

**HEARING OF THE HOUSE ARMED SERVICES COMMITTEE
GLOBAL SECURITY ASSESSMENT**

WITNESSES:

DR. THOMAS FINGAR, DEPUTY DIRECTOR OF NATIONAL INTELLIGENCE FOR ANALYSIS & CHAIRMAN, NATIONAL INTELLIGENCE COUNCIL;

MR. ROBERT T. CARDILLO, DEPUTY DIRECTOR FOR ANALYSIS, DEFENSE INTELLIGENCE AGENCY;

MR. JOHN A. KRINGEN, DIRECTOR OF INTELLIGENCE, CENTRAL INTELLIGENCE AGENCY

CHAIRLED BY: REPRESENTATIVE IKE SKELTON (D-MO)

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REP. SKELTON: Ladies and gentlemen, welcome to the House Armed Services Committee hearing on the global security environment.

And before us today are Dr. Thomas Fingar, deputy director of national intelligence for analysis from the Office of Director of National Intelligence; Mr. Robert Cardillo, deputy director for analysis from the DIA, Defense Intelligence Agency; and Mr. John Kringen, director for intelligence from the Central Intelligence Agency. I certainly want to thank you. And I understand that you will have staff behind you in case we have additional questions.

I expect that today's hearing will be a very important one. It's the first one in a series of what there is out there that we need to know to perform our constitutional duties.

The oversight plan for the 110th Congress reads that "The committee will conduct all its oversight activities within the context of a comprehensive approach to understanding the strategic risk facing the United States. In so doing, the committee will seek to determine what level of strategic risk is acceptable, what factors increase that risk and what factors reduce it." We must keep that test in mind.

A large measure of considering and evaluating the strategic risk is understanding what potential security challenges face our country. With that in mind, I called this hearing to orient our members to the range of potential security challenges our country faces in the immediate and mid-term future.

In a sense, the hearing is the first of a series. As I mentioned, very shortly our committee will resume its oversight activities involving the Middle East as a region and then the conflicts in Iraq and Afghanistan.

Today's hearing will provide us with a broad strategic context which we can use to help us to understand how those wars, especially Iraq, fit into the overall security environment facing our country.

We could very easily call this hearing "Strategic Risk 101." We must consider the ongoing wars, both in terms of their importance to our national security interests and the amount of risk incurred through the continued expenditure of resources for their prosecution. Is the risk-reward equation in balance? It's my hope that members will use today to inform their judgment to consider that question.

It's important to remember that the international security situation is fluid. We must hedge against strategic surprise, and at the same time work to identify trends that could have implications to our national security down the road.

Members of this committee have heard me say that since I've been in Congress -- I've been blessed to be here 30-plus years -- during that time, we have had 12 conflicts in which our country has been involved militarily, four of which were major. And none of them -- or most of them were not thought out ahead of time and came as a surprise.

So why is it important? It's under our constitutional duty to raise and support the armies, provide and maintain a navy, and we have a responsibility to do just that for the foreseen and unforeseen. So, ladies and gentlemen, let me welcome you. Thank you for coming over. It's extremely important that you give us your best judgment on these very important issues today.

My friend, my colleague, Ranking Member Duncan Hunter.

REP. DUNCAN HUNTER (R-CA): Thank you, Mr. Chairman. And thanks for holding this very important hearing. And I want to join with you in welcoming our guests.

During the 2006 committee defense review, an effort intended to complement the Pentagon's Quadrennial Defense Review, this committee defined a threat as intent plus capability. And during our review, we realized that the international security environment that the U.S. forces operate in today includes a broad and diverse spectrum of threats, changing the strategic security equation that we use to understand strategic risk and determine necessary capabilities.

Today's strategic security equation continues to include those potential threats generated by hostile nation-states. And I would just go over a couple of them. China. The Pentagon's 2006 QDR noted that China is at a strategic crossroads, with the greatest potential -- and I'm quoting -- "the greatest potential to compete militarily with the United States."

China's rapid economic growth, double-digit defense spending, investments in military modernization with a focus on power projection and its strategic forces, contribute to increasing security competition in Asia.

Iran. Iran continues to take steps to counter U.S. influences in the region by supporting international terrorism and expanding its nuclear program and ballistic arsenal. And we've seen the recent steps that they've undertaken in the last several weeks, Mr. Chairman, with respect to the excavations that are taking place near their centrifuge sites in Iran.

It's these actions that disrupt regional stability and require the United States to ensure it is postured to deter and defeat any aggression against American interests.

Venezuela. As a regional neighbor of the United States, Venezuela is increasingly threatening stability in the Western Hemisphere. The country's leadership is determined to move the country away from democracy and toward socialism, maintains close relations with Cuba and Iran, and continues to decrease its cooperation in antidrug and antiterrorism efforts. And again, on the front pages of the newspapers this last several weeks have been stories about the new arms deal that would bring a new array of fairly sophisticated military systems to Venezuela. Today's security equation is not a simplistic one that is limited solely to meeting the threats posed by hostile nation-states, but also includes elements from nonstate actors such as violent extremist groups like al Qaeda. The threat from al Qaeda and related groups is one of the most daunting challenges to U.S. security we face as they exploit conditions created by regional instabilities in such places as Iraq, Africa, the Pacific and the Horn of Africa, to provide safe haven and espouse a corrupted view of Islam, to encourage violence against the United States and other nations.

This problem of having to face both state and nonstate actors becomes even more complex as we're seeking more and more linkages between these threats. A recent cyber attack on Estonia raises the specter of states enlisting nonstate actors to act as a proxy. The attacks against Estonia were not military in nature but attacked communications, economic systems and other infrastructure, which raises new concerns about the scope of potential hostile actions we might face.

So these security challenges are very complex. They're diverse. They're evolving. They require this committee's understanding of a multifaceted strategic security equation and a continued effort to ensure that our forces have the necessary resources and capabilities to perform their missions honorably and reduce the risk to the security of the American people.

So, Mr. Chairman, once again, thanks for holding this very timely hearing. I look forward to the discussion.

REP. SKELTON: Well, I thank the gentleman from California.

As I understand it, Dr. Fingar, you have a prepared statement and will deliver your comments now. And as I understand it, Mr. Kringsen and Mr. Cardillo are here to answer questions. Am I correct on that?

DR. FINGAR: Yes, you are, Mr. Chairman.

REP. SKELTON: Then Doctor, please proceed, and then we'll go to the questions. Thank you.

DR. FINGAR: Thank you.

Chairman Skelton, Ranking Member Hunter, members of the committee, thank you for this opportunity to present our assessment of threats to our nation. Mr. Chairman, thank you for introducing my colleagues, Dr. Kringsen and Mr. Cardillo, who will be here to help with questions.

Indeed, in order to maximize time for you to ask the questions of greatest interest to you, I will give a very abbreviated opening statement. Mr. Chairman, America confronts a greater diversity of threats and challenges than ever before. Globalization is the defining characteristic of our age and has more positive than negative consequences. But globalization facilitates terrorist activity, increases the danger of WMD proliferation, and contributes to regional instability and reconfiguration of power and influence, especially through competition for energy.

Many nations are unable to provide good governance and sustain the rule of law within their borders. This enables hostile states and non-state actors to threaten fundamental building blocks of international order creating failed states, proxy states, terrorist safe havens and ungoverned regions that endanger the international community and its citizens. It also threatens our national security.

Terrorist threats to the homeland and to our friends and allies pose the most serious danger to our nation and the biggest challenge for the intelligence community. Al Qaeda is the terrorist organization posing the greatest threat to U.S. interests, including the homeland. We have captured or killed numerous senior al Qaeda operatives, but the organization is resilient and continues to plot attacks against high-profile targets with the objective of inflicting mass casualties. Al Qaeda maintains active connections between its leaders hiding in the Afghanistan-Pakistan border region, and affiliates throughout the Middle East, North and East Africa and Europe.

