For Immediate Release
Office of the Press Secretary
July 17, 2007

Press Briefing by White House Homeland Security Advisor Fran Townsend
James S. Brady Briefing Room

11:04 A.M. EDT

MS. TOWNSEND: Good morning, everybody. Earlier today, the Director of National Intelligence briefed the President and senior staff on the new National Intelligence Estimate on the terrorist threat to the homeland. The DNI has delivered the NIE to Congress and has released the unclassified key judgments, which you should now have. The Office of the DNI has already briefed the media this morning on the report and the key judgments and so I will not go into much of that detail.

What I would like you to know is how we are responding to the threat noted in the report. It is important to understand what the NIE is and what it is not. The NIE is an intelligence community product that lays out baseline judgments and assessments on a particular topic. While there are things -- many NIE's and many intelligence products over the last six years that focus on the threat faced from al Qaeda and terrorism, this NIE is the first ever focused on the terrorist to the U.S. homeland.

It is intended to provide a strategic understanding of the terrorist threat to the homeland over the next three years, and to give the intelligence community's baseline judgments in order to help policymakers develop and prioritize government actions. That said, it is not a document that specifically focuses on daily tactical threat reporting and the government's operational response. It is a strategic assessment.

Early last week, a classified report was leaked to the press entitled, "Al Qaeda Better Positioned To Strike The West." While I will not discuss the contents of that classified document, it is important to note that the report referenced an important trend and development for decision-makers to action. Trends develop over time, so the analysis and the facts in the NIE and the classified report were not a surprise to decision-makers and have been the subject of extensive discussion, planning and action over a considerable period of time.

To those responsible for protecting the homeland from al Qaeda and the threat of terrorism, the information in these reports is not new. On the contrary, the NIE reinforces the seriousness of the terrorist threat against the homeland and confirms much of what the President has been saying since September 11th. We are facing a persistent terrorist enemy led by al Qaeda that remains driven and intent on attacking the homeland, and that continues to adapt and improve its capabilities.

Our greatly increased worldwide counterterrorism efforts since September 11th have constrained the ability of al Qaeda to attack the U.S. again and have led terrorist groups to view the homeland as a harder target to strike than it was on 9/11. Our worldwide counterterrorism efforts over the past five years have helped disrupt a number of plots against the U.S. At the same time, the NIE notes concern that this level of international cooperation may wane as 9/11 becomes a more distant memory and perceptions of the terrorist threat diverge.

Al Qaeda will continue to attempt visually dramatic mass casualty attacks in the homeland, and they will continue to acquire and employ chemical, biological, radiological, and nuclear materials, and will not hesitate to use them if they develop sufficient capability.

The NIE assesses that al Qaeda will enhance its capabilities to attack the homeland through greater cooperation with regional terrorist groups. Of most concern is that al Qaeda will try to exploit the conflict in Iraq and leverage the contacts and capabilities of al Qaeda in Iraq, its most visible and capable affiliate and the only one known to have expressed a desire to attack the homeland.

We will face challenges from the spread of radicalization tied to the global violent Islamic extremist movement, with the possibility for some within the homeland to become sufficiently radicalized so as to view the use of violence in the homeland as legitimate.

The NIE also refers to the homeland threats from Lebanese Hezbollah, the state-sponsored and supported by Iran, and the threat from single-issue groups, as well as the challenge of adapting our homeland defensive efforts and tools to detect and disrupt plots in an era of globalization and technological advances. The NIE notes the al Qaeda and its affiliates have sought safe haven in the federally administrated tribal areas of Pakistan and replaced senior leaders and operational commanders that have been captured or killed.

Al Qaeda continues to attempt to create global terrorist alliances, raise resources, and recruit and indoctrinate operatives, including for homeland attacks. Importantly, the NIE assesses that al Qaeda has protected or regenerated three of four key elements in planning an attack on the homeland: a safe haven in Pakistan, operational lieutenants, and top leadership. The NIE found, although we have discovered only a handful of individuals in the U.S. with ties to al Qaeda’s senior leadership since September 11th, al Qaeda will intensify its efforts to place operatives here in the homeland.

As a result of these factors, the NIE concludes that we are currently in a heightened threat environment. I hasten to add we have no credible information pointing to a specific imminent attack, or the timing or execution of such an attack. But the warning is clear, and we are taking it seriously.

We should be clear that despite a resurgent al Qaeda threat and some of their capabilities, they are weaker today than they would have been if we had not taken strong action against them over the last five-and-a-half years. Furthermore, when we discuss al Qaeda's capabilities, we must put it in the context of a stronger, more capable U.S. government. Because of the President's commitment to our homeland security, we have more and better intelligence, military and law enforcement resources, and the capability to confront an enemy who is weaker now than it would have been absent our aggressive effort to confront and defeat them.

So what are we doing to confront the threat outlined in the NIE and the near-term threat from al Qaeda? First, I want to be clear that we will talk about as much as we can, but consistent with our need to protect our most important and effective tools in our fight, this means we can speak of some things in only general terms, and others not at all.

Second, to place in context what we are doing, I should explain how this fits into ongoing counterterrorism efforts. Almost six years after September 11th, we have not been attacked, and I am often asked why. Because the President has made clear that job number one is to protect the American people from an attack, and his strategy for doing this has been clear and unambiguous. We have gone on the offensive, attacking our enemies and the things that they need to operate and survive. We have strengthened our defenses through a host of homeland security programs, including increasing our intelligence, military and law enforcement resources, ensuring greater information sharing with state and local officials, increasing grant programs, protecting critical infrastructure, and strengthening our border security.

At the same time, we have strengthened our government institutions and our laws. We established DHS, we established national security divisions at Justice and the FBI. We have a DNI, we have a National Counterterrorism Center, and we have enacted legal regimes like the Patriot Act. This is why we
now urge Congress to modernize the Foreign Intelligence Surveillance Act, to update an antiquated law so that it is technologically neutral, so that we can effectively fight a 21st century enemy.

But there is yet another factor, and it is the most difficult to explain. It is what we do not know. What is our enemy's calculation? Is it a large, spectacular, mass casualty attack? Or smaller, multiple explosive devices, like the ones we saw recently in London and Glasgow. We cannot know the enemy's calculation, nor when it will shift. We prepare for and anticipate both, with the realization that the enemy only has to be right once, while we must be right every day, all the time.

It is important for the American people to know that focusing our government's attention and resources to the threat from al Qaeda is not new and is not a reaction to the NIE or to any other single report. Our intelligence, military, law enforcement and homeland security communities are constantly evaluating the threat and making determinations on how best to respond.

Three times a day at the National Counterterrorism Center, our intelligence -- military, law enforcement and homeland security communities -- review current threats and how we are addressing them. Every day in the field, law enforcement and homeland security officials are working side by side with state and local police and authorities to uncover leads and information to thwart any ongoing terrorist activity. Every week, senior counterterrorism officials meet here at the White House to discuss the current and strategic threats, and to organize efforts to wage the war on terror.

The President's daily briefings, intelligence briefings routinely include terrorism matters and he gets counterterrorism and homeland security updates from Cabinet Secretaries and agency heads.

In addition to all of that, as we have done during other periods of heightened threat, we have focused additional attention and resources on this. In this case, the White House assembled relevant principals and deputies earlier this year to review regional terrorist threats, for example, in Europe, the Arabian Gulf and North Africa, as well as on the current and strategic threat from al Qaeda. As a result of those meetings, the President directed actions to be taken regarding priorities and engagement with our regional allies. The President personally raised his concern over the emerging al Qaeda threat with heads of state in June, on the margins of the G8. And as a result of those discussions, FBI, CIA, DHS have engaged their European counterparts. In addition, senior interagency officials have met with their counterparts in Italy and Germany already, and a similar meeting is scheduled in Paris later this month.

As a result of the Homeland Security Council principals' meeting in May, we established an interagency task force, under the leadership of the National Counterterrorism Center, to develop additional options and for measures for requiring information and disrupting potential terrorist attacks on the homeland. The task force is charged with evaluating new intelligence and considers measures that may help disrupt a threat. This group reports to the White House Homeland Security Council deputies and principals' committees on a regular basis.

As part of this effort, departments and agencies have been reviewing their current operations and, based on intelligence, are enhancing where necessary efforts to better respond and address the heightened threat environment. These efforts span across departments and agencies, and involve a broad range of activities. Some of the measures that we have taken will be visible, and others will not. The visible ones, like the increase in transportation-related security in the wake of the failed attacks in London and the attack on Glasgow airport, you will see. Others will not be visible, focusing instead on gathering more intelligence and leads.

In addition to our expanded efforts to disrupt tactical plotting, national security and homeland security officials have been focusing for the past several weeks on additional steps that can be taken to constrict al Qaeda's global reach. To do this, we are strengthening our cooperation with partners in key regions to undermine al Qaeda's attempts to tap into and to coopt regional networks for their own strategic purpose. For example, we continue to work
with President Musharraf and the Pakistani government to capture key al Qaeda operatives and pressure al Qaeda and the Taliban in the federally administered tribal areas. Al Qaeda has made several attempts to assassinate President Musharraf, and the Pakistanis understand the threat that al Qaeda and violent Islamic extremism pose to their country. We will continue to press them to take action to ensure that no part of Pakistan remains a safe haven for terrorists.

In North Africa, we are working with our partners to counter al Qaeda's expansion into the Maghreb, evident in the emergence of al Qaeda in the Islamic Maghreb. This group has claimed responsibility for recent terrorist bombings in Algeria, including the April 11th and July 11th attacks. As you know, at the President's direction, I am just back from discussions with our allies in Morocco, Algeria and Libya to discuss these very concerns.

In the Arabian Gulf, we continue to strengthen efforts to dismantle terrorist cells, stem terrorist financing and undercut the ideology used by al Qaeda and its supporters to justify the murder of innocents. This year, for example, Saudi Arabia has made an important series of terror finance arrests and are investigating the brutal murder of a senior -- officer at the hand of al Qaeda related cell. Their investigations are continuing, and we continue to work with them. On my trip, I met with the Saudis with whom I consult approximately four times a year, and I also met with the Qatars.

In Europe, as I mentioned, we are building off already strong relationships to increase information-sharing and counterterrorism cooperation, while building awareness of the nature of the threat and the challenges posed to Europe. We have also looked at additional ways of disrupting al Qaeda's network. This includes countering al Qaeda's violent message and the group's attempts to exploit grievances and suffering of local groups for its own benefit.

Thwarting the short- and long-term threats to the homeland from al Qaeda and its like-minded adherents requires real and often hard international commitments and actions from our partners and allies. This is why we have not relented in our engagement with foreign counterparts to ensure that we are taking steps to increase information-sharing and joint actions to dismantle and discredit terrorist cells and their networks.

We must remember terrorism is not a threat we face alone. It is a threat faced by our allies around the world -- in London, in Bali, Madrid, Riyadh and Islamabad. We cannot win this war alone; we need our allies to win. They fight the threat just as we do. And just as our heroes on the battlefields around the world are injured and die in the fight, our allies fight and die, as well.

I have outlined some of the steps that are being taken to address the heightened threat environment. But this is not just a federal responsibility. This must be a national effort. This means that all parts of our society have a responsibility and a role to play. State and local officials have a direct responsibility to protect their citizens, and we will continue to work with them, as we do on a daily basis, to share information and take collective action to protect the homeland.

As I mentioned, we need Congress's continued support to ensure that we have the necessary tools and resources to protect the homeland. And this much include passing a Foreign Intelligence Surveillance Act modernization bill that will make America safer by improving our intelligence capabilities while protecting the privacy interests of Americans.

And to the American people, this means being better informed and more aware, reporting suspicious activities to local authorities, just as a store clerk did in New Jersey, which ultimately helped unravel the Fort Dix plot in May.

We must be clear: While the NIE addresses the continuing threat to our homeland from al Qaeda, we work to disrupt and defeat terrorist plots every day, while anticipating and preparing for future attacks. Our efforts develop as the trends and threats develop, and we will continue to fight this way as long as we are threatened by an enemy who seeks to do us harm.
I'm happy to take your questions.

Q Fran, why has the administration continued to say things as the President said in 2005, we have put the enemy on the run and now they spend their days avoiding capture, given that they have now regenerated elements of their homeland attack capability and they have safe haven in Pakistan? How can the administration have said these things?

MS. TOWNSEND: Well, they're not inconsistent, Martha. Actually, we have kept them on the run. They do seek to avoid capture every single day. The fact is, look, you're looking at a developing --

Q You can't paint a very cheery picture about what's going on, given what you see here today. You may have kept some of them on the run -- you talked about leadership, taking out the leadership over the years --

MS. TOWNSEND: Two-thirds of al Qaeda's leadership from 9/11 has been captured or killed. That's absolutely right.

Q But they've regenerated.

MS. TOWNSEND: That's right. And they bring up people who have less operational experience, because they want to do us harm. They're intent to do it. And they also have tried to be adaptive, just as we have tried to be adaptive to the techniques that we know that they use. There should be no question in anybody's mind, despite our successes, this is an enemy that remains determined. And it remains determined to try and understand, if there are vulnerabilities that they may exploit, it requires us to be equally adaptive at capturing or killing.

Q There's a report out that one of two known al Qaeda leadership councils are meeting regularly in Iran. I was wondering if you could confirm that or say that it's not true, or maybe just expound on that a little bit. And then, secondly, the first bullet does mention that the administration worries that the international cooperation will wane. With all that you say that you're doing, why would the administration be worried about that?

MS. TOWNSEND: Well, the NIE highlights a concern that international cooperation may wane as -- two things -- we get more time and distance from the September 11th attack, and as views of each country diverge on what the actual threat is. The threat takes different forms in different places. I mentioned the assassination attempts on Musharraf. In London, it's clearly less sophisticated attacks targeting civilians. As you see the threat differently, the concern I think that the NIE is trying to articulate is that the international cooperation may differ.

We work very hard to make sure that's not true. I was in seven countries over the course of eight days talking to our allies around the world. I will tell you that I'm not, in the near-term, concerned about a waning of international cooperation; it's actually as strong as it's ever been.

On your earlier question about this -- I'm sorry, say it again?

Q It's one of two known al Qaeda leadership councils are apparently meeting regularly in eastern Iran. And am wondering if that is accurate or not.

MS. TOWNSEND: I've not seen the report that you're referring to. We have heard reports over the years that there are al Qaeda, senior al Qaeda leadership members in custody in Iran. As you know, Iran is a state sponsor of terrorism with Hezbollah, and we do not have counterterrorism cooperation from the state of Iran. So it's difficult for me to make a comment on internal Iran matters.
Q -- in the NIE, though. And I think there's only one little reference to Iran in the unclassified version.

MS. TOWNSEND: Right. And you'll be stunned to know I'm not going to refer to anything in the classified version.

Q I wonder if you could explain what possible reason there could be for al Qaeda's ability to reconstitute itself, aside from U.S. strength is being diverted in Iraq -- special ops forces and various other military means -- and the U.S. diplomatic abilities, if you will, are compromised in countries that oppose our operation in Iraq? What else could account for al Qaeda's ability to regenerate?

MS. TOWNSEND: Well, there's no question -- I think there's a tendency to try and suggest that al Qaeda core and al Qaeda in Iraq are two separate things. Let's step back for a minute, because I think that is not accurate.

Clearly, what we know is the al Qaeda that attacked us on September 11th was an al Qaeda that is led by Osama bin Laden and caused the killing of 3,000 Americans -- that same al Qaeda, headed by bin Laden, is the same al Qaeda that Zarqawi, when he becomes the emir of al Qaeda in Iraq, swears biot, or loyalty, to. So it's the same organization. This isn't a question of diverting.

We also know from intelligence -- and the President referenced this when he gave the speech at the U.S. Coast Guard commencement -- we also know that bin Laden communicates to Zarqawi to create a cell inside Iraq that will be used to plan and plot attacks against the American homeland. And, by the way, that wasn't just a one-off, because we also know that they tried to move Abdul Hadi al-Iraqi from Afghanistan to Iraq.

These aren't separate conflicts. These are clearly a single conflict by a single determined enemy who is looking for safe haven. And if they don't have safe haven in Afghanistan, they look for safe haven someplace else. They'd like to find it -- and bin Laden has been quite clear -- they'd like to find it in Iraq. But if they don't find it in Iraq, they're going to look someplace else, whether that's northern Mali, in the Maghreb or that's Somalia in West Africa.

Q So a Senate intelligence report came out in May, saying the President was warned before the war in Iraq that if you go in and invade Iraq, you're going to give al Qaeda more opportunities to expand its influence. Now you were just laying out a moment ago how bin Laden communicates to Zarqawi, trying to expand his influence in Iraq after the war began. And now you're also saying today, this report clearly says that al Qaeda is going to try to take advantage of the gains it's made in Iraq to strike the U.S. homeland. So doesn't this report show that the war in Iraq has made America less safe?

MS. TOWNSEND: Well, let's -- as long as we're going to talk about what the NIE says about Iraq, let me quote it directly: "We assess that al Qaeda will probably seek to leverage the contacts and capabilities of al Qaeda in Iraq, its most visible and capable affiliate and the only one known to have expressed a desire to attack the homeland." It's not talking about gains in Iraq. What it's talking about is capabilities in Iraq. That's not --

Q Leverage contacts and capabilities.

MS. TOWNSEND: Right, contacts and capabilities. These are people who have a relationship with al Qaeda core. These are people who are in Iraq, attacking us there, and they've made Iraq their end-all, be-all. They don't --

Q It says, to energize a broader Sunni extremist community, raise resources, and recruit and indoctrinate operatives. You don't consider those gains for al Qaeda?

MS. TOWNSEND: Well, there's no question that their objective. There's no question, in any war, whether it's this war or historical wars, that our enemy
seeks to take advantage for propaganda purposes of activities on the battlefield and actions on the battlefield. This doesn't --

Q The President was warned before the war that that would happen, that al Qaeda would try to use the war for recruitment, to expand its influence.

MS. TOWNSEND: Okay, so what's the answer to that? So we should leave them and we should not disturb our enemies anywhere in the world because they may use it for propaganda value? I don't think so.

Q -- the President was warned before the war that this was actually going to help al Qaeda gain influence. And now you have a report suggesting maybe it has gained influence from the war in Iraq. Isn't that something that the President ignored?

MS. TOWNSEND: But you're assuming it's a zero-sum game, which is what I don't understand. The fact is we were harassing them in Afghanistan, we're harassing them in Iraq, we're harassing them in other ways, non-militarily, around the world. And the answer is, every time you poke the hornet's nest they are bound to come back and push back on you. That doesn't suggest to me that we shouldn't be doing it. It suggests -- you hardly need to be warned that they're going to use this for propaganda purposes. They're going to.

Q Did the tie exist between Zarqawi and Osama bin Laden before we went into Iraq?

MS. TOWNSEND: Martha, this is ground long covered and it's not --

Q -- because you're talking about --

MS. TOWNSEND: Martha, I'm not --

Q -- Zarqawi and OBL. Did that happen before we went into Iraq?

Q Two questions. Following what Ed was just discussing, can we at least acknowledge that al Qaeda has become more battlefield proficient based on what's happening in Iraq, that they are having much more opportunity to test and practice their operational capabilities because of the conflict there?

MS. TOWNSEND: There's no question that everyplace they seek to fight, when they're fighting they are honing battlefield capabilities. Let's step back for a second. We've seen a recent spate of bombings in Pakistan against the Pakistani military. They're honing their skills there. We've seen a spate of car bombings in Algeria; they're honing their skills there. Everyplace they fight and they confront government forces, they're honing their abilities.

Are they honing their abilities in Iraq? Absolutely, just as they are in other places where they bomb innocent civilians around the world.

Q My second question, if I could -- for the citizen watching this and hearing that in Pakistan there is a safe haven, why should that American citizen not say, well, why don't we go into Pakistan and deal with it that way?

MS. TOWNSEND: There's no question the President has made perfectly clear if we had actionable targets anywhere in the world, putting aside whether it was Pakistan or anyplace else, we would pursue those targets. There's a number -- but it's hard for me to say to you, what is the target, what is the opportunity, what is the likelihood of success, what is our confidence in the intelligence. You'd have to know all those things for me to accurately sort of predict for you, and that's one of those things you're only going to know when all those factors come together.
But there's no question President Musharraf is taking on extremism. He gave a speech after the seizure of the Red Mosque and said, we're going to battle extremism in every nook of Pakistan and we are going to rid Pakistan, all of Pakistan, of extremism. So he's clearly committed to taking it on.

In the last -- just this month, they've lost upwards of 80 soldiers in the fight. So there should be no question that Pakistan takes it seriously for their own reasons. And we're working with them to encourage them to deny Pakistan as a safe haven. They don't want Pakistan as a safe haven, themselves.

Q Let me try another approach on the Iraq issue. To what extent has the war turned Iraq into an unprecedented training ground, breeding ground, for terrorists? You didn't have the sophistication with the IEDs and the other things that this war has developed.

MS. TOWNSEND: Well, there's no question that we've watched developing tactics, but they're also being fed -- lest we suggest, that al Qaeda in Iraq is the only enemy inside Iraq. It's not. We know very well, and you've heard briefings from DOD about the transfer of advanced technology into Iraq to advance some of this by Iran. So this is not -- al Qaeda in Iraq is not the only enemy in Iraq. And interestingly enough, recently we've seen Sunni tribal groups walk away from al Qaeda in Iraq.

Q But that's the enemy that you emphasize in this report.

MS. TOWNSEND: That's right. I mentioned that just to put it in context, that it's not the only enemy we face in Iraq.

In the back.

Q Fran, years ago this administration had said something about the fact that Osama bin Laden wasn't really the major threat anymore, he was just trying to maintain and survive. Now you're saying that he's feeding into -- we know that he's feeding into the Iraq al Qaeda, and not only that, that they've pledged allegiance to him. What is the NIE -- the unscrubbed version of the NIE saying about Osama bin Laden and the threat by Osama bin Laden? Because this administration does not talk about him. They keep talking about al Qaeda as a whole, not about the man who attacked the United States on 9/11 and the threat that he poses now.

MS. TOWNSEND: Okay. First, obviously, what is declassified from the NIE is not a decision I made, and so if you want more out of that NIE, you're talking to the wrong person.

Q How many pages was the NIE compared to this couple pages that we got, scrubbed? And we need to know what is in it about Osama.

MS. TOWNSEND: You've got -- the unclassified judgments are a page-and-a-half, I think. The classified -- to give you a sense, the classified key judgments were about two-and-a-half pages. But again, I'm in the awkward position, I can't talk to you about what's classified. And so there was a briefing today by the Office of the Director of National Intelligence. I can't talk to you about what's in there. Let me step back for a second, though, and talk to you about --

Q Can you acknowledge that he was in there in those stages, his presence, what he represents to al Qaeda, the significance to al Qaeda in Iraq and Pakistan? Can you at least make that acknowledgment?

MS. TOWNSEND: You need to talk to the Director of National Intelligence. I'm not going to refer to you -- we're not going to do this -- there will be one question at a time about, well, is bin Laden in there, and the next question will be, is Zawahiri in there.
Q You brought him up from that podium, Fran --

MS. TOWNSEND: That's right.

Q -- respectfully, a minute ago.

MS. TOWNSEND: That's right.

Q And we want to go in as reporters trying to find out what is this man posing to this nation. You're saying we're at a high level, and he's still the head -- he's not the head on the run the way you're talking anymore. A couple years ago they said he was somebody on the run, just trying to maintain. Apparently not anymore. He is a threat.

MS. TOWNSEND: There is no question that al Qaeda core -- bin Laden and Zawahiri -- have worked to regenerate their ability to communicate. This is what the NIE references when it talks about top leadership. There's no question that bin Laden and Zawahiri continue to be a threat to the security of the American homeland, not to mention the security of innocents around the world.

There should be no doubt in anyone's mind that capturing or killing bin Laden continues to be the highest priority for this country. The President is regularly briefed on it. There are enormous resources -- military and intelligence -- that are devoted to it, and we'll continue to be devoted to it until we're successful.

Q Two questions. Has American intelligence improved at all over the few years? And also you talked about actionable targets. If there are actionable nuclear targets in Iran, would the U.S. go after them?

MS. TOWNSEND: Okay, let's back -- let me start with the last one, first. Obviously, Iran's nuclear capability is not the subject of the NIE. The NIE does not talk about Iran's nuclear capability. So it's just not relevant to this whole discussion, frankly.

Q But you said that about actionable targets. If there are actionable targets --

MS. TOWNSEND: We were talking about actionable terrorism targets. If there are actionable terrorism targets, we work against them with our allies and we -- there are no options off the table on actionable intelligence terrorism targets.

Now, what does that mean? And we ought to be clear about what it means. It means that we work with our partners to use their capabilities and ours and the most effective tools to address those targets, wherever they are.

Q And I asked whether our intelligence has improved.

MS. TOWNSEND: Our intelligence has absolutely improved. We have increased the amount of resources. Obviously, I can't talk about the top line of the intelligence budget, because it's classified. We have increased our intelligence resources, particularly in the area of our collection capability. And I will tell you, it should not go unnoticed here as we talk about the content of the NIE -- we are in a better position, we have a better feeling and talk more particularly about the intelligence threat, the terrorism threat, because our intelligence has improved. We have far and away a better sense out of the intelligence community about the threat we face today than we have at any other time in the last six years.
Q Can you talk a little bit about the internal threat? The NIE says that the internal Muslim terrorist threat is not as likely to be as severe as it is in Europe. What should Americans who are concerned about the so-called homegrown terrorism take from that?

MS. TOWNSEND: Well, I think it's obvious that we worry about domestic radicalization. We've seen sort of like-minded inspired groups, whether it's the JFK plot or the Fort Dix plot -- people, Americans rightly worry about that.

I will tell you that -- the President was, as you know, at the Washington Islamic Center -- most Muslim Americans worry about it, too, and want to understand what our goals and objectives are and how they can assist us, because it's a threat to them, just as it's a threat to any other American. This is not -- and the President has said it -- this is not an effort directed at Muslims or against Muslim Americans in this country. It's directed at a very small fraction of violent extremists who believe that the use of violence is a legitimate tactic. And so we worry about it here. But we've only seen it in a limited sense -- not in the larger sense that I think our allies, say, in London or Paris have seen.

Q Madam, well, credit goes to the law enforcement authorities, as far as any deaths have not taken place here in this country. But also there is a report that U.S. is fighting this war outside the U.S. My question is that now you are confirming that Osama bin Laden, which we have not been talking about for some time, is now alive and he is the head of the al Qaeda, and most of the attacks taking place under his leadership. And I'm sure somebody knows where he's hiding, and also you confirm that al Qaeda are not taking safe haven in Pakistan. Pakistani government has told the U.S. that they will not allow under any circumstances anybody to enter that area where al Qaeda and Osama bin Laden is. So where do we stand? What is the future catching Osama bin Laden and all those hiding in safe haven in Pakistan?

MS. TOWNSEND: Well, there is no question -- and when we talk about Pakistan and bin Laden, we're talking about the federally administrated tribal areas. As you know, President Musharraf, in an effort to extend the writ of the Pakistani government in a way that has never been before, entered into this agreement with tribal leaders in the area. It hasn't worked for Pakistan. It hasn't worked for the United States. It's clear that President Musharraf is serious about taking action in the tribal areas. We've seen a whole spate of activity over the course of the last several weeks. And I think it is fair to say President Musharraf is committed to the fact that he will not permit that to be a safe haven. And we will work with him to ensure that safe haven is denied to them.

Q -- as President Karzai of Afghanistan is coming to meet with President Bush -- he has been complaining that al Qaeda is coming across the border from Pakistan into Afghanistan. His government is in trouble also because they want to destabilize the freedom -- the democracy in Afghanistan. Where do we stand as far as dealing with al Qaeda in Afghanistan?

MS. TOWNSEND: As you know, when both President Karzai and President Musharraf were here with the President, the President encouraged greater intelligence and cooperation across the board. We had tried to assist in facilitating that cooperation. We have seen greater cooperation. I think the President looks forward to getting a sense from President Karzai of his take on it.

Q Fran, is it a fair reading of the key judgments that you released today that the federally administered tribal areas you discussed is, in fact, the central front in the war on terrorism, to use the President's phrase? And, if so, tell us how, if at all, you have renegotiated your own operational arrangements with General Musharraf, President Musharraf, so that we would have greater access in there.

MS. TOWNSEND: Okay. Well, to use the President's phrase, Iraq is the central front in the war on terror. And --

Q Is that supported by the key judgments, then?

MS. TOWNSEND: There is no question, based on the statements of bin Laden, himself, not to mention others and al Qaeda, that they regard Iraq as the
central front in the war on terror.

The other piece to this -- you asked me about arrangements with President Musharraf. It is no secret there have been a series of very senior-level U.S. government officials to engage with President Musharraf and address this very issue, beginning with the Vice President. And, obviously, there are conversations between the President and President Musharraf. Secretary Gates has been out, Deputy Secretary Negroponte, and a raft of senior intelligence officials.

We will continue to work with the Pakistani government to address the threat that comes from the tribal area. It is a serious one, but it's not only a serious threat to us, it's also a serious threat to the stability of Pakistan. I'm obviously not going to go into the details of it, because I'm not going to put our people, or Pakistani officials, at risk. In the last two weeks they've had nearly 80 killed, and I'm not going to do that.

Q Fran, when the report speaks of al Qaeda, the judgment that al Qaeda will intensify its efforts to put operatives here, is that implicitly saying that there are ongoing efforts to put operatives here? What can you say about that?

MS. TOWNSEND: There is no -- we assume, because we have to, that they're trying to place operatives here. It's their way of being able -- it's one of their critical enablers. You know, you heard me talk about, what do they need to operate and survive. You need people to launch attacks. And so we assume that they are doing that or they're attempting to do that.

I will tell you, that goes a long distance, I should think, in explaining the President's absolute passion for comprehensive immigration reform. What we want to do is take agents and have them focused on the terrorism threat and the infiltration threat so that they're not worrying about illegal migrants who are coming for economic reasons.

There is huge effort devoted to -- whether it's in the Department of Homeland Security, whether it's by the Transportation Security Agency, Immigrations and Customs Enforcement -- devoted at addressing that threat. And frankly, it is frequently cued and enabled by other federal government partners, whether that's the CIA, the FBI, and their colleagues in the government.

Q Well, can I ask you, then, as a follow-up, if you assume these things, how much comfort should that lend people that you really don't know what's going on?

MS. TOWNSEND: Well, it's not -- I am assuming you're not suggesting that I should wait until I know that they've infiltrated somebody. A lot of the reason we assume it is based on -- look, we have thousands of men and women in the international community around the world, 24 hours a day, collecting intelligence to help us cue our screening and enforcement efforts. It's not that we sort of have no clue and so we blindly do this. We do it based on better intelligence than we've ever had before, so our efforts are quite focused.

Q Fran, you said that we've not been -- "in the six years since the September 11th attacks, we've not been attacked, and I'm often asked why" -- are we any closer to finding out who carried out the anthrax attacks that followed the September 11th attacks?

MS. TOWNSEND: Obviously that's an ongoing investigation. I'm sure Director Mueller would be delighted to answer. (Laughter.)

Q But doesn't that count as a terrorist attack? I mean, that is a subsequent event, right, so it's --
MS. TOWNSEND: It does in my mind.

Q Is it shorthanding it too much to say that General Musharraf, through his efforts in the tribal areas there against al Qaeda, is the key person, the point man in protecting the United States, and whether he has success there or not is the whole ball game?

MS. TOWNSEND: No, it is not accurate, because we work together as a partner. We work jointly, whether it's with his intelligence service, his military, our military. We work together as partners. To suggest that it's kind of all on his shoulders, I just don't think is -- I don't think it's fair and I don't think it's accurate.

Q Does he give us all the operational capability the United States would like to have?

MS. TOWNSEND: You know, it's funny -- I'm glad you asked me that, because frequently when people ask me about our counterterrorism cooperation and our allies around the world, the suggestion is, do they give you everything you want. That is almost never the case. And you know what? If I only cooperated with those who gave me a hundred percent of what I thought I needed or wanted, I wouldn't have a whole lot of allies around the world.

Every ally is important. Every ally comes to the table in the fight against terrorism through the lens of their own national interest: What do they need to get in the fight? What's a threat to their own international security or the security of their own people? And so we always work to strengthen those alliances, we always work to find more common ground so that we're more closely aligned. But it doesn't mean that we get everything we want. But we also can't walk away from people just because we don't get everything we want when we want it.

Q What kind of percentage do we get from Musharraf?

MS. TOWNSEND: I'm not going to -- I'm not -- it's really a tempting invitation; I'm not going to do it.

Q Fran, I have a question about your trip to Libya. Why were you there? And what happened in your exchange with Ghadafi that led the U.S. to send an ambassador back there after you delivered the letter?

MS. TOWNSEND: What led me to be there is the President sent me. The President asked that I deliver a letter while I was traveling through North Africa. The letter -- the contents of the letter is not public. I understand some of it has been made public. We raised -- first of all, we acknowledged, of course, the historic decision to renounce terrorism and to turn back his weapons program.

On the other hand, as with all of our allies around the world, we have issues of concern. We handle them privately and bilaterally, but they include things like making sure that the victims of the La Belle disco bombing and Pan Am 103 get fully compensated -- among others. There were other issues of concern.

We will continue to work with the Libyans. I also raised, as you can imagine, given al Qaeda and the Islamic Maghreb, the Libyan-Islamic Fighting Group, and al Qaeda's attempt to extend it reach -- ongoing sort of regular counterterrorism matters that we believe are a common threat both to the Libyans and us. The Libyans have agreed to accept an ambassador. But there are more issues, and we need more progress. And I think it's fair to say that both the Libyans are frustrated and we're frustrated because we both want more out of that relationship. But it's going to take time. This is a country on whom we had imposed sanctions for a long period of time. I think we have to be patient and have slow and small confidence-building measures, and we're prepared to begin down that path to see that kind of progress.
Q Did you ask for the release of the Bulgarian nurses?

MS. TOWNSEND: I'm not going to go -- I think there's been a readout of some of the things that were contained in the letters. Of course, we are concerned about the Bulgarian nurses. I'm not going to go into details of that private conversation.

Yes, Sheryl.

Q Fran, I think a lot of Americans watching this will have two very simple questions: Where is Osama bin Laden? And why, nearly six years after the President said we would get him, dead or alive, do we not have him? How has he possibly eluded our grasp?

MS. TOWNSEND: Well, there is no question that we have put extraordinary resources against finding him. If I could answer directly, with a pinpoint on a map where he was, he wouldn't be there. So the question is, does he -- it presumes, frankly, that he sits in a single place with an address, a street address and a phone number, so it should be easy for us to go and get him. I wish, Sheryl, that it were that easy. It's not.

You can assume, just based on sort of operational security behavior, that he's moving around, he doesn't make it easy, he doesn't have a lot of contact, and he is in a very remote area that is not easily accessed certainly by Americans, and frankly, by the Pakistanis, themselves.

And so the President has made perfectly clear, we will be relentless. He will be captured or killed. And it is a huge priority for us, for our intelligence and military. And we will continue until we're successful.

Q Can you talk about the extraordinary resources? What kind of resources?

MS. TOWNSEND: Military, intelligence and law enforcement resources.

Q -- operations you can share with us?

MS. TOWNSEND: No.

Q Fran, do you know if Osama bin Laden is still on a dialysis machine, is he still ill? What? I mean, could you tell us about that? I mean, because -- it might be laughable, but people are finding it hard, six years this man is sick, moving around from cave to cave, and can't be found -- with a dialysis machine?

MS. TOWNSEND: Have you ever been to the tribal areas? I suspect not.

Q No, I haven't, but I've seen some great pictures from Ken Herman as to the rough terrain over that way. (Laughter.)

MS. TOWNSEND: It's not exactly easy. If it were easy he'd be dead.

Q But it's not easy for him to travel around with medics and machinery if he's sick. I mean, is he -- do you know from your intelligence if he's still sick? What do you know about that?
MS. TOWNSEND: I'm not going to talk about that.

Thank you.

END 11:54 A.M. EDT