, in which the “war of ideas” plays a significant role. Such a report could serve congressional needs by providing an important reference tool and policy instrument in support of the nation’s global campaign against terror. Providing the Department of State with flexibility while mandating a periodic review of both structure and content could help ensure its ongoing effectiveness.

Mr. Chairman, this concludes my formal testimony. I would be honored to answer any questions the Subcommittee might have.

Thank you.

Mr. ROYCE. Thank you, Mr. Perl. Mr. Johnson?

**STATEMENT OF MR. LARRY C. JOHNSON, MANAGING
DIRECTOR, BERG ASSOCIATES**

Mr. JOHNSON. Thank you, Mr. Chairman. Mr. Zelikow did a wonderful job as the Staff Director of the 9-11 Commission, but I am astonished sitting here listening to what he said today because he still does not get it. The report that was issued this year by the State Department shows you what the future will be if the State Department is allowed to write the narrative and to issue reports on countries.

As someone who has worked both at the State Department and in the intelligence community, they are different animals. The State Department rarely finds anything bad to say about any of the countries that they are responsible for. In fact, when I was at the Office of Counterterrorism, we were the pariahs because we kept pointing out that countries like Greece and Pakistan were involved with sponsoring terror and yet, the desk officers fought us like the dickens to keep that information from getting published.

The Counterterrorism Center was set up in 1985 to do what the National Counterterrorism Center is now supposed to do. That Counterterrorism Center, they not only compiled the statistics. In compiling those statistics, they would sit down on a weekly basis with analysts and they would go through incident by incident and talk about it, argue about it sometimes, because unfortunately, when the incidents occur, nobody shows up with their little sign that says, “Hello, we are committing an act of international terrorism.” Sometimes it requires judgment to make that determination.

But the analysts also wrote the narrative and that is an important point because they could put some context to it. The average desk officer, even in S/CT, is so busy doing policy things that he does not have time to think about the substance. That is the fact.

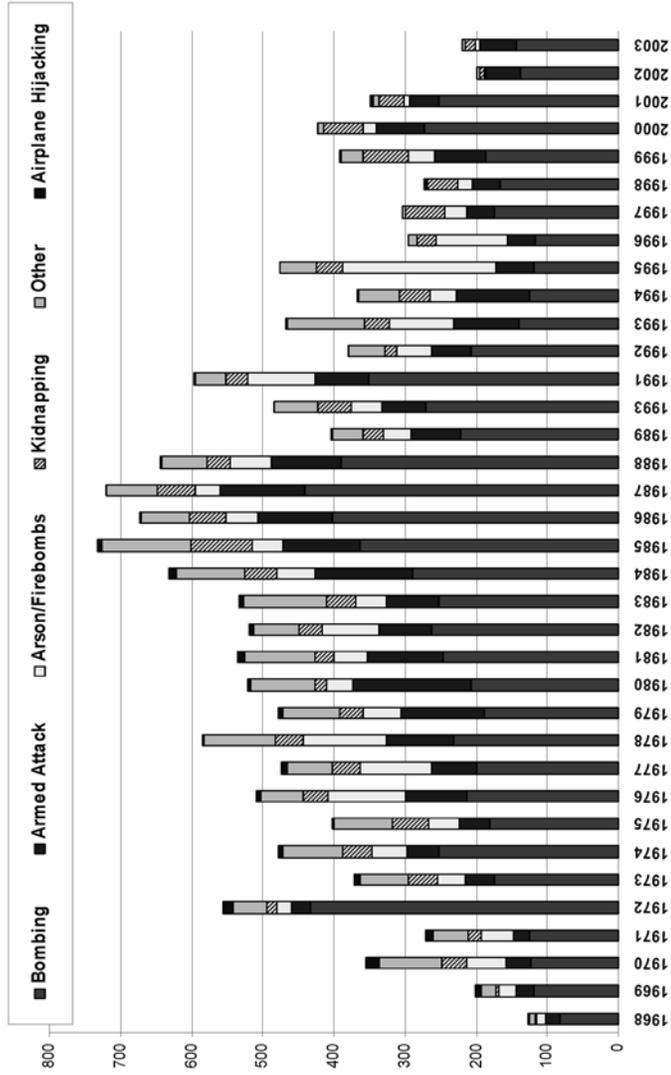
So what would happen before 2003 is CTC would compile the statistics and write the narrative and then the State Department would add the policy finish. There is nothing in the 9/11 law that requires the State Department to abdicate this role. Let's roll the statistics that I brought, because these are not my statistics, these were based upon the *Patterns of Global Terrorism*.

Mr. ROYCE. We will go to the screen.

Mr. JOHNSON. But I want you to recognize that there are some problems as well as some opportunities. I use the significant incidents and other raw data to generate this chart. This chart shows you the total number of incidents of terrorism, both significant and insignificant, and remember, the significant incidents are defined as those in which someone is killed, captured—killed, wounded, kidnapped or property damage in excess of \$10,000. This was the data collected by CIA, published by the State Department, but it was never published in this way, because it also shows you, over time, the methods of attack. And you can see that consistently, regardless of the groups' ideology, regardless of the groups' location, bombs remain the most common method of terrorism attack.

[The information referred to follows:]

INTERNATIONAL TERRORIST INCIDENTS BY METHOD OF ATTACK

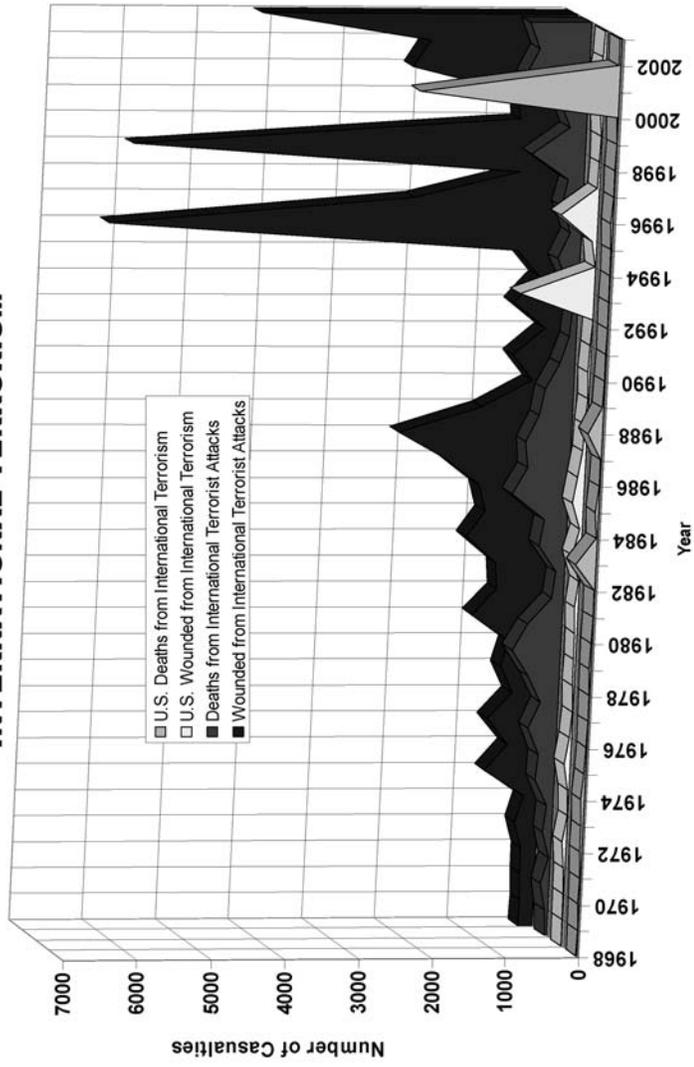


Mr. JOHNSON. And yet, there was a steady decline in the incidents. I do agree with John Brennan that you cannot just use the macro data because the macro data only tells you some things and can be very misleading.

Let us go to the next slide, please. This one has never appeared in *Patterns of Global Terrorism* and I would argue it ought to, because it provides a break out of the deaths and injuries from terrorism by those that affect U.S. citizens and those that affect citizens of other countries. As you go back and look at previous editions of *Patterns of Global Terrorism*, you will note that most of the attacks are considered to be against the United States, yet the people that suffered most of the casualties invariably were from other countries. We saw that pattern continue during the August 1998 bombings of the U.S. Embassy in Kenya, in which the target was the United States, but over 250 Kenyans lost their lives and 5,000 were wounded.

[The information referred to follows:]

COMPARISON OF FOREIGN AND U.S. CASUALTIES FROM INTERNATIONAL TERRORISM



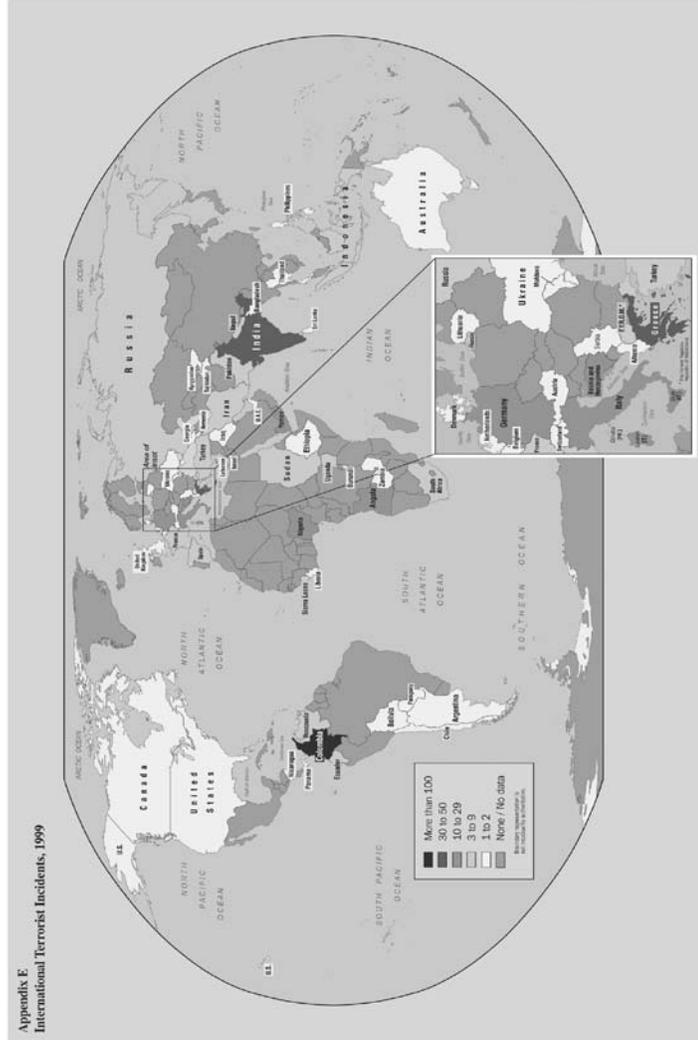
Mr. JOHNSON. Breaking it out this way also helps explain why in the past the United States did not pay much attention to international terrorism, because we did not pay much of a price. We did not have that many killed or injured.

Next slide. Quickly, I want to run through these four slides, because you will note Colombia and India. Consistently from 1999—next year, please—to 2000, next year—2001, next year—2002, and continuing into 2003, Colombia and India would always show up as the two countries with most of the incidents. And here is where just counting incidents is so misleading.

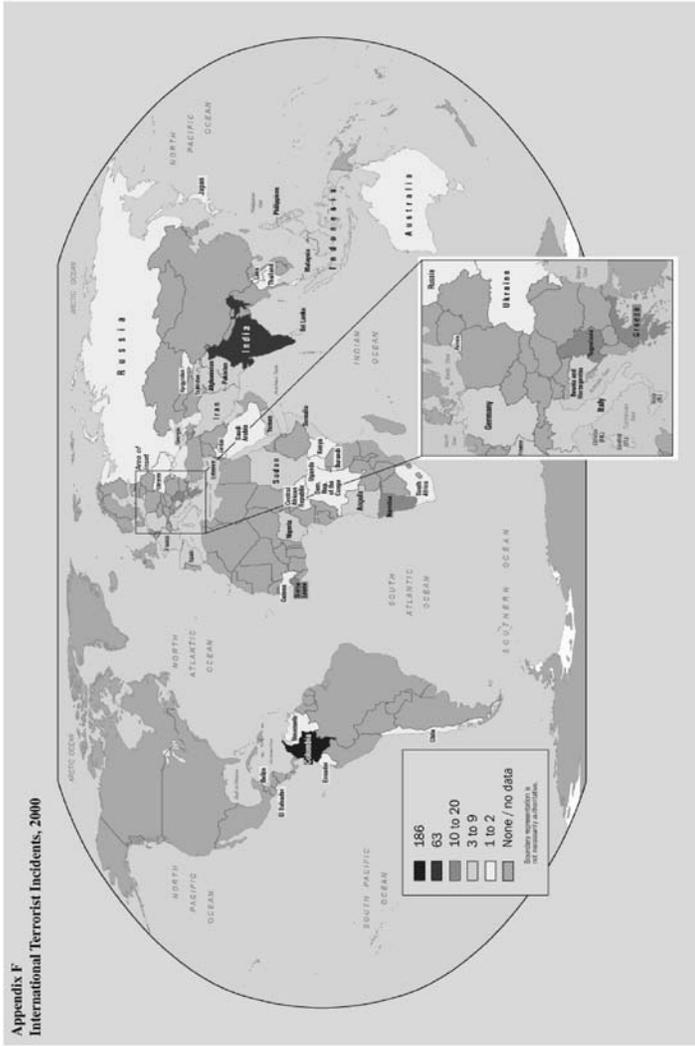
[The information referred to follows:]

INTERNATIONAL TERRORIST INCIDENTS: 1999

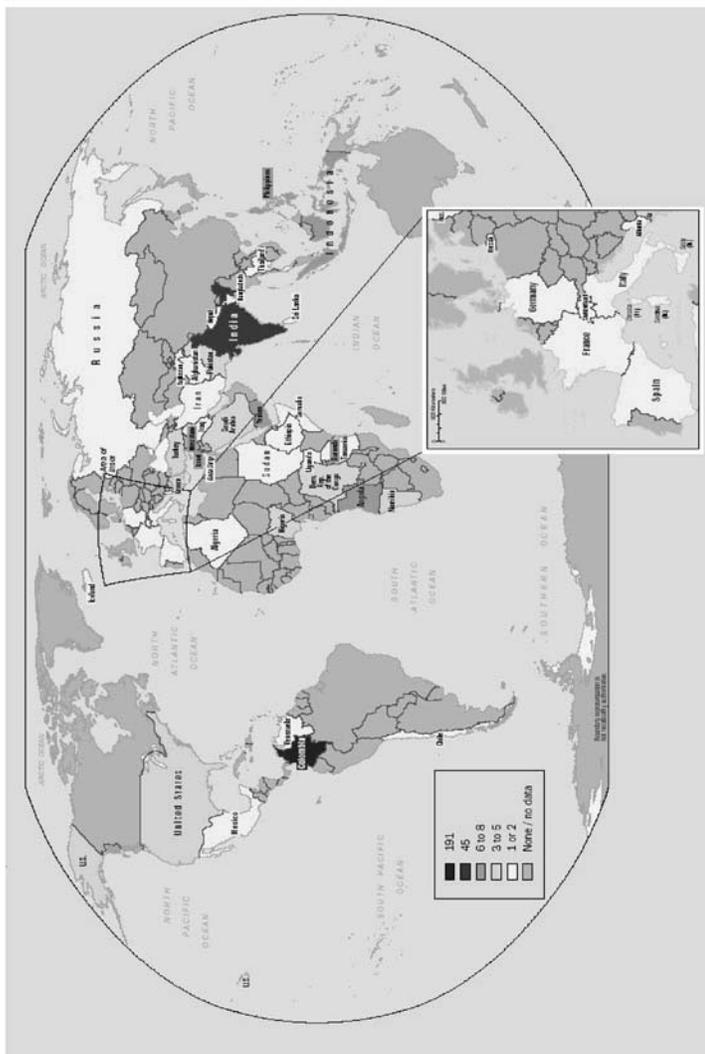
Appendix E
International Terrorist Incidents, 1999

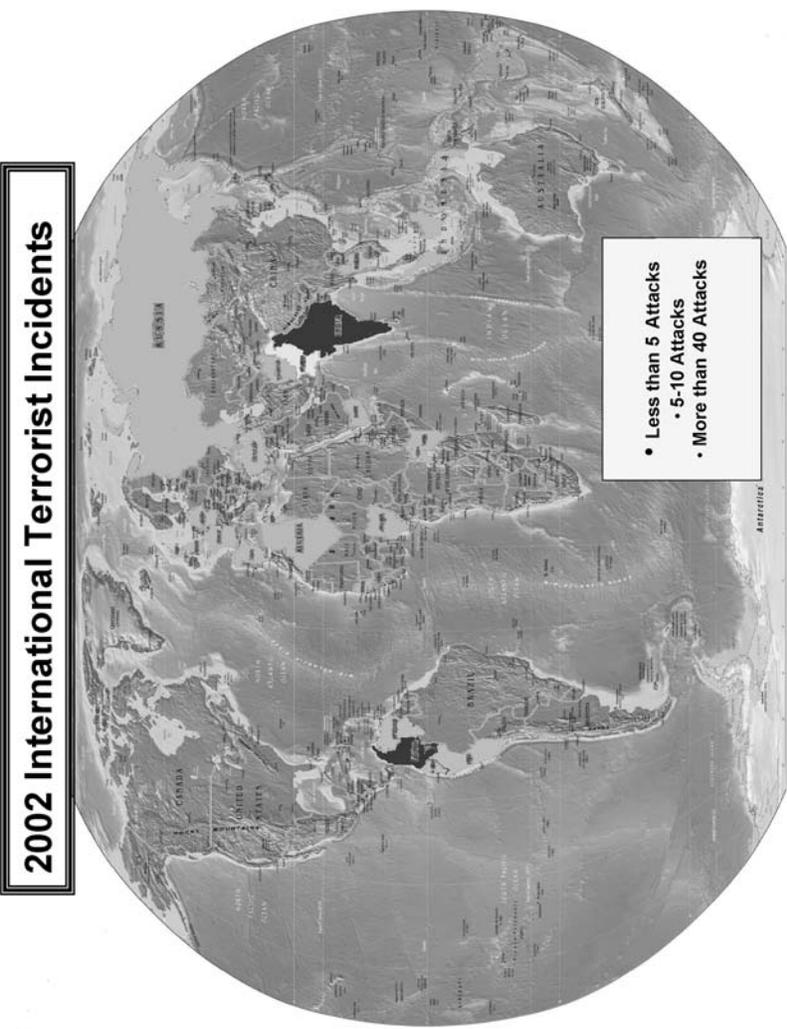


INTERNATIONAL TERRORIST INCIDENTS: 2000



INTERNATIONAL TERRORIST INCIDENTS: 2001



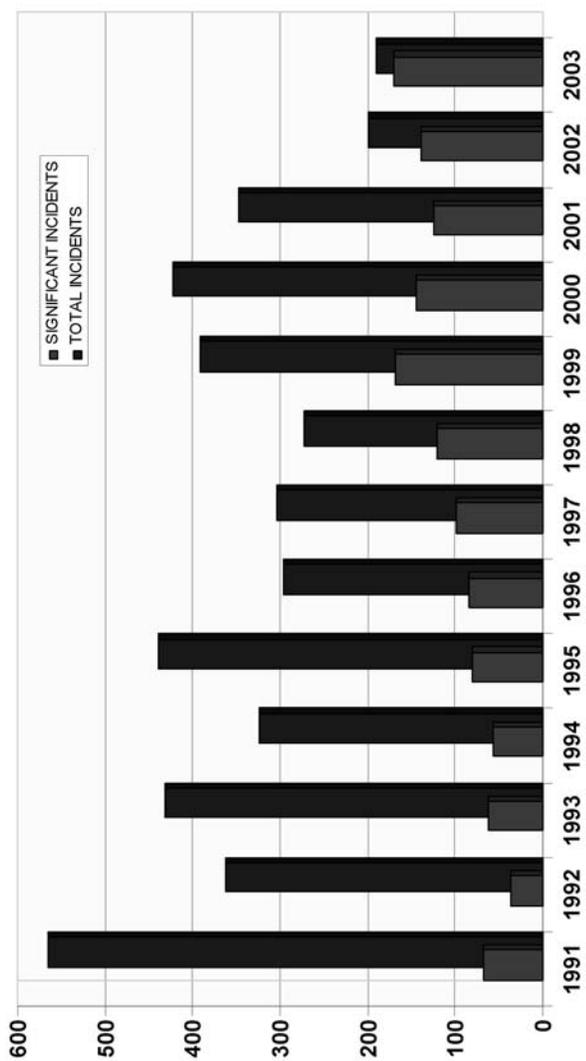


Mr. JOHNSON. The incidents in Colombia involved blowing up oil pipelines. It did not involve killing people, very few kidnappings. But what we saw in India was the canary and the mineshaft of al-Qaeda's activity. Starting in 1999, the Pakistani Government was supporting Harakat ul-Ansar/Mujahadeen, Lashkar Tayiba, and Jaish-e-Mohammad, and those groups were carrying out these terrorist incidents, albeit not causing mass casualties, but causing a significant number of attacks, as well as significant casualties.

The point of this is that you have to drill down. And as we go to the next slide, I will be wrapping up. As I went in and started looking at the significant incidents, this jumped out at me. Because you notice that they ran to sort of a low level in 1992, but as we proceeded through the 1990s, the number of insignificant incidents as a percentage of total attacks grew.

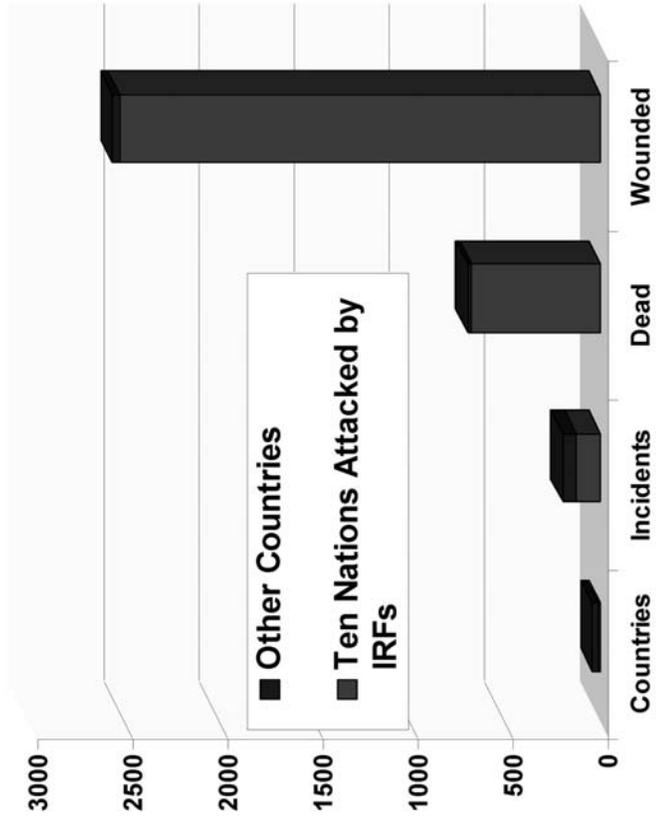
[The information referred to follows:]

COMPARISON OF SIGNIFICANT TERRORIST ATTACKS TO TOTAL TERRORIST ATTACKS



Mr. JOHNSON. Next slide, please. And when you break it out further, the number of attacks and fatalities caused by Islamic Radical Fundamentalists, and that is a term that the FBI has used for more than 10 years in its reports on terrorism, so, you know, a true terrorism expert would know that. You would see that this was not a worldwide activity. This was an activity that was coming from these Islamic extremists and that is where our focus needed to be. [The information referred to follows:]

2003 IRF ATTACKS VS OTHERS



Mr. JOHNSON. With that, I will conclude.
 [The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF MR. LARRY C. JOHNSON, MANAGING DIRECTOR, BERG
 ASSOCIATES

In the wake of the attacks on September 11, 2001, fighting terrorism has become a growth business in the United States. We are spending money like wild fire to harden airports, equip first responders, deploy explosive detection equipment, and beef up border patrols. I understand how in the immediate aftermath of the September 11th attacks there was enormous political pressure to do something. As a result Federal and State governments are spending a lot of money to deter and prevent this threat.

While we assume that the threat of terrorism is very grave, little attention has been paid to trying to assess the actual threat. If we are going to spend a lot of money to detect and deter a particular threat it stands to reason we should have some method of identifying and monitoring the persons and groups who threaten us. I believe we have an obligation to the taxpayers to somehow measure the effectiveness of our nation's efforts to combat the threat of terrorism. Yet some have argued that we cannot use statistics to help gauge the actual threat. If we accept that argument then what standards or methods should we use to determine if a threat exists? Feelings? Mind reading? I am not trying to be flippant. But surely we should be able to have an objective, empirical discussion about terrorism because ultimately it is an activity carried out by flesh and blood human beings.

Although a terrorist act can have a psychological effect on a population, it is more than a state of mind—it is a tangible, organized physical activity. It is a pre-meditated act. And when I say “pre-meditated” I am referring to a host of activities ranging from the recruitment of personnel, training, intelligence collection, acquisition of explosives, and the provision of such mundane things as food and a place to sleep. People who want to engage in terrorist operations need a place to train. It does not require a large base with elaborate barracks and shooting houses. It can be done on the cheap. But it does require one or more physical locations where prospective murderers can plan and prepare.

I take the threat of terrorism seriously. I believe that Americans, regardless of political affiliation, take the threat seriously. We recognize that there are people in the world who, if given the opportunity, would like to kill large number of Americans. Fortunately for us, desire does not equal capability.

If we are going to confront this threat intelligently we must be serious about measuring and monitoring the activity. We must also be willing to take an honest, objective look at the facts and put terrorism in its proper perspective. We ought to acknowledge that terrorism, thankfully, is a relatively infrequent activity and that the number of lives lost at the hands of terrorists over the past 30 years are relatively few compared to the thousands who die from drug abuse, or cancer or automobile accidents in any given year. Nonetheless, terrorism has the potential to cause great harm and should not be ignored or trivialized.

We are here today in part because the State Department, in a break with previous policy, has claimed that the numbers on terrorism do not matter. When I learned in mid-April that the Department was planning to quietly submit the legally required report to Congress without including the 2004 terrorism statistics I was shocked. (I decided to publish this development on the Counter Terrorism Blog—counterterror.typepad.com.) I was told by friends in the intelligence community that the Seventh Floor at State (this is a State Department euphemism for the Secretary of State and her staff) was alarmed by the data, which showed a dramatic increase in significant terrorist attacks and fatalities. Rather than explain the meaning of these numbers to the Congress and the American people, the Seventh Floor wanted to shift the burden of explanation to the National Counter Terrorism Center. It was only after a minor media and Congressional firestorm that the State Department decided to release the report in tandem with the statistical data from the National Counter Terrorism Center.

I was amazed by the audacity of Phil Zelikow and John Brennan at the State Department press conference on April 28th, who insisted that the numbers did not matter and could tell us little about the progress of our national policy in dealing with terrorism. At a minimum this is intellectually dishonest. If we are to be successful in finding and defeating those groups and individuals who want to employ terrorism against us we must have the courage to call a spade a spade. I hope we have not entered a world created by Lewis Carroll, where up is down and bigger is smaller. If we refuse to accept objective facts about terrorist activity then I do not know how we can keep track of what is happening around the world.

Last year's facts on terrorism are disturbing because they point to a trend of increased lethality by Islamic extremist groups. The 651 attacks marks the highest number of significant incidents of terrorism the intelligence community has recorded since 1968. (An incident is counted as significant if an attack results in death, injury or kidnapping of one or more persons, or property damage is in excess of \$10,000). This surpasses the previous high of 273 significant attacks in 1985. It also was the second highest death toll from terrorist attacks. The 1,907 people who died in international terrorist attacks last year marks the second highest death toll in 36 years, with 2001 still holding that horrific record.

Why are the numbers important? For starters the raw data on terrorist incidents tells us who is getting killed, where they are being killed, and who are the likely culprits. That information should help our policymakers set priorities for employing our diplomatic, intelligence, law enforcement, and military resources in going after groups who have killed or are planning to kill Americans.

Beyond helping establishing priorities, the numbers also flag trouble spots that require intense focus. Take last year, for example. The numbers show that most of the attacks and fatalities occurred in Iraq, India, and Russia. If we are going to confront the threat of terrorism effectively our efforts ought to concentrate on these areas. The terrorist attacks in these three countries share a common tie—the attacks were carried out by groups with links to international Islamic jihadists.

Let us take a closer look at the threat in India's Kashmir region. Some of the groups carrying out those terrorist attacks—the Lashkar Tayiba and Harakat ul-Ansar—have received direct support, including financing and training, from senior Pakistani intelligence officers. It is worth recalling that the cruise missiles fired by President Clinton in August of 1998 in retaliation for the Al Qaeda bombing of the US Embassies in Kenya and Tanzania struck a camp in Afghanistan and killed members of Harakat as well as two Pakistani intelligence officers. In the war against Islamic extremists Kashmir matters.

Pakistan poses a delicate policy dilemma. On the one hand it has been an important ally in the war against Al Qaeda. Pakistan has helped apprehend and turn over to US authorities terrorists such as Khalid Sheik Mohammed, Ramsi Yousef, and Mir Aimal Kansi. On the other hand there are Pakistani officials who are financing and training groups responsible for international terrorist attacks. The statistics on terrorist activity in Kashmir tell us a very uncomfortable story—our ally in the war on terrorism is also a sponsor of terrorism.

The terrorism statistics can create some uncomfortable policy dilemmas. I am not suggesting that they should take precedence over all other considerations. During my time at State Department, for example, there was a behind the scenes debate about whether or not to put Greece as well as Pakistan on the list of State Sponsors of terrorism. If we had relied solely on the terrorism data then both countries should have been put on the list. But State Department also looked at other issues. This is the grey area where intelligence data and policy considerations collide. In retrospect I do not think previous versions of Patterns of Global Terrorism went far enough in putting both Greece and Pakistan on notice that their support for terrorism was unacceptable behavior. Frankly if the data concerning their role in supporting groups responsible for terrorist attacks had been more fully disclosed it might have generated enough pressure to persuade them to back off of that support.

WHAT SHOULD WE DO ABOUT THE NUMBERS?

I have no beef with NCTC taking over the job from CTC of compiling the statistics on terrorism. I also welcome the news that 10 analysts are now focused on this task. If that leads to better, more comprehensive data on terrorist activities it will provide an important resource to finding and rooting out those groups who threaten us. However, we still do not have a good explanation of why the CIA's CTC was able to do a credible job of tracking terrorist activity but TTIC could not. Why did TTIC only assign three part time workers to the task of monitoring and counting terrorist incidents? What is NCTC, the TTIC successor, doing differently?

I think it is a big mistake to separate the statistics from the policy analysis in the Annual Report. I believe that State Department should continue to be responsible for issuing an annual report on terrorism that includes the statistical data. This is not a fight over turf, nor am I trying to protect a status quo. The State Department role in producing the Patterns of Global Terrorism, at least until this year, was pretty straightforward. S/CT was never in charge of collecting or compiling the statistics. That task was carried out by CTC (and later TTIC) with the help of INR. In the future I would hope that NCTC and INR analysts would again meet on a regular basis to make the decision about what should be classified as an incident of international terrorism. The analysts in NCTC and INR should continue to draft

the narrative of the report. For its part S/CT should continue to do the policy overview and the policy summaries at the start of each regional section. The Office of the Coordinator for Counter Terrorism should retain the job of editing and producing the final report. The key to this process is a joint, closely coordinated effort with the NCTC and INR.

There is a need for better information in the report. Summary statistics, such as total attacks or total fatalities, are of little use in helping further our understanding of what is going on in the world of international terrorism. NCTC needs to provide more "micro" data. By "micro" I mean specifically identifying which groups are responsible (or believed to be responsible) for terrorist attacks that produce fatalities. If you consult the previous editions of *Patterns of Global Terrorism*, for example, you would be hard pressed to answer the question: How many attacks has Hezbollah carried out? How many fatalities did Hezbollah attacks cause?

One piece of analysis sorely lacking in previous editions of *Patterns* concerns identifying emerging trends in terrorist attacks. Last year, for example, I created charts using the data I summarized from incidents listed in Appendix A of previous editions of *Patterns of Global Terrorism* that showed a dramatic, steady rise in the number of significant attacks, even though the total number of attacks was declining. When I looked more closely at the data I realized that in 2003, for example, over 95% of the casualties were caused by attacks by Islamic extremists in just 10 countries. The annual report to Congress needs more precise data and more thoughtful analysis.

The definition of "international terrorism" needs to be reconsidered. From an analytical standpoint I think it would be useful for NCTC to keep track of all violence, not just terrorism, as a means of establishing a benchmark. I do not think we have sufficient data today to indicate whether or not there is a direct correlation between violence and terrorism. From an analytical standpoint it is important to differentiate between groups like Colombia's FARC, who rarely targets US and European citizens, from a group like Islamic Jihad that takes pride in encouraging such attacks.

NCTC's methodology should be expanded to include under the umbrella of international terrorism those groups that receive assistance of any kind from outside their national territory. This would allow us to capture the terrorist attacks carried out over the last several years by the Chechens. While it is true that most Chechen attacks have killed Russians in Russia there is overwhelming evidence that they are closely aligned with Al Qaeda. In March 2002, for instance, Chechen fighters killed US soldiers in the mountains of Afghanistan.

The State Department and NCTC should also follow up on the recommendation by the State Department's Inspector General that some statistics be made available on a quarterly basis. I fail to see how having more information about terrorist events is harmful or counterproductive.

I believe that part of the reason the statistics became an issue again this year is because of the failure to keep the position of the Coordinator for Counter Terrorism filled with a competent Presidential appointee. That slot has been vacant now for almost six months. While the conventional wisdom is that State Department's role in combating terrorism consists of sending stern diplomatic notes to terrorists, it is an unfair and inaccurate perception. State Department's role as the lead for coordinating international terrorism emerged in the mid-1980s in the wake of devastating attacks in Lebanon. A National Security Decision Directive signed by President Reagan in early 1986 gave State the responsibility of coordinating international terrorism policy. This was in response to an interagency fight that broke out during an effort to apprehend the terrorists responsible for the hijacking of the Achille Lauro cruise ship. While flying over Italy in late 1985 in pursuit of Abu Abbas, a State Department official and a CIA officer argued heatedly over who was in charge of the mission. Recognizing the need for a clear chain of command the Department of State was put in charge of coordinating the efforts of CIA, DOD, and FBI efforts to track and deal with terrorism. The first man put in charge of this effort was L. Paul (Jerry) Bremer.

The Coordinator for Counter Terrorism at State Department (S/CT) plays a variety of roles, including facilitating the travel of military special operations personnel into countries where terrorists are operating or are receiving safehaven. S/CT also has played a direct role in helping FBI and other law enforcement personnel move into countries to apprehend terrorists or provide assistance to local forces, who in turn root out and capture terrorist suspects. And, within Foggy Bottom, S/CT pokes a finger in the eye of the regional bureaus. While the incentive of the desk officer for a country like Pakistan, for example, is to be accommodating of Pakistani concerns, a bureau like S/CT is there to bring up the uncomfortable facts about Pakistan's support for terrorist activities. Not having a Coordinator for Counter Ter-

rorism is inexcusable and unfortunately says a lot about the true importance assigned to that function.

At the end of the day we need more and better coordination between the intel community and the policy community, not less. While there have been problems with Patterns of Global Terrorism in the past, the basic process of the coordination of the two elements was sound. I am struck by the irony that the staff director of the 9-11 Commission that correctly criticized the stove piping of information and the lack of coordination, was a key decision maker in taking collaborative process and splitting it into separate components that will make cooperation and coordination more difficult. I encourage this Committee to take the appropriate steps to require these two important agencies—State and NCTC—to work closely together on one report on terrorism.

Mr. ROYCE. Your narrow sliver there?

Mr. JOHNSON. Yes, sir?

Mr. ROYCE. Represents?

Mr. JOHNSON. Twenty-nine other countries.

Mr. ROYCE. It is barely perceptible.

Mr. JOHNSON. Correct.

Mr. ROYCE. That sliver on top of the large bar. Any other points you would like to make, Mr. Johnson? You have some additional time.

Mr. JOHNSON. Yes, a couple of issues. One, there has been a real neglect in the Office of the Coordinator for Counterterrorism. That office now has been vacant for 6 months. This is not the first time. It happened under President Clinton, and please understand, I am not up here to do partisan bashing. Under President Clinton, that office was vacant for as much as 2 years. And what happened, it started under Phil Wilcox, who was the Coordinator under President Clinton. They stopped sending out the classified annex to the Congress. And, now, not to bash the Congress, but you folks did not turn around and say, "Hey, where is the classified annex on this report?"

Mr. ROYCE. Why do you think we have had that problem with both Administrations?

Mr. JOHNSON. There has been nobody in charge, frankly.

Mr. ROYCE. And why is that?

Mr. JOHNSON. Part of the reason goes back to the success the Office of the Coordinator for Counterterrorism had in the early 1990s under then-President Bush, Sr. We were poking the finger in the eye of the other offices and there was some payback that came back in the State Department against the Office of the Coordinator, because we were seen as this group who was out there making life difficult for the desk officers who wanted to go out and hug their countries and make sure that everything went well, regardless of whether it was Sudan, Saudi Arabia or Eritrea, you could always find something good to say about them.

And from the White House itself, I know that Dick Clarke pushed for some of this, but there was never the priority attached to saying we have to get this information up to the Hill. Now look, I know you folks are very busy and you have 1,000 things to do. But this was one of those things that was allowed to slip through the cracks and you need to insist on the State Department and NCTC working together, and this is the critical point—not that NCTC does its thing. Because when NCTC comes together on a regular basis with the policymakers, they are going to force the policymakers to come to some honesty about the spin. And it does not

matter whether the policymaker is a Democrat or a Republican, I have seen it under both kinds of Administrations.

But the intelligence community can play an honest broker role by saying, look, here are the facts. You know, the facts are that elements of Pakistan's intelligence service to this day continue to support groups that are directly aligned with al-Qaeda. Now it is also true that Pakistan is one of our stalwart allies on the war on terrorism. It sounds contradictory. Some of that information may be needed to be put into a classified annex, but at a minimum, we must never put our Members of Congress in a position of saying we did not know.

Mr. ROYCE. This Committee will be requesting that annex, but let us go over the other things we should know, Mr. Johnson, because you have sort of the institutional knowledge.

Mr. JOHNSON. Sure.

Mr. ROYCE. I have noticed the same phenomenon in terms of Treasury with respect to terror finance, so I am very interested in your observations. If you will, please continue.

Mr. JOHNSON. Part of what has happened is what has happened at the White House and the National Security Council, at least one of the strengths during the Clinton Administration, if you want to call it that, was that Dick Clarke was in the position to coordinate from the National Security Council. And Dick and I are not personal friends. We had some clashes in the past, but he worked the issue and was considered a real pain in the neck.

I am privy to one instance—and this can illustrate some of the problems that you face with coordination—where the U.S. hostages that were held in Ecuador, and they were there in 1999 and into 2001. The U.S. Embassy requested the deployment of U.S. Special Operations forces to Ecuador to help locate and rescue those hostages and they requested the deployment of the U.S. interagency team, the FEST.

What happened is that this request came over to the NSC and in that meeting, sitting around the table, Dick Clarke convened it and he said, okay, we should respond to this favorably. The State Department said, yes, we should do it. FBI said, yes, we should do it. CIA said we should do it. The only one saying we should not do it was the Department of Defense, Special Operations Division. Oh, no, it is too dangerous, too risky, something might happen.

I use this to illustrate that at least in that situation you had someone in the White House who was able to coordinate this interagency battle. Jump ahead. Under President Bush's Administration, you started with Dick Clarke and you have gone to General Wayne Downing. After General Downing, you went to Admiral Gordon and then there were two other placeholders and then Fran Townsend. You are up to six people in 5 years and you have to have some adult leadership coordinating this gaggle that we call the U.S. Government. Because just as we fight within the State Department, when you put State, DoD, FBI, CIA together, they are going to fight. You cannot get away from that.

So one of the good functions you can carry out is forcing them to work and play well together, and I think particularly this *Patterns* report, in the past, forced CIA and State Department to work

in a close association that I think ought to be rekindled with NCTC.

Mr. ROYCE. I would like to meet with you afterwards, Mr. Johnson.

Mr. JOHNSON. Yes, sir.

Mr. ROYCE. But at this point, I have to go to some questions. Let me ask Mr. Perl: What factors should go into assessing progress in the battle against terrorism and to what degree do they lend themselves to quantification?

Mr. PERL. Many of the factors that I mentioned. I think if we look at the kind of trends and attitudes, I think it is a good way of dealing with the issue. And then we decide what trends are important.

To find out what is important to measuring progress, we need to look at our national strategy. We have a national strategy on combatting terrorism and one of the primary goals on that strategy is to reduce the threat of terrorism from a national security threat to a law enforcement threat worldwide. So how are we to be successful in overall reducing the threat of terrorism? And we need to think of success long term, because this is more of a struggle—increasingly becoming a struggle—for hearts and minds.

So certainly if we look at short term and long term, especially if we look short term, if we do not have any incidents, or a decrease in incidents, it is certainly a big indicator of progress. But, if we overreact and put out all sorts of resources and bleed ourselves dry, that again, is not progress from the perspective of the terrorist. So it is a very, very difficult issue, but increasingly, we need to think in terms of progress the way the terrorist thinks in terms of progress. And they think differently than we do. They think in terms of what is the damage to our economy that they cause. And we need to look there.

Mr. ROYCE. Yes, I see your point. If we look at Mr. Johnson's assessments or his methodology that he showed us and then we return to our current methodology and we look at calculating significant accounts, attacks on the United States and worldwide, the statistic that receives the most attention, frankly, is probably that stat. And yet, the World Trade Center attack is accounted like a non-fatal attack in Kashmir.

So should we weight the impact of the attacks? What you are telling us is not only weight the impact of the attack in terms of casualties, but weight its impact in terms of the economic consequences since that is the objective of this particular adversary?

Mr. PERL. There is no question about it.

Mr. ROYCE. Psychological impact?

Mr. PERL. There is no question about it. I would also suggest that the whole issue of economic impact is something that is very important to the terrorists and that it is greatly underemphasized in our reporting characteristics.

One thing one might consider—

Mr. ROYCE. Although, that might be something that intuitively we understand anyway. I mean, that we build into or read into the numbers, because we sort of understand the relationship between a 9/11 attack and to play devil's advocate on this for a minute, to

graph psychological impacts and such might, in a way, play into the hands of some of our adversaries. I just throw that out.

Mr. PERL. Well, one of the things that could be very useful to the predictive part of the report would be to look at trends. And there would be other ways of looking at trends than the way the report currently deals with it. For example, one trend that we see is an increasing trend of unclaimed incidents.

National Journal has an article coming out on Friday where it talks about unclaimed incidents, where it says in 2001, 20 percent of the attacks in the Government's database were unclaimed. And in 2004, it was 70 percent.

Mr. ROYCE. You know the trend I would look at? I would look at the trend of funding going into schools that teach jihad around the world and the magnitude of that funding going out of the Gulf States. And then I would track the resultant activities of the graduating classes.

Because if you want to look at trends, you should trace the tier of finance that frankly develops the attitudes at an early enough stage in these young men's lives that they will rarely, if ever, deviate from the way they have been programmed. You program a kid at 5- or 6-years-of-age, you can get him to do pretty much anything if you are willing to brainwash him.

I would look at the money going into that brainwashing effort worldwide, which is several billion dollars and I would look at the specific families that provide that funding. I would look at forcing a transparency in terms of which members, which princes are writing those checks. Those are the kinds of trends I would like to see, because as we looked at Mr. Johnson's graphs, we can see the nature of where the attacks are coming from, 98 percent of them right now in terms of the magnitude of the casualties. So I do not think it takes all that much analysis. But I do not know if over at State they are all that comfortable with us tearing the lid off that particular aspect of this problem. And that is one of the reasons I want to talk to Mr. Johnson later. But I have used my time. Mr. Sherman?

Mr. SHERMAN. Mr. Chairman, I could not agree with you more that we need to focus on those who teach terror in these madrassahs. Perhaps we could have hearings where we could discuss not only what we do to cause our so-called friends to stop funding the teaching of hatred, but also what we as a country could do to fund the exact opposite.

I am very concerned about us providing aid to our local schools and perhaps for textbooks, but I am also willing to have our Government pay to provide textbooks in a whole lot of countries of concern and a whole lot of schools of concern.

Mr. ROYCE. Some of those older textbooks that we jettison, we are trying right now to get a lot of those sent to the continent of Africa. I mean, there is a real advantage to actually teaching children arithmetic and science rather than jihad.

Mr. SHERMAN. Yes. So I think that this battle is not just won by jersey barriers and physical barriers to stopping the terrorist when he is loaded down with weapons. This battle is won or lost when a 5-year-old or a 10-year-old gets both their practical education and political education.

As to Mr. Perl's comments of a focus on the economic effect, I think the overwhelming effect of terrorism is terror, that it is designed to cause fear and that that is the overwhelming economic effect even of 9/11, where we had such a terrible physical effect. I have to reflect on what would have happened yesterday if a terrorist had, say, hit the dome of the Capitol. We were all thinking that as we were walking briskly away from that structure.

If the building had been empty, the physical effect would have been valued in the millions of dollars, but what does it mean to our economy when people have to factor that in? How many people, for a variety of reasons, do not make an investment and one of them would have been the image of the Capitol dome being destroyed? And so the economic effect of terror is hard to trace. But I would venture to say that our stockmarket would be 10 percent higher if 9/11 and its aftermath had not occurred, maybe 20 percent, maybe 30 percent.

And that whether it is foreigners deciding where to go on vacation trips or where to invest, or Americans where to invest, that the stability of the United States and the world is very important to that. So much of our economy is based on expectations.

Turning to the report, Mr. Perl, do you generally agree that the NCTC has done a good job of compiling data on terrorist attacks or is even this data understating terrorist incidents?

Mr. PERL. As Mr. Brennan said in his testimony, at least in his written testimony, it is a work in progress. There certainly are flaws and shortcomings in the data released, but then again, they are using the criteria that were applied last year and in previous years.

There appears to be a sincere effort by Mr. Brennan and the people in his organization to give this a higher priority and to come up with a real quality database that would be interactive, that one could access through many different ways. And that would provide data, then, that could be interpreted in different ways by whom-ever has access to the data. The plan appears to be to put it on the Internet.

Mr. SHERMAN. I would hope that one other statistic we examine is somehow a list, not only of the major terrorist attacks, but the attacks that were at least designed to be major, that a near-miss is something to keep track of. That it is very different if, God forbid, we have one person wounded in what was designed to be a small terrorist attack or if we have one person wounded in what was designed to bring down an airliner or destroy a huge building.

Mr. PERL. And this would also apply to the acts that were prevented or nipped in the bud.

Mr. SHERMAN. Exactly, attempts at major attacks that did not cause major overwhelming damage are an important statistic, because knowing whether our enemies are—what should we say—aiming for the bleachers or not is important. We, of course, will all be aware of the major attacks that achieve their objectives, God forbid one does. But we need statistics to remind us how many major attacks have been attempted.

Do you agree with the contention that a large portion of the increase in the incidence of terrorism can be attributed either to the additional staff dedicated to the task by the NCTC or by some dis-

crepancies in the methodology between 2004 and prior years? Has terrorism grown or are we just counting it better or differently?

Mr. PERL. I would say the answer is both. We are counting better, but the incidents that matter, the major significant incidents, have grown. There is no question about it.

Mr. SHERMAN. Mr. Johnson, how helpful is the report, given the lack of criticism of countries which are not providing full cooperation?

Mr. JOHNSON. It is useless, frankly. I mean, it is a good coffee table book in the Assistant Secretary's office that somebody can thumb through when they come in from one of those countries.

But look, the fact of the matter is, as I said before, when you try to get these different agencies, State and CIA, to work together, it is not easy. They are just inherently not going to work together, which was, I thought, the basic point of the 9-11 Commission. Let us get them working together. So here we have this spectacle of Phil Zelikow saying, "Oh, no, let us keep them apart."

I would think, frankly, from his experience and knowledge on that Committee, that he would be the one saying, You know, NCTC, you do the analysis, you do the data collection, you write the narrative. But we are going to oversee and we will put in the policy stuff and on some issues, we are going to fight. We are going to disagree, because the analysts will want to say, no, look, Saudi Arabia still is sponsoring terrorism and while they do not have an official government policy, the government is not taking aggressive steps to quell it. And those are the kinds of exchanges that frankly need to take place to make this report effective.

Mr. SHERMAN. Well, I would hope that State gets its information from lots of different places. I hope one of those places would be NCTC, that they would trust that as a reliable source and that they would give us a single report with their imprimatur that, frankly, for much of the work, especially the statistical work, relies on NCTC. When, instead, they refuse to publish a report encompassing those statistics, it is as if they think they are not representing the U.S. Government, but are only representing themselves.

Mr. JOHNSON. Correct.

Mr. SHERMAN. I yield back.

Mr. ROYCE. Thank you very much, Mr. Sherman. Thank you for your participation here today. Thank you very much, witnesses, for your trip down here and especially for this testimony and your written testimony, as well.

Mr. Perl, Mr. Johnson, we are indebted.

[Whereupon, at 12:39 p.m., the Subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE DARRELL ISSA, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Chairman, thank you for convening this hearing to review the State Department's Annual Report on Terrorism for 2004 that was released last month.

Let me begin by restating what has been said before:

This report was not designed to be a scorecard for the War on Terror but rather an overview of the threat posed by terrorist groups and states that sponsor them. Terror attacks are intended to force certain political outcomes so it stands to reason that victory in the War on Terror will be won once it can be demonstrated that these attacks will not achieve their intended end. Our progress in rebuilding Iraq, supporting democratic governments like the Philippines as they fight terror, and capturing, killing, or disarming terrorists that have attempted to destabilize legitimate governments are the true measures of our success in the War on Terror.

Two issues I would like the panel here today to address concern the definition of "terrorism" used in compiling this report and also the overall value of the report in fighting the War on Terror.

As far as the definition of "terrorism" as, *premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents* and "international terrorism" as *terrorism involving citizens or the territory of more than one country*—these definitions strike me as terribly arbitrary. Under current definitions, the report considers an attack by a Saddam loyalist against international relief workers an "international terrorist attack," an attack against Iraqi election officials a non-international terrorist attack, and an attack against U.S. or Iraqi soldiers to not be a terrorist attack at all.

If we can agree that terrorism is ultimately intended to achieve a political goal, it would stand to reason that once a militant group begins to widely target civilians every attack it makes is intended to further its psychological goal of terror and the specific nature of the target of such attacks is irrelevant—they should all be considered terrorism. I hope the panel here today will take some time to discuss the definition of terrorism and what changes they might recommend that Congress make in how terrorism and international terrorism are statutorily defined.

Finally, the other issue I would like the panel to address is how the annual report helps the United States fight terrorism. There are three basic ways terrorists can be stopped: they can be killed, captured, or disarmed. The method of disarmament is most applicable to the role of the State Department and this report so I would like to hear the panel's thoughts on how this report furthers the goal of getting terrorists and terrorist groups to disarm. The last reported terrorist attack by the Irish Republican Army, for instance, occurred nearly three years ago on September 29, 2002, but this organization is still listed as a terrorist organization in the 2004 report (but not as an officially designated Foreign Terrorist Organization). I am not by any means arguing that the IRA should not have been listed as a terrorist organization in the latest report, but am rather trying to make the point that it makes sense that members of terrorist organizations like the IRA and its political wing Sinn Fein be given some direction, a pathway if you will, that can guide them towards the goal of removing themselves as a designated terrorist organization if that is their intent.

In sum, I would like to have the panel speak to the question of whether they feel the report actually offers, or perhaps should offer, some set of guidelines, a series of steps if you will, of what it is that terrorist groups and nations need to do to have themselves removed from the negative designation they have earned through past uses of terrorism (beyond, of course, the obvious answer of stopping their sup-

port for terrorism)? We have begun to see nations like Libya and Sudan and organizations like the IRA making changes that the report has noted but what steps are there that they need to make to escape the scrutiny that comes from being pejoratively listed in this report? Can you say, as a matter of policy, that nations and groups that haven't practiced or supported terrorism for the last five years will not be listed in the report as terrorist supporters or organizations or could there be more that they need to do in order to lose their designation?

RESPONSES FROM THE HONORABLE PHILIP D. ZELIKOW, COUNSELOR, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SUBCOMMITTEE ON INTERNATIONAL TERRORISM AND NON-PROLIFERATION

Question:

Under the previous method of compiling the report, the Department of State was part of an interagency adjudication process for determining which terrorist incidents warranted inclusion in the terrorist report. Is it correct that under the new system, the Department of State no longer will play a part in this determination, and NCTC will make that call? Will the Department of State diminish its stature as the lead in international counterterrorism policy by not being at the table? Do we risk "stove-piping" decisions through one agency?

Response:

The NCTC will be the primary organization for analysis and integration of all intelligence possessed by the US Government pertaining to international terrorism or counterterrorism. The law states that the NCTC will be the USG's "shared knowledge bank on known and suspected terrorists and international terror groups, as well as their goals, strategies, capabilities and networks of contact and support." As a result, NCTC will determine the modalities for compiling their statistical analysis on terrorism. The Department of State will continue to be the lead in international counterterrorism policy. It is appropriate that different government agencies undertake their respective responsibilities on this issue and—with proper information sharing among agencies—there is no risk of "stove-piping."

Question:

How is the data compiled for the report? Rather than having each agency, or now the NCTC, do a "year in review" compilation, would it be feasible for the Department to ask its embassies around the world to produce monthly cables on "significant" terrorist attacks from their countries? This information could be given to NCTC in order to supplement the information that its analysts are compiling for the report.

Response:

Embassies around the world already report on significant incidents of terrorism when they occur in their countries both in classified and unclassified cables. NCTC analysts already draw on disseminated cables for background in preparing their candidate incident reports and State/INR analysts use these cables in critiquing the incidents that NCTC's adjudication process selects for inclusion in NCTC's chronology.

Question:

The 9/11 legislation passed in December contained additional responsibilities with regard to reporting on terrorist sanctuaries. How will this report be shaped? When will it be released? Will you report on both actual and potential sanctuaries?

Response:

State will submit a report to Congress by June 17 that is fully responsive to new requirements included in the 9/11 legislation.

Question:

What is the Department of State specifically doing to incorporate the recommendations of last year's Inspector General report on these issues? The IG recommended that the Department of State conclude a "memorandum of understanding" to handle terrorism data from agencies outside of the Department of State. After that recommendation was made, the Department of State agreed with it and further claimed that it had "reviewed the clearance and approval procedures and prepared a draft MOU." Is it the Department's intention to conclude an MOU? The IG also rec-

ommended that terrorism data should be shared more frequently with analysts and others within the Department of State. Has this, in fact, occurred?

Response:

NCTC, along with the Department of State, worked very closely with the Department of State's Inspector General, and took the Inspector General's recommendations fully into account in the reengineering of the process used to produce this year's report. The two agencies engaged in a rigorous internal review of processes and procedures. To ensure a more comprehensive accounting of terrorist incidents, the NCTC significantly increased the level of effort from three part-time individuals to 10 full-time analysts, and they took a number of other steps to improve quality control and database management. This increased level of effort allowed a much deeper review of far more information. In addition, the Intelligence Reform and Terrorism Prevention Act of 2004 made explicit NCTC's role with respect to analysis and integration of all intelligence possessed by the US Government pertaining to international terrorism or counterterrorism. The responsibilities of the Department of State and the NCTC have been aligned with their appropriate roles with respect to conducting the USG's counterterrorism policy, managing the terrorism knowledge bank, and sharing of terrorism data across the Department of State and with others in the USG. As a result of the measures taken, an MOU was not necessary to prepare this year's report or the report required in June.

Question:

What will the Bureau of Intelligence and Research's new role be in the review and compilation of terrorist data?

Response:

This year, INR reviewed Country Reports on Terrorism in depth and INR analysts made extensive substantive comments on NCTC's drafts. INR's role in future preparations of statistical analyses of terrorism will be reviewed once NCTC has determined the new approach it wishes to take.

Question:

You testified that with the creation of the National Counter Terrorism Center, a decision was made to revamp the Patterns of Global Terrorism report so as to only focus on the issues currently mandated by law. When was this Department of State decision made? How soon prior to the mandated report requirement of April 30th.

Response:

The decision was made in early April.

Question:

The statute mandating this report allows for the provision of a classified appendix to accompany the unclassified report. Yet a classified appendix has not been submitted to Congress for sometime. Why?

Response:

The Department believes that we have been able to respond fully to the congressionally-mandated reporting requirements in an unclassified report. We believe this approach also maximizes our ability to inform the American people and international audiences about the dangers posed by international terrorism and the steps we are taking with our partners to confront this menace.

RESPONSES FROM MR. JOHN O. BRENNAN, INTERIM DIRECTOR, NATIONAL COUNTERTERRORISM CENTER, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SUBCOMMITTEE ON INTERNATIONAL TERRORISM AND NONPROLIFERATION

Question:

A National Counterterrorism Center (NCTC) handout at a recent congressional staff briefing suggests that the "dramatic up-tick" in significant terrorist incidents between 2003 and 2004 can be attributed to three factors: more resources devoted to collecting information, IRAQ, and counting rule changes. What are these counting rule changes?

Response:

In 2004, there were no major adjustments to the methodology that drove incidents significantly higher. There were, however, two changes that had an impact on the outcome of the numbers:

Iraq and Afghanistan—NCTC and State Department departed from the traditional parameters used to determine whether or not an event in these countries was terrorist-related, resolving to include only incidents that involved citizens of other countries. This decision likely reduced the number of incidents.

Israel/Occupied territories—NCTC and State Department agreed that attacks in Israel conducted by perpetrators of unknown nationality would be identified as international incidents. This change likely resulted in a slight increase to the number of incidents.

Question:

Does the NCTC intend to make its database on incidents of international terrorism available to the public? If so, will the database be searchable by type of incident, group, target or method of attack?

Response:

NCTC will make its database on incidents of terrorism available to the public. The upcoming release of terrorist incidents in June of 2005 will be more inclusive and not limited by statutory definitions of international terrorism.

NCTC intends to publish all attacks that are judged to be terrorism—incidents in which a noncombatant was intentionally or indiscriminately/recklessly hit. NCTC will filter out attacks attributed to crime, genocide, and tribal or civil unrest. NCTC also will filter out hoaxes, threats, and near misses.

Users of the database will be able to parse and sort the incidents by almost any parameter, including (but not limited to):

Location—City, state/province, country, region

Perpetrator—Group name; “defining characteristic”; Foreign Terrorist Organization (FTO) status; claim of responsibility; and analytic confidence in their involvement.

Target (victim and facility)—Type of target; “defining characteristic”; rough damage assessment (light, moderate, catastrophic).

Date(s)

Method of Attack

Question:

The number of terrorist attacks reported by Patterns throughout the 1990s provided no indication that Al-Qa’ida had developed the network it did and was organized to carry out the September 11th attacks. They were well below the number of attacks in the mid-1980s. As NCTC moves forward, are there ways that it can develop metrics that give a better indication of the strength of foreign terrorists organizations? Can new useful analytical tools, maybe even with predictive powers, be developed?

Response:

Analysts are looking carefully at the frequency, scope, and nature of terrorist incidents to discern the capabilities, focus, and potential targets of terrorist organizations. This analysis is ongoing and is being incorporated into NCTC’s analytic products. While incident data may lead analysts to some conclusions about the technical capability and preferred tactics of groups, it needs to be married with all-source intelligence in order to provide an accurate picture of the strength of terrorist organizations. NCTC has tools under development, which are designed to help analysts correlate incidents, expertise, and capabilities. NCTC is also pursuing initiatives on how to better integrate incident data with data and analysis about groups, threats, identities, etc.

Question:

The statute mandating this report allows for the provision of a classified appendix to accompany the unclassified report. Yet a classified appendix has not been submitted to Congress for some time. Why?

Response:

NCTC defers to the Department of State (DoS), which has statutory responsibility for submitting the annual report.

Question:

Do other departments, the DoD for example, do this differently? How advanced is DoD's treatment of statistic for attacks (terrorist and others) in Iraq? Have you looked at DoD's operations? Who is helping you develop your new methodology?

Response:

NCTC has taken a close look at DoD practices, and NCTC analysts traveled to CENTCOM to evaluate its approach to tracking incidents. NCTC has access to DoD databases; however, because DoD's data collection is focused on incidents involving DoD personnel, their utility is limited.

Question:

You stated that NCTC would like to make more types of data available and more frequently. Is there any potential down side to putting all of this information into the public domain?

Response:

One potential down side of publishing incident data is that terrorist groups may have some indication of the effectiveness of their denial and deception efforts. For example, if Group A silently perpetrates an attack, and Group B falsely claims responsibility, the incident may be attributed to Group B. This could conceivably give group A some insight into the depth of our knowledge about its activities

Question:

You testified that there are now 10 analysts at NCTC compiling this data. Are the 10 individuals government employees or contractors?

Response:

The staff assigned to work on the chronology includes one government employee (manager) and nine contractors.

Question:

Although NCTC has decided to release the statistics on terrorist incidents to the public this year, there is no statutory requirement to do so, correct? So, if new leadership came to NCTC next year, it is conceivable that a decision could be made to keep the data private, without release. Is that correct?

Response:

There is no statutory requirement to make public the incident data. Although it is very unlikely that the decision to publish would be overturned, it is conceivable.

Question:

Is it true to say that NCTC had become increasingly uncomfortable with the Department of State's criteria for determining terrorist incidents? Why? We ask that you present the Subcommittee with the criteria that NCTC is currently using.

Response:

NCTC and State are both uncomfortable with the criteria used to determine terrorist incidents. The criteria, derived from both legislation and historical practice, created anomalous results and do not have the flexibility to paint a truly accurate picture of terrorism. NCTC has developed new criteria, provided below, to ensure a more accurate picture of terrorist incidents

Definition of Terrorism. NCTC wants to identify and publish those incidents in which civilians or other noncombatants are deliberately targeted for political purposes, or when groups launched reckless or indiscriminate attacks knowing that extensive civilian casualties will result. The old definition of terrorism did not distinguish between the intentional and indiscriminate hitting of civilians/noncombatants; as a result, any incident was judged to be "terrorism" if a noncombatant was hit. The result was that when insurgents engaged combatant soldiers in firefights, and civilians happened to get hit in the crossfire, the incident would be coded as terrorism. If the civilian was a foreigner, moreover, it was then coded as international terrorism, and all of the victims—including the soldiers—counted in the casualty figures.

Definition of International: An incident was judged to meet the definition of international terrorism when it "involved the citizens or territory of more than one country." This led to the exclusion of important incidents, including one of two Russian airliners downed by Chechen terrorists, a Superferry in the Philippines bombed by the Abu Sayaf group, and one of three attacks in Uzbekistan carried out by the Islamic Movement of Uzbekistan. Given the blurry distinction between international and indigenous violence, formulating a revised methodology around this definition

is inherently problematic. Thus, NCTC will include all terrorist incidents involving noncombatants regardless of whether individuals from one or more countries are involved.

Major Significance: Any incident that caused more than an estimated \$10,000 in damage was judged to be of major significance. This methodology developed through a well-intentioned desire to be consistent and acknowledged that \$10,000 represents a considerable amount of money in the Third World. However, this bar was very low, was never adjusted for inflation, and does not really provide analysts with meaningful granularity. It led to odd “special rules” to estimate damage, as with vehicles (diplomatic cars in third world countries generally being worth more than \$10,000, but local vehicles usually being worth less). NCTC will replace this with a three-tier approach to better provide a “Richter scale” of physical damage, while still being honest about the difficulties in assessing damaged assets throughout the world:

- “Light damage (\$1 to \$500K)” to accommodate most attacks that impact single or few vehicles, small structures, etc
- “Moderate damage (about \$500K to \$20 million)” to accommodate larger attacks, such as shooting down of aircraft, larger structures, etc
- “Catastrophic damage (over \$20 million)” to accommodate events such as 9/11