The ongoing efforts of nation states and terrorists to develop and/or acquire dangerous weapons and delivery systems constitute the second major threat to the safety of our nation, our deployed troops and our friends. Iran and North Korea pose the most serious proliferation challenges. Iran continues to pursue uranium enrichment and has shown more interest in protracting negotiations and working to delay and diminish the impact of United Nations Security Council sanctions than in reaching an acceptable diplomatic solution. We assess that Tehran is determined to develop nuclear weapons despite its international obligations and international pressure. Iran's influence is rising in ways that go beyond the potential threat posed by its nuclear program. The fall of the Taliban and Saddam, increased oil revenues, Hamas control of Gaza and Hezbollah's perceived success last summer in fighting against Israel embolden Iran and unsettle our Arab allies.

North Korea has flight tested missiles and a nuclear device. We are concerned by the prospect of further proliferation because Pyongyang has a long history of selling ballistic missiles, including to several Middle Eastern countries. The agreement reached through the six-party talks last February obligates the DPRK to declare all its nuclear programs and disable its nuclear facilities. We will look closely for signs of compliance.

In Iraq, coalition and Iraqi forces seek to reduce violence, combat terrorism and create an environment conducive to national reconciliation. The government of Prime Minister Maliki is making halting efforts to bridge divisions and restore commitment to a unified country. Iraqi security forces -- especially the Iraqi army -- have become more numerous and capable. Despite these and other positive developments, however, communal violence and deep suspicion among Shi'as, Sunnis and Kurds continue to polarize politics.

The intelligence community stated in the January 2007 National Intelligence Estimate on Iraq that security and political trends were moving in

a negative direction and that even if efforts to reduce violence were successful, political progress would take time. It's too early to assess whether the strategy currently being implemented will allow lasting improvements in the situation.

Afghanistan's leaders continue to face a resurgent Taliban threat and formidable challenges to effective governance. The country has a chronic shortage of resources and qualified and motivated government officials and pervasive drug cultivation contributes to endemic corruption at all levels of government. Diminishing the safe haven that the Taliban and other extremists have found in Pakistan is a necessary but insufficient condition for ending the insurgency in Afghanistan.

Mr. Chairman, cognizant of your desire to allow as much time as possible for questions and discussions, I will further compress the points made in my statement for the record with the goal of illustrating the scope, complexity and implications of other threats and challenges facing our country. Each of the points I will convey in telegraphic form are discussed at greater length in the written statement.

Very briefly: The rise of China and economic prosperity more generally -- except for North Korea -- are challenging Northeast Asia in unprecedented ways. But Asia still lacks mature integrating security mechanisms, except for bilateral security treaties with the United States. Beijing continues to emphasize economic development and friendly relations with its neighbors, but it also continues its rapid military modernization program involving several weapons systems designed to challenge the United States capability.

As Russia moves toward a presidential election, succession maneuvering has intensified. The Kremlin has increased efforts to stifle political opposition and widen state control over strategic sectors of the economy. High-energy prices continue to fuel economic recovery and fan aspirations to become an energy super power.

The situation in the Palestinian territories is precarious with forces loyal to Hamas and Fatah poised to renew fighting, and prospects for negotiations with Israel are dimmed by the existence of competing Palestinian governments.

Large-scale killing and organized massacres in Darfur are less frequent than they were a few years ago, but violence continues and the numbers of refugees and displaced persons continue to grow. Democracy is at risk in Venezuela where President Chavez has become one of the most stridently anti-American leaders in the world. The strong showing of presidential candidates with leftist or populist views in several other Latin American countries speak to the growing impatience of national electorates with corruption -- real and perceived -- and the failure of incumbent governments to improve the living standards of large elements of the population.

Somalia remains in turmoil. Lebanon remains at risk. The list goes on.

Mr. Chairman, with your permission I will conclude my oral statement with a request that my written statement be made a part of the record of today's proceedings and a pledge to answer to questions from the committee as fully and frankly as possible in an open session.

Thank you.

REP. SKELTON: Thank you.

And without objection, let me ask one question before I call on Mr. Hunter.

Looking back to an era of relative worldwide calm -- and I doubt if there is such an era -- but I would judge -- doctor, correct me if I'm wrong -- I would judge somewhere between 1953, the end of the Korean War, and the early '60s, which showed the break up of the various African colonies. If that is fairly true, how much more dangerous is this world in which we live now than it was during that era?

DR. FINGAR: Three points, I think, will frame the answer. The first is that the period, of course, was a part of the Cold War era, where the existential threat to our nation from Soviet nuclear weapons and the intensity of the two-camp struggle, the ideological struggle, the incredible arms race and militarization, competition for allies around the world that had a very, very serious threat to our existence, our way of life and indeed, the safety of every American.

A different -- second point -- is because it was a largely bipolar world in which the United States and the Soviet Union exercised a degree of influence of control over most other nations -- even the newly emerging nations that you mentioned, Mr. Chairman, as a result of decolonization -- that lended an element of stability to the high-risk situation.

Today, the frail, failing governments in many parts of the world, the absence of an overarching threat to galvanize attitudes and populations in increasingly democratic societies around the world lend an era of -- a degree of unpredictability that we did not have in the earlier period.

The third -- the third difference is the emergence of asymmetric challenges. At one end of the spectrum, the prospect of nuclear proliferation, use of biological toxins by nation states, by weak nations, or by non-state actors. The other end of the spectrum, there is the poor man's nuclear deterrent of terrorism that as nations and non-state actors recognize that their ability to challenge the United States militarily has diminished in many cases to zero. The temptations to utilize the asymmetric tactics of terrorism increases. And in the ungoverned, poorly governed areas that result in part from the playing forward of history of decolonization and the break-up of the two blocks, there are areas, increasing number of areas in the globe that are conducive to being safe havens for terrorists looking for a foothold to prepare for actions against us.

REP. SKLETON: Thank the gentleman.

Mr. Hunter?

REP. HUNTER: Thank you, Mr. Chairman. Gentlemen, one aspect of the conflict with the Soviet Union was the development and maintenance of COCOM, the technology transfer regime that was a multi-lateral regime. It worked while it had a few holes in it and there was obviously always a lot of, many attempts by members of the Soviet block to get around it, it kept a lot of important military technology from flowing to the Soviet Union and Warsaw Pact Nations. COCOM dissolved with the Soviet Union and today it's basically every man for himself with nations self-imposing some disciplines in some cases. In other

cases, having goals and standards that are very general and somewhat vague with respect to transfers of technology to places like China, we're trying to maintain the European arms embargo with respect to China, but lots of stuff is getting through.

My question is do you think in this, that we need a new COCOM if you will, a new discipline that we would negotiate with our allies to prevent the transfer of technology to nation states that have been helping or might be helping terrorists? And understanding, we have certain lists and disciplines that are basically limited to American entities that to some degree, keep critical military technology from getting into the wrong hands, but my question is do you think that we need a new regime with respect to transfer of technology to China and/or other nation states?

DR. FINGAR: My starting point, Mr. Chairman, is we have some reasonably well functioning international regimes, the Nuclear Suppliers Group, the Australian Group and so forth, that are effective and need to be strengthened. Reviving COCOM or COCOM for the 21st century, I think though it may be desirable in certain respects, globalization make it less than practical in my view.

I say that as somebody who was on the advisory panel for the Office of Technology Assessment when Congress rewrote the Export Administration Act in 1978, '79, that the old model that made COCOM effective that had a relatively small number of producers, generators of technologies, many of which were closely linked to the military and could be controlled because the military was the primary customer, has been replaced by global manufacturing just in time many, many centers of technological and engineering excellence, most technology being commoditized, dual use, the larger markets being outside of military procurement in our own country and elsewhere. I think any type of a control regime, and I do believe control regimes are appropriate, need to be very tightly focused on specific technologies with very direct military applications that would endanger our weapon systems for example. Broader technology constraints, I think, would be very difficult to enforce, but I would invite my colleagues to comment.

MR. : We would agree.

REP. HUNTER: With respect to having a tight array of controlled technologies, would you agree that we need to have another COCOM system?

DR. FINGAR: You know, I'm thinking of the COCOM that when the nine access milling machines were delivered to the KGB by Toshiba --

REP. HUNTER: Mm-hmm.

DR. FINGAR: -- it was a COCOM discipline that basically punished Toshiba for that activity and I think to a large degree deterred further activities along that line.

REP. HUNTER: Do you think we need, I do, right now, we have essentially except for the weapons of mass destruction area, we have very, very limited international multi-national systems, or regimes in place to control technology transfer? COCOM was it basically.

MR. : COCOM was it. COCOM was, as you know, Congressman, was replaced by the Wassenaar Agreement. But the A major difference and I'll invite

Mr. Van Deepen (ph) to expand on this, is that with the break-up of the two camps, the bipolar world, the ability to exercise discipline is very different that it was. We have more jawboning and less forceful methods to enforce discipline within it. It's not that I don't think it's a good idea, I just think it's a very difficult challenge.

Van, do you want to add to that?

MR. : I think that's essentially correct. COCOM in effect was an economic warfare mechanism against a Soviet block that was perceived by the all member states as posing an existential threat. And as Dr. Finger noted in the wake of the end of the Cold War, that common perception of a single existential threat, a unified list of targets that countries were willing to forego economically lucrative exports to wage economic warfare against is basically gone away. And now you have much more dual use technology, much more interest in promoting mutually beneficially economic activity.

REP. HUNTER: Well let me just finish with this question then. Is there anything you would do to change the status quo on technology transfer control? Anything?

MR. : I think you know working in niche areas where you can come up with consensus and sort of building that brick by brick. For example, in the U.N. Security Council, we've been able to get sanctions on specific entities, on specific countries, on specific commodities but trying to sort of reestablish that common perception of threat where one can and then also trying to strengthen these informal arrangements like the Wassenaar Arrangement, like the Nuclear Suppliers Group. But I think it's going to have to be kind of a bottom-up approach rather than a top-down comprehensive approach like a COCOM.

DR. FINGAR: Let me add, Congressman -- coming at this as the intelligence community, rather than as the policymakers who would have to devise such a control regime -- I think what we -- what we can do, must do, and are doing is to do all that we can to identify objectives -- specific countries' technologies that they regard as keystone, as critical to their ability to move ahead in threatening ways, to do everything that we can to persuade those who might supply their technology perhaps to work with police and customs officers around the world to interdict or perhaps take other measures to inhibit the access to that technology. So we can do what we can to pinpoint specific critical -- preparing long laundry lists of all of the elements of a missile or something is not going to be very helpful, I wouldn't think, to those we support.

REP. SKELTON: Thank you. Mr. Spratt -- I thank the gentleman.

Mr. Spratt.

REP. JOHN SPRATT (D-SC): Thank you. Thank you very much for your testimony. And forgive my hoarse voice this morning.

General Petraeus and others have sat where you sit, and general officers and senior civil servants alike have said that the real solution in Iraq has to be a political solution, some grand compromise among the Kurds, the Sunnis and the Shi'a. And you say, I think, the same thing in your report here. But you also give a rather bleak assessment of the national reconciliation effort that's now underway. You indicate, for example, that it is moving in a negative direction, as opposed to proceeding in a positive direction. And that

given the current winner-take-all attitude and sectarian animosity infecting the political scene, Iraqi leaders will be hard pressed to achieve sustained political reconciliation.

It doesn't leave much room for hope or foresight as to how this thing comes to some sort of acceptable conclusion. What do you do with the situation -- if we need a political solution, how do we overcome the bleak assessment you've made of the government in power right now?

MR. : Congressman, I wish I had the answer to this one, that the analysis that the community made in January at the time of the estimate appears to be borne out by events since then. That assessment focused on the imperative for reducing levels of violence in the country as a prerequisite for beginning to restore some confidence among the competing, fractured body politic and the groups in the political system, the ethnosectarian communities. That the surge that began a few months ago is having an effect -- it has not yet had a sufficient effect on the violence, in my judgment, to move the country to a place that the serious obstacles to reconciliation can be overcome. That the most optimistic projection is that it will be difficult and time consuming to bridge the political gulf when violence levels are reduced, and they have not yet been reduced significantly.

REP. SPRATT: Let me ask you about the other side of the equation, and that is Iraq security forces. One of our objectives was to obviously build up their forces to the point that they were a free-standing force, operationally effective, so that we could turn over to them the responsibility for the security of their own country. What needs to be done for us to reach that point where we can turn over to the Iraqi armed forces the better part of the responsibility for the security of their own country?

MR. : Congressman, let me invite General Landry, (NIO ?) for military issues, to respond to that question.

REP. SPRATT: Absolutely.

GENERAL JEROME A. LANDRY (National Intelligence Officer): When you take a look at both the size and the capabilities of Iraq security forces, there's no doubt that there has been improvements. And I'm talking now about the army, much less so than the police. But the fact of the matter is that they do not have the logistics capabilities, nor do they have many of the elements of combat support -- for example, fire support -- that they need to be able to perform those kind of functions.

Second thing is that there are many of those units today that in fact are so ridden with a certain degree of sectarian infiltration that they are less than the reliable forces that you'd like to see. What does it take? It takes a --

REP. SPRATT: Do you think 135 battalions is sufficient to the task?

GEN. LANDRY: Would you say that one more time, please?

REP. SPRATT: Do you think 135 battalions, infantry combat battalions, is an adequate force to cope, to bring the solution to some sort of successful closure?

GEN. LANDRY: To be very honest with you, I think you'd need to go to the military to get a feel for just how many forces -- I mean, we don't make those kind of calculations. I'll tell you this, that with the capability of those forces today, their ability to take over by themselves to accomplish the security functions that we're talking about is -- is not likely. I can't talk to you about specific numbers, but I can tell you their capabilities today are not likely to be able to perform alone. Now, that does not mean that there are certain units that do have those capabilities and already are performing them, but not as a whole.

REP. SPRATT: We've known that they would need combat service support and combat support and logistics backup. Why haven't we been able to multitask and do these things on a parallel basis while we were developing and training their infantry force?

GEN. LANDRY: We have, but the question is, what's the level of sufficiency? And I must tell you, it takes a much longer time than perhaps we have recognized to be able to accomplish those functions.

Just one other issue: leadership. Leaders take years to develop, not months. And when I say years, I'm talking about in the case of senior leaders, about a decade to develop, and they haven't had that kind of a capability. In addition to that, you are talking about a culture that in fact has resisted some part of the messages we've been tried to bring forth, which is the nonsectarian, professional performance of the force. And we haven't reached all the leaders in that force that are necessary to be able to instill those kinds of values.

REP. SPRATT: Thank you, sir.

REP. SKELTON: Mr. Jones.

REP. WALTER JONES (R-NC): Mr. Chairman, thank you very much. And to the panel, thank you for being here today, and Doctor, I thank you for being the lead at this point.

I have a -- and have had for a number of years -- I've been here 12, 13 years now -- a deep concern about stability issues involving Central and South America. I know you touched on this in your abbreviated comments. Al Qaeda, are they beginning -- are you seeing more evidence of their presence in Central and South America, in maybe not large numbers, but their presence meaning that they are trying to have a foothold in some of these countries?

DR. FINGAR: In general, sir, no. We are not seeing that kind of movement in Central and South America. We're much more typically worried, frankly, about Europe, in that regard, in terms of that being a safe haven, in part because that allows them access to the United States in ways that make it difficult for us to keep -- keep them out.

In the South American region, our particular concern is with regard to Hezbollah, a Shi'a organization, where they're embedded in certain parts of South America. But we've looked very closely, in the wake of 9/11, at the whole issue of terrorist, Sunni extremist, use of that area of the world for staging terrorist operations, and haven't found as much as worried might -- might have been the case. That does not mean, however, that they wouldn't use it as transit points, particularly as venues to try to get in the United States. There

are well-developed illicit smuggling activities to bring individuals in and that always presents some risks but I would say it's lower than a number of other areas of the world -- South Asia, Europe, and the Middle East, for example.

REP. JONES: Let me ask you about Honduras. I only ask this question because I have a friend I've met in the last few years who is from Honduras. He is a Honduran and he now lives in America -- he's an American citizen now. He has been very concerned about the Arab population that's growing in Honduras. Not saying that these are terrorists -- not saying they're going to be terrorists. But is his concern, which I share his concern, if this is true -- he recommended, and I have not done it yet, that I buy a book called "The Dove and the Dollar" and I have not read the book but apparently this is about the Arab influence in Honduras and the fact that the influence is beginning to be political, meaning that they are beginning to become more and more involved in local elections. Are you familiar with any -- I mean, I know you would be but are you seeing this in Honduras?

DR. FINGAR: I myself am not in a position to comment on that specifically, sir.

MR. CARDILLO: Neither am I but I will say that defense intelligence -- we concur with the CIA's view of the current state of affairs in Latin America with respect to al Qaeda, but we do agree, sir, that there are conditions that do exist that cause us to maintain a watchful eye so that those conditions don't change into realities. So it is something we continue to look at.

DR. FINGAR: We'll get you a better answer than we've been able to provide today, sir.

MR. KRINGEN: If I may -- can I just make a general observation? I do not have the specifics on Honduras either, but as a part of sort of the global movement towards more responsive governments -- towards more democratic governments -- more electoral participation -- that immigrant communities kind of around the world are having more opportunities that become engaged in a political process because there is now a political process into which they can join and participate. So some of this undoubtedly is a positive development of a portion of the community that previously was unconnected from longstanding political parties. Whether there is a malevolent dimension to this in Honduras or elsewhere we'll have to look for an answer for you. REP. JONES: Okay. Mr. Chairman, I will yield back. Thank you.

REP. SKELTON: Thank you. Dr. Snyder?

REP. VIC SNYDER (D-AR): Thank you. Thank you, gentlemen, for being here. Dr. Fingar, your -- the activity that you all are involved in are so crucial to this United -- to this country and our national security, but it's in the context of the strategy of the United States with regard to our national security. Would you summarize for this committee, please, what do you see as being -- what's your articulation of the strategy -- the national security strategy -- of this country towards Iran, Syria, Lebanon, and Iraq?

DR. FINGAR: Congressman, you've put me in the unenviable position of being an intelligence analyst asked to comment on our own policy which --

REP. SNYDER: I would think -- I don't want you to critique it. I want you to state what it -- I think it's a fair question, is it not? Because you all are in the context of what our strategy is and so I'd like just what -- as

you see it what do you think is the -- how would you summarize today the national security strategy of the United States toward Iran, Syria, Lebanon and Iraq?

DR. FINGAR: I think the key elements in the strategy are stability in a very volatile portion of the world where we have many interests, energy being one of them. In the case of -- let me go one by one. Iraq is reducing violence, facilitating reconciliation, restoring the ability of the people of Iraq to live in safety and security in their homes. In the case of Iran, at the top of the list is preventing Iran from acquiring a nuclear weapon and countering Iranian support for terrorist activities. The policy is not aimed at taking a position in the Sunni-Shi'a divide, at limiting legitimate aspirations of Iran or anyone else. For Syria, primary elements of this are checking Syrian behavior that undermines stability in Iraq. Some of it is harboring former regime elements. Some of it is allowing foreign fighters to cross its territory. On the other side of Syria it's ending its meddling destabilizing activities in Lebanon -- a democratically elected government being undermined by -- in some extent by Syria.

In Lebanon, it's restoration, preservation of stability after decades of civil war with a political system that probably is no longer approached based on allocation of positions -- based on percentage of the population awarded to a different group that no longer conforms to the demographic reality, reducing the threat that Hezbollah poses to Israel on the southern border, and limiting the danger that through Hezbollah Lebanon and Syria could become not proxies but extensions or agents of Iran in the region. I -- that -- you want to add to that other? No.

REP. SNYDER: Yesterday Henry Kissinger had a piece in The Washington Post in which he focused less on our military presence in Iraq and what's going on with regard to that, which is great concern to the American people and to Congress, but on the broader issue of diplomacy and the relationships of our country with the other nations in the region and the world with regard to leading to an ultimate solution for Iraq. How right do you think are relationships or are nations Syria, Iran, and Lebanon with regard to participating in some kind of a grand scheme for promoting stability in Iraq?

DR. FINGAR: My own view is that in the case of Iran that the price of participation meaningful in that kind of a grand scheme would be very high. They would set a high price. Given the sense that we judge Iranians have of things going their way -- windfall oil profits, their agents -- Hezbollah -- having in their view challenged Israel more effectively than have the military forces of other -- of any Arab state, stability in Iraq is not the highest value for them. I think it's okay for the Iranians that Iraqi oil production is down. It helps keep prices up. Though the Shi'a majority would have the appearance of extending the Shi'a influence in the region but the Shi'a in Iraq are not generally beholden to Iran -- that it was Shi'a troops who died in the largest numbers in the eight-year war between Iraq and Iran -- that Syria I think, you know, has a desire for stability but, again, at what price?

Return of the Golan from Israel would immediately come up. Doesn't it suggest that we should not attempt to negotiate with them and to work toward such a solution? But it would not be easy, and I -- John, do you want to answer?

MR. KRINGEN: I think the only point I would add is that we believe that both Iran and Syria do want a unified Iraqi government -- that they just

want to, in the meantime, use it as a venue to inflict pain on the coalition and forces that they're uncomfortable with. So we're not beginning from here -- from a premise that their objective is the dissolution of the Iraqi state, and we actually believe that they would like in the long run to have an Iraq there that has some stability -- in the case of Iran, that is governed by the Shi'a and therefore politically friendly, that is open to Iranian economic and other influence. But that's the only point I would add, sir.

REP. SNYDER: Thank you. Thank you.

REP. SKELTON: Jeff Miller.

REP. JEFF MILLER (R-FL): Thank you, Mr. Chairman.

Doctor, what role -- if any -- does global connectivity or -- and/or economic globalization play in your threat assessment?

DR. FINGAR: Globalization is a facilitator of a lot of activity, good and bad. That the rapid communications -- the Internet -- that makes it possible for groups separated by long distances to be direct contact to learn from one another -- the wannabes, the affiliates of al Qaeda or other terrorist groups that can be located at some distance using websites and so forth to communicate. The same kind of capabilities that enable police forces around the world to exchange information and airline security people to be on top of developments. The amount of commerce that characterizes the global system, the amount of goods -- technologies moving around the world that greatly complicates efforts to thwart proliferation -- it gets at the problem that Mr. Hunter was raising about controlling access to technologies.

The world is becoming increasingly interdependent -- that the importance of energy to the world economic system because of the concentration of hydrocarbon resources that accord both wealth and a degree of influence to states -- Venezuela, Iran, for example, that are not particularly friendly to the United States. The danger of the cyber-threat -- that the extent to which the economy or security systems are dependent of global communications puts in the system a vulnerability here, to hackers, to state actors -- that the bringing down one bank anywhere in the world could have very rapid ramifications through the international financial system that would be unlike anything we have encountered in years past, if that's getting to your question.

REP. MILLER: How about foreign investment into the United States? That's where I'm talking about global economic concerns. And the reason I ask is because I was under the understanding that we had a vote coming up in just a few minutes that dealt with CFIUS and I've got some concerns, and it appears now it's been pulled off the agenda for a vote in the first round of votes today. But coming back from the Senate, it appears that it's watered down the director of National Intelligence's ability to thwart or assist or investigate potential complex problems. And I'd like to know what your feelings are on that issue.

DR. FINGAR: Let me invite General Landry, who directs the intelligence community input into the CFIUS process for us.

GEN. LANDRY: Could you say your question just one more time for me, please?

REP. MILLER: It was in regard to the Senate bill that's come back over to the House, and it appears not only has Sec. Def's role been diminished in the

ability to ask for an investigation, but also the director of National Intelligence as well. And my concern is, is that an appropriate move?

GEN. LANDRY: Well, as you know, the director of National Intelligence does -- is not a sitting member, nor under the proposed legislation would he be. He'd still retain an advisory function. And frankly, from that perspective the DNI has never taken a position on whether a particular case should be brought before CFIUS or whether a particular action should be taken. What we do is to provide as impartially as we can an intelligence assessment upon which --

REP. MILLER: And I understand that, but the -- in the House- passed provision, it did give the director the ability to intervene and the Senate stripped that version out. So my question is, is it -- was -- is -- would it have been good to have left the House provision in?

GEN. LANDRY: We have consistently said that we thought the DNI should not be a sitting member on the CFIUS itself.

REP. MILLER: That wasn't the question. (Cross talk.) The question was being able to intervene and require an investigation to take place.

GEN. LANDRY: We don't believe that should have been a part of the legislation. REP. MILLER: Okay.

GEN. LANDRY: The one thing we do have problems with right now is the injunction to get the intelligence assessments done within 20 days, which we thought is somewhat onerous.

REP. MILLER: And that is something that the Senate said (they wanted ?) on the 20 days.

REP. SKELTON: I thank the gentleman.

Adam Smith.

REP. ADAM SMITH (D-WA): Thank you, Mr. Chairman.

Two areas of questions. One -- in -- well, in your testimony this morning, obviously there are a lot of problem spots in the world, a lot of information out there. What I'm most interested in is how we process that information. I mean, I guess I see sort of a transition point. I mean, there was a time when intelligence was about, "How do you get information? It's difficult to come by." Now it's overwhelming with the Internet, in terms of the amount of information that we can generate without even wire-tapping anything. I mean, just going out there, open source information and finding it. I am not convinced at this point that our intelligence community has figured out how to smartly process that information, so -- as they find what they need to find as quickly as possible and figure out how to use it. So I'm curious what your thoughts are. I met with a group of folks from the company ITS, they have a new modeling system for how to process information, open source information that got me thinking on this road. So I'm really interested in your thoughts of how we process it.

And second, focusing on al Qaeda, there's been a lot of analysis about how they've sort of franchised out. There's a vision of sort of self-starting groups out there that are sympathetic to bin Laden, but not necessarily connected to him. But every time we pull back the layers of a plot like -- you

know, the bombing in the UK a couple of years ago, the plot that was thwarted last year. Now we haven't quite unraveled the one that happened just a few days ago. It all seems to point back towards Pakistan, and northwest Pakistan and where bin Laden and al Qaeda are centrally located. So I guess my question here is, is there -- is the center more important in al Qaeda's terrorist acts than we've perhaps been led to believe, that basically they are exercising greater control to at least some extent of the people who ultimately commit these terrorist acts?

If you could take a stab at those two, I'd appreciate it.

MR. KRINGEN: Let me -- I'll talk on the al Qaeda issue and defer to others on the information process, although I can dig into that one a little bit later. I would say I don't think we see it in the context of an either/or. We actually see the al Qaeda central being resurgent in their role in planning operations. They seem to be fairly well-settled into the safe haven and the ungoverned spaces of Pakistan there. We see more training, we see more money and we see more communications. So we see that activity rising.

At the same time, they are having success in the franchising that you talked about or the branding. And the example I would use there is what used to be GSPC, which is now al Qaeda in the Maghreb, where clearly we see that as they have taken on that brand name, they have also gotten more active.

My understanding is there was another bomb today in Algeria. I don't know if it's associated with them or not. But if it is, it continues a pattern of activity. So we see both developments going on.

REP. SMITH: What's your view for the best plan to try to disrupt that center that seemed to settle in northwest Pakistan?

DR. FINGAR: Well, sooner or later you have to quit making -- quit permitting them to have a safe haven there. I mean, at the end of the day, when we have had success, it's when you've been able to get them worried about who was informing on them, get them worried about who was coming after them. The degree to which they feel comfortable in that space in the security environment they have is the degree to which we get more and more concerned.

I would second one of the comments that you made earlier, sir, with regard to the notion that many times when we uncover a plot overseas, it's only after you peel back the layers do you suddenly find the connections. But in some cases those connections may not be as centrally directed before, but nonetheless may have a financial aspect to it or a planning guidance or a training. So, you know, your comment there is absolutely right on. And we always look at those carefully, trying to investigate those foreign connections.

REP. SMITH: Lots of things to be done there, just quickly. Smashing that safe haven, I think, is enormously important.

I see we're almost out of time, but if you could take a quick stab at the processing of intel, that would be great.

MR. CARDILLO: Let me pick up on that one, sir. You're exactly right. This is a major issue for us. When I came into the community 23 years ago, we were in hunting mode. You know, you would spend a good part of your day out searching for, looking for, trying to get access to the right pieces of sources and data so that you could put together context and then make your analysis.

And my analysts today are facing just the opposite problem. It is, "How do I deal with what is an overwhelming, sometimes, set of data points and views and put them together, first get some context for myself and then be able to tell the customer so what out of all that?"

Now, we're pursuing many avenues of approach, both from how we do the methodology of analysis but also tools applications that help us filter, help us prioritize, so that when it hits the desktop or the in box, you have a way of at least having a better chance of getting to those significant pieces of data sooner.

REP. SMITH: I would be interested in getting some more details on that, and I'll follow up with all of you.

Thank you, Mr. Chairman.

REP. SKELTON: Thank you very much.

The gentleman from Texas, Mr. Conaway.

REP. MIKE CONAWAY (R-TX): Thank you, Mr. Chairman. We've got a problem with our buttons down here. I'll just have to hold it down.

Gentlemen, thank you. Can you talk briefly about demographic issues within China as to what that looks at? You know, looking 10, 15, 20 years down the road, I'm not so much concerned about their economic development. I understand, as a sovereign nation, they get to build their military against threats they perceive for themselves. But can you talk to us about what roles overall demographic issues have within China and our assessment of how that looks as a threat to us?

DR. FINGAR: I'll start and invite others. John and I both started out as China analysts a long time ago.

China's population will continue to grow for about another generation. Then it will begin to decline unless there is a change in projection. China will have one of the most rapidly aging populations in the world. I think it's now 15 years' out projection that there will be more people over 65 in China than there are citizens of the United States.

An aging population, a couple of generations of one-child families, no social security safety net, a shrinking pool to support an ever-larger group without the normal family ties -- you know, one-child family means there aren't aunts and uncles and cousins and others that will be part of the support system. So it injects at least the potential for fragility to the social system.

It does have economic problems associated with it, with agriculture that is more gardening than farming and so forth. The idea of the running out of hands in China seems strange. But the model and the trajectory that they have been on that has brought very great success simply will not be sustainable over the long run.

MR. KRINGEN: I would agree. It also may have some political repercussions in the sense that the expectation is that the state will be able to pick up those sorts of responsibilities that one time were handled by family and other social networks and will not be in a good position to do that.

DR. FINGAR: Just to interject one additional sort of dimension, we often focus, and correctly, on the double-digit growth in the military budget. Military growth actually lags between the rates of growth in some of these social services, starting from a much, much lower base. But the demand is enormous.

REP. CONAWAY: As we look at this -- and I'm also aware of some information that those one-child families, those individuals are less likely to have children themselves because they are so spoiled and self-centered.

Can we convert all of that information into how should we assess the way we look at threats from China, military threats from China to us over the next couple of generations? How should we perceive it and how should we move forward in that regard?

MR. CARDILLO: Difficult to say. But you're right, sir. It is a factor. I mean, what we look at in Defense Intelligence is the professionalization of that military, and not just the piece parts of one more sub or one more missile system, but how it is that it's operated, and can they develop a professional noncommissioned officer corps? Can they develop the types of general staff leadership courses and the like?

And I think the factors that you bring up, those human factors, if you will, do contribute to it. It's a growing area of our business as we look at leadership profiles and the like. And all I can say is you're touching on a point that we need to include more in our analysis of how that overall capability comes together.

REP. CONAWAY: Thank you, Mr. Chairman. I yield back.

REP. SKELTON: The gentleman from New Jersey, Mr. Andrews.

REP. ROBERT ANDREWS (D-NJ): Thank you, Mr. Chairman.

I thank the witnesses for their testimony.

I want to preface my question by saying I have profound and utmost respect for you gentlemen and the people you represent, the sacrifice and patriotism that you and the people you represent are making for the country. I'm profoundly grateful for what you do.

REP. FINGAR: Thank you, Congressman. REP. ANDREWS: Second is I want to preface my question by saying that I want you to answer my question within the bounds of good sense, given the fact we're in a public forum.

I want to ask you a question that I think is very pregnant on the minds of the American people with respect to what you have identified as the greatest threat to our security, which is al Qaeda, and particularly with respect to its leader, Osama bin Laden.

By my calculations, it's now been 2,098 days since September the 11th. We have had broadcasts from Osama bin Laden, some of which are probably authentic, some of which are not. We have had some indications he is in contact with other al Qaeda cells and operatives around the world. And we don't, I assume, definitely know what his state of health is, but we assume that he's alive.

Now, I don't equate capturing or killing Osama bin Laden with victory in the war against al Qaeda by any stretch of the imagination. But I also understand that the psychological value to the American people and around the world and the strategic blow that it would strike to al Qaeda around the world is obviously of great significance.

I do not mean this as a rhetorical or hostile question. But after spending a huge amount of money for a period of time in excess of 2,000 days, with what I hope is a focus on apprehending a person who is responsible for the murder of more than 3,000 Americans, why haven't we succeeded?

MR. KRINGEN: Let me frame this first with a couple of comments. We, like you, continue to assess that Osama bin Laden is alive. We continue to assess that he's probably in the tribal areas of Pakistan. In terms of your frustration -- and I think the frustration of anybody who has been working on this problem since 11 September -- the challenge we face is those are ungoverned spaces in which the Pakistani government doesn't control much of that -- very tribally based. And so it's very, very difficult to operate in that environment.

REP. ANDREWS: If I may --

MR. KRINGEN: If I could just say one more thing and then --

REP. ANDREWS: Yeah.

MR. KRINGEN: The other thing is Osama bin Laden in particular goes into extended periods in which he does not communicate, does not interact with anyone directly.

REP. ANDREWS: But isn't there a distinction between an ungoverned area and a tribally governed area? I take it at face value that the Pakistani regime does not have control over some of these areas, but someone does. Some tribe has some control over what goes on in this area. Why haven't we made more progress in understanding the incentives, the disincentives, the economic realities of the tribal leaders that have some, if not controlled, knowledge over what's going on in these areas?

MR. KRINGEN: In some cases those tribal leaders are the very people who are protecting him, sir.

REP. ANDREWS: Well, but they must then interact --

MR. KRINGEN: And they're not necessarily motivated. We've had rewards out for bin Laden for a long period of time and economic motivation is not a principal driver of how they behave.

REP. ANDREWS: But those tribal leaders must in turn interact with other outside forces, outside the circle, whether it is for material support, economic support. I mean, the more people you get involved in something the more people they become reliant upon. And somebody in that circle must not be a sympathizer. Why aren't we making more progress on this? MR. KRINGEN: All I can tell you in this particular context is it's an extremely challenging environment in which to operate and to turn individuals, who would be the people who have the access, into people who are willing to work with the U.S. government.

DR. FINGAR: Let me just add: It's certainly not for want of trying.

REP. ANDREWS: I don't doubt that.

DR. FINGAR: We share your frustration. Being number three in al Qaeda is a bad job. We regularly get to the number three person. The security measures and the lessons learned about, you know, don't turn on your cell phone and all that kind of stuff that I guess even in the mountain redoubts they know what has led to the killing and capture of people elsewhere. The security practices are very good, as John indicated. They're in an environment that is more hostile to us than it is to al Qaeda. And the appeal of -- I'll call it the ideology rather than the religion -- exceeds the appeal of money or any other blandishment that we've been able to offer.

REP. ANDREWS: I understand.

Thank you very much.

REP. SKELTON: Thank you.

The gentlelady from Virginia, Ms. Drake.

REP. THELMA DRAKE (R-VA): Thank you, Mr. Chairman.

And thank you for being here. It's a very interesting conversation.

But what I wanted to ask, as we're discussing the impact and the future impact of our military commitment in Iraq and what that impact has on future operations, have you also assessed what the impact would be of a withdrawal? The Iraqi foreign minister was here, spoke with a group of us, and has recently been quoted in the press saying the same thing of what those consequences would be. We've also met with the ministers of surrounding countries who have been very clear with us of what the consequences would be in their country if we were to pull out abruptly.

And in the Kissinger article just recently, he makes the quote that "withdrawal would not end the war, but would shift it to other areas." So my question is: Can you assess what the impact would be if we took that action -- what the impact would be on our credibility; what the impact would be on our ability to mount operations in the future -- particularly where it would require the trust and cooperation of other populations and particularly Special Operations missions? DR. FINGAR: Let me begin the answer and if my colleagues would jump in. Again, framing it: The impact on the broader geopolitical picture that you've sketched out I think will be very much dependent on the nature of the withdrawal -- how rapidly, to what places, within what kind of internationally discussed framework. So I don't think that is automatically one thing or another thing. How one does it matters.

Second is a function, I guess, of the gray hair -- those of us who lived through Vietnam and thought about, heard about the dominoes, the impact on American credibility around the world. As traumatic as all of that was, much of the worst casing didn't happen -- I think in part because the Soviet Union continued to exist. It still did have an organizing rubric.

The third point I would make would be to return to the judgment in the January National Intelligence Estimate on Iraq in which we looked at a rapid drawdown. It was the only scenario we looked at, because it was predicated on

"if you take the targets away does the violence go down" approach. And I think we're still where we were at the time of that estimate and I'll simply read it: "Coalition capabilities -- including force levels, resources and operations -- remain an essential stabilizing element in Iraq. If coalition forces were withdrawn rapidly during the terms of this estimate," which was 18 months -- "we judge that this almost certainly would lead to a significant increase in the scale and scope of sectarian conflict in Iraq, intensify Sunni resistance of the Iraqi government and have adverse consequences for national reconciliation."

Do you want to add to that?

REP. DRAKE: And also on the future -- what our credibility would be -- have you assessed that?

DR. FINGAR: We have not specifically looked at a hypothetical -- what would our credibility be around the world.

REP. DRAKE: Or our ability in the future to work in other areas.

Thank you.

Thank you, Mr. Chairman.

REP. SKELTON: Thank you.

Mrs. Davis.

REP. SUSAN DAVIS (D-CA): Thank you. Thank you, Mr. Chairman. Thank you to all of you for being here.

Perhaps this is a different way of stating the previous question. But I'm just wondering, you know, what conditions you think could be met for our adversaries to view anything -- to view our withdrawal as anything but a victory for them. Are there conditions that you would look to?

The second question, really, would just go with the way that our adversaries view both our strengths and our weaknesses. How would you assess that -- our reliance on foreign oil, our reliance on technology, our forces, the fact that they're stretched today? Could you please comment on that?

MR. CARDILLO: I'll just start with -- obviously when you discuss adversaries there's quite a range from non-state all the way up to state actors. Certainly across that range there are going to be some adversaries that will take whatever we do -- and oh, by the way, that includes staying -- as a failure. And so in my mind you have to just kind of park that this is a broad campaign of information competition that will continue. So I think your question is how do we best posture ourselves so that we can be competitive in that environment.

To me, ma'am, it's about transparency of purpose to the extent that we can in this difficult part come with definitive objectives that can be identifiable and to some degree measured.

But therein lies the real problem -- the one that we're having now with respect to our translation or our definition of success isn't always even the people that we're trying to help. And so I would just offer that within that environment the more that we can communicate clearly what it is we're doing and

why we're doing it that we'll have a chance to go. At least it's the bulk of the population that's on the fence -- you know, not on one extreme or the other.

MR. KRINGEN: Let me make it even more complicated. I mean, I associate myself with the comments that both of you had made -- that it's not only what's been said and how it has played out, but for some of the audiences -- adversaries hostile or at least very critical of what we are doing, and I would distinguish between those that are hostile and those that are not happy with our involvement in Iraq -- a mixture of glee that we've had our comeuppance, and relief if they judge that that will enable us to get back to doing some things in ways that they might prefer. Will al Qaeda and others view this as having defeated and depict it as having defeated the sole remaining superpower in the same way that the mujaheddin claim credit for defeating and contributing to the downfall of the Soviet Union? It's an information -- it's a message -- it's -- I actually have a pretty high level of confidence in our ability -- U.S. government, society writ large -- to work the modalities of any decision in ways that minimize the downsides and avoid some of the more cataclysmic predictions of dire consequences of staying or going or doing any other particular course of action. Mike isn't on.

REP. DAVIS: Could you comment on the second question -- on the strengths and weaknesses that -- how that's viewed? Perhaps you don't have enough time. I'm sorry, but --

MR. CARDILLO: Just a couple thoughts. If you look at two of -- nations that we care a lot from a national security point of view -- namely Iran and China -- what they clearly see is our ability to integrate technology into our military operations and in a very closely knit fashion so where you have intelligence and surveillance assets guiding military operations, doing in that real time, doing it at night. So where you see them embarking on their efforts is what Tom alluded to earlier, which is various forms of asymmetric warfare in which they try to degrade those capabilities, whether it's, you know, an anti-satellite program to at least threaten our satellite capabilities or swarms of small vessels in the Persian Gulf. So very much focused on asymmetric approaches and not, frankly, trying to match us one for one in terms of the technology and the forces that we have. REP. SKELTON: Thank you. Mr. Akin?

REP. TODD AKIN (R-MO): Thank you, Mr. Chairman. Let's assume that we do some kind of a scenario in terms of moving out of Iraq and let's say that we managed that to a certain degree so there isn't a big civil war or something there. The people that we're fighting there, though, are then going to be picking new targets to a certain degree, and is it true that they would then probably go after Turkey and Jordan and try to destabilize those countries and make sure that Iraq returns to the column just like Iran? Wouldn't they move to those other more moderate Middle Eastern-type countries?

MR. CARDILLO: One assessment that we have made is that al Qaeda in Iraq has as one of its principal plans conducting external operations within -- in the region. We believe they've been unable to be very successful in those activities. There was indeed an attack on some hotels in Amman that you may remember. But because they've been so preoccupied with their internal operations that mission has gotten shorter shrift. But we certainly believe that Jordan would be part of that, possibly Turkey. Certainly, you know, Israel would be part of their plans but a regional plan, in effect a hub, should they be able to sustain an environment that allows them to do that. So certainly we would see --

REP. AKIN: Would they probably emerge as the leaders? If we move out would they emerge as the leaders in one shape or another in Iraq, or is that hard to predict?

DR. FINGAR: It is hard to predict but I'll make a prediction, one in which I have a fair degree of confidence -- is that it will be difficult for Iran to hold Iraq in its sway -- that the Arabs are not Persians -- that at some point that becomes more important than the Shi'a affinity. As one of the most influential Shi'a clerics has put it yes, he spent a great deal of time in Iran with being under house arrest -- didn't make him warm -- feel warm and fuzzy toward the Iranians. That the very different views of the role of the clerics in governance -- the valyadi haqi (ph) approach of the Iranians is not accepted by the more -- most influential of the Iranian clerics. They believe sort of governance is a bad and dirty thing, and the religious should not be deeply involved in that as a separation of church and state kind of thing -- that --

REP. AKIN: So the Iraqis are more into that separation than the Iranians are?

DR. FINGAR: Yes.

REP. AKIN: Okay.

DR. FINGAR: Yes. That it's just that they reject it as an element of theology. Amir, have I got that right? MR. : (Off mike.)

REP. AKIN: Thank you. Thank you, Mr. Chairman.

REP. SKELTON: Mr. Cooper?

REP. JIM COOPER (D-TN): Thank you, Mr. Chairman. Thank you, gentlemen. I too admire your patriotism but I only have three questions in five minutes so let's both be short-winded. Yesterday in another committee that takes sworn testimony, a former surgeon general of the United States admitted under oath that he had been coached in his testimony before Congress, prevented from saying certain things involving stem cell research, global warming, and required for example to mention President Bush three times on each page of his testimony. Were any of you gentlemen coached by political appointees in your statements before this committee today?

MR. KRINGEN: Absolutely not.

DR. FINGAR: No, Congressman.

MR. CARDILLO: No, sir.

REP. COOPER: And your answer wouldn't change if you were sworn?

DR. FINGAR: Absolutely not.

MR. CARDILLO: Absolutely not.

REP. COOPER: Second question -- when you stress in your testimony that al Qaeda poses the number one threat to U.S. interests, are you unintentionally helping build the al Qaeda brand that in turn may help them franchise their operations?

MR. KRINGEN: I'd say that's a risk. On the other hand, I'm not sure what the alternative approach is given that it is our judgment that in terms of capability -- of attack the U.S. homeland, al Qaeda is the number one threat.

REP. COOPER: Well, this involves some deeper questions but when they are also trying to hijack one of the world's great religions to their violent extremist ends, they may be using us as a means of doing that and we may be playing into their hands by highlighting the threat, you know, that they pose vis-a-vis other organizations. This brings me to a third point which is when you stress that al Qaeda's our number one enemy and then you say, "Well, they're probably operating in an ungoverned space, possibly in Pakistan, maybe Waziristan, who knows," but isn't it interesting that it's an ungoverned space, uncontrolled by the Pakistani government but yet controlled sufficiently by the Pakistani government that we cannot intervene militarily? So it's not controlled but it is controlled. This is the Pakistani paradox. Which is it? DR. FINGAR: Well, there's a difference between the Pakistani government's ability or inability or limited ability to control what happens in that space.

And our respect for the territorial sovereignty of a key ally in the war on terror. It's not that we lack the ability to go into that space, but we have chosen not to do so without the permission of the Pakistani government.

REP. COOPER: Are they a key ally if they fail to help us find America's number one enemy?

DR. FINGAR: Again, it is a mixed picture. The Pakistanis have been extremely helpful and have captured or enabled us to capture a very large number of al Qaeda figures. They haven't enabled us to capture everybody.

John, do you want to add?

MR. KRINGEN: No, I think that's -- that's right. Their track record in what we described as the settled areas of Pakistan, in terms of helping to capture those individuals, has actually been very strong.

REP. COOPER: Aren't you just justifying the very disturbing status quo in which our number one enemy is actually growing in size and has grown since 9/11 and the initiation of the war in Iraq?

MR. KRINGEN: I wouldn't say we're justifying it. We're describing it. I mean, this is the dilemma, sir.

REP. COOPER: But we are not taking actions to diminish the size of our number one enemy, at least not effective actions that would decrease their ranks or decrease their capability.

MR. KRINGEN: In another forum, we can talk about what actions are being taken or not taken at this point in time.

REP. COOPER: It's interesting that we're in a situation in which even Secretary Rumsfeld at DOD tried to change the name of the war from GWOT, the Global War on Terrorism, to GSAVE, Global Struggle Against Violent Extremism, but was unable to do that, as we understand it, due to White House urging. When someone like that tries to nuance the debate or shift the focus, is unable to, and we're back in the same situation we've been for -- for lo, these several years -- a number one enemy in an ungoverned space that's sufficiently governed that we can't catch him, and also admitting in a public forum that the ranks of

our enemies are growing, not diminishing -- that doesn't sound like a formula for success to me. DR. FINGAR: Not -- not to be too overly simplistic, I hope, but part of the dilemma that you correctly identified here is the risk of taking actions in the less-well-governed areas of Pakistan, the federally administrated tribal areas -- the northwest areas -- that could lead to developments in all of Pakistan, that would increase the problem. There are an awful lot of potential recruits that are being engaged in the struggle in Kashmir that are held in check by the security forces in the rest of Pakistan. So it is -- it is not too great an exaggeration to say there is some risk of turning a problem in northwest Pakistan into the problem of all of Pakistan.

REP. COOPER: I see that my time has expired. Thank you, Mr. Chairman.

REP. SKELTON: Thank you very much. We have -- four votes have been called for, one 15-minute, three five-minute.

Mr. Franks.

REP. TRENT FRANKS (R-AZ): Well, thank you, Mr. Chairman. And first I want to thank the witnesses for their testimony and their participation kind of behind the scenes. You're the hidden front line of freedom, and we appreciate what you do very much. Also, I want to thank you for reminding this committee what our responsibility really is, which is to ensure that the U.S. is able to defeat adversaries who threaten U.S. interests.

Having said that, I wanted to address one point quickly. You know, to suggest that we're not doing anything to diminish the -- to diminish al Qaeda is to ignore some of the warfare that's taking place against them. There have been many of their leaders, many of their ranks that have been decimated, and certainly in an ideological war like this, it's important to remember that the -- the image that is portrayed has a great deal to do with whether or not the ranks of recruitment are increased or not. And I just think it's very, very important that we realize that Mr. Fingar's comments about this being an ideological base that ties things together, we need to understand that this -- this ideology is the most dangerous aspect that we face. And that if they see a weakness on our part, or a willingness to back off, I don't think that that's going to diminish them at all. But I had to say that.

Having said that, this committee is going to be considering in the near future extending more rights to enemy combatants, such as in Guantanamo. And former Attorney General William Barr testified before the Senate Judiciary Committee in July of 2005, and he said this: He said, quote, "What we are seeing today is an effort to take the judicial rules and standards -- make them applicable in a domestic law enforcement context, and extend them to fighting wars. Nothing could be more farcical or more dangerous." And I know there's a pretty intense debate about extending the constitutional types of protections that we give to those that live in this country to those that are combatants against this country outside the nation. But Mr. Cardillo, I'd like to perhaps start with you. What do you think would be the impact of that? And what do you think is the proper approach? Do you think that we should extend these kinds of judicial rules that we apply to domestic law enforcement to enemy combatants?

MR. CARDILLO: I do appreciate the question. I really must tell you, I don't believe I'm qualified to answer it.

REP. FRANKS: Would there be anybody else on the committee that would -
- or, the panel -- that would want to take a shot at it?

MR. FINGAR: No. I think it would be inappropriate.

REP. FRANKS: All right. Well, let me shift gears, then. Let me get
back to Iraq.

We'd talked about, earlier, that some of the prognostications about
Vietnam did not materialize, but isn't it true that somewhere around between 1
(million) and 2 million people died after the U.S. withdrew, mostly Cambodians,
and that that was a human tragedy all by itself, and that if indeed we withdrew
from Iraq abruptly, what do you think -- and Mr. Cardillo, I'll start with you
again here, and we'll run down the line. What do you think would be the human
impact, and how do you think that that would affect both the image of the United
States on the world stage and al Qaeda's ability to recruit additional people,
and if the Iraq government did not stand, what do you think would be the
outcome?

MR. CARDILLO: Sir, if I could equate your statement "abrupt
withdrawal" with what we called a "rapid withdrawal" when we did our assessment,
we would agree that the conditions would deteriorate and that the amount and
intensity of sectarian violence would increase. I can't give you a number,
okay, to say what that would equate to --

REP. FRANKS: To go beyond sectarian violence, how -- how do you think
it would impact terrorist recruitment that might come against the United States?

MR. CARDILLO: I know it would be used, okay, as a marketing tool and
an attraction for their cause. Again, I think if it was abrupt, okay, and
caused those conditions to occur that we think would happen, it would also be,
in a sense, a force multiplier for those -- for that recruitment.

REP. FRANKS: Compare with me for a moment the difference between us
staying there until the Iraqi government can stand by itself, or withdrawing too
-- too soon to where the Iraqi government falls. Fall or stand, what's the
difference in, do you think, the outcome, as far as the security of the United
States goes?

MR. CARDILLO: The security of the United States would be better served
with an Iraq government that could stand on its own. REP. FRANKS: Well, thank
you, Mr. Chairman. I'm about out of time.

Thank you.

REP. SKELTON: Mr. Murphy, let's try to get you in before we break for
the four votes.

REP. PATRICK MURPHY (D-PA): Thanks, Mr. Chairman. I appreciate it.

I've always said, Mr. Chairman, that the American people don't need to
be reminded that we need to win the war on terror. What we need is leaders who
put forth a real plan to do it. And I have been outspoken in my views that the
current administration has failed to offer a real plan to win the war on terror.

Gentlemen, I appreciate your service to our country, but I believe one
glaring example of this administration's failure has been our relationship with

Pakistan, and I echo the sentiments of Representative Adam Smith, Rob Andrews, Mr. Cooper, in their earlier lines of questioning.

I don't have time to recite all the troubling accusations recently made toward our ally, but I want to name a few. One, a peace deal that allows Islamic militants allied with the Taliban and al Qaeda to operate freely and increase in strength, a situation Pakistan's own interior ministry called, I quote, "a general policy of appeasement toward the Taliban." Two, at least one account by our American soldiers that Pakistani security forces fired mortar shells and RPGs in direct support of Taliban ground attacks on the Afghan army post. And three, recent accounts that Secretary of Defense Donald Rumsfeld aborted a raid on al Qaeda chiefs in Pakistan in 2005. The U.S. has provided \$5.6 billion in coalition support funds to Pakistan over the past five years, with zero accountability. As one senior military officer described the situation, "They send us a bill and we just pay it."

So my questioning is twofold, then -- it goes hand in hand. One, why is Pakistan still being paid these large sums of money, even after publicly declaring that it is significantly cutting back patrols in the most important border area? And second, I'd like to echo a sentiment first expressed by Senator Jack Reed: Why are we not paying for specific objectives that are planned and executed by the Pakistani military, rather than just simply paying what the country bills us?

Gentlemen, I'd like all your responses to that two-part question. Thank you.

MR. KRINGEN: Congressman, I'm not sure how to answer it, because they're questions for those who make and implement policy here. The question of why the administration is doing things one way rather than another is not a subject that we --

REP. SKELTON: Well, do your -- do your best to answer the question, please.

MR. FRINGEN: I have to assume that the calculus of costs and benefits and risks associated with the strategy has led to the conclusion that what is being done is appropriate. What the elements of that calculus are, I don't feel qualified to speculate.

Either of you want to add to that?

DR. FINGAR: The only thing I would add is to one of your first observations there, we would agree that the peace deal in Waziristan has not been helpful in terms of the anti-terrorist effort. Musharraf's rationale for that was that in the long run it would create the political space to create a more stable environment. From our assessment, we have not seen the developments go in that direction, but actually in a negative direction. So we would second one of the premises of your question there, sir.

MR. CARDILLO: Without speaking to the dollar amounts, and -- and in the measurands along with that, we would -- we would agree that there are conditions that have come on the backside of that agreement that have made it more difficult for us to achieve objectives. And so from an intelligence assessment perspective, we've seen more downside than up.

REP. MURPHY: Can you elaborate on that last point, more downside than up in regards to --

MR. CARDILLO: Well, because -- look, there was an agreement to provide an additional amount of confidence and security on the adversary side. The trade was to be an eventual increase in governance in the area. So when I say we've seen the first part of that go through but not the second, at the end of the day, we see a worse condition than was before the agreement.

REP. MURPHY: Well, gentlemen, I know with your professions in the intelligence industry and being someone that worked with our intelligence units in Baghdad when I was there a few years ago, when you give them specific objectives and the carrot that you use is financial carrots, would not it make more sense to hold specific objectives to, and give them to the Pakistani government and hold them accountable for these financial carrots, these 5.6 billion American dollars that we're giving them? Yes or no?

MR. FRINGEN: I think the answer has to be yes, that provision of assistance should be properly tied to expected outcomes. And the outcomes for which people have committed, they should be held accountable for.

REP. MURPHY: Thank you. Gentlemen --

REP. SKELTON: We have three minutes within which to make the vote, and gentlemen, we shall return. We appreciate your waiting for us for our four votes. Thank you.

(Recess.)

REP. PHIL GINGREY (R-GA): Mr. Chairman, thank you so much.

Gentlemen, I apologize for coming into the hearing a little late this morning. I missed most of it. And I'm sure that there's a possibility that my question has already been asked and answered, but if you'll bear with me.

First of all, I really appreciate, as I read your bios, the important work -- life's work, really -- that you guys have done for the country. And it could not be more important. So this is very timely and we're very appreciative of it.

I am, if you don't know, in my prior life a physician. I practiced medicine for 31 years before being elected from the 11th district of Georgia.

This situation that occurred recently in London and Glasgow was bad enough, but when we realized that the perpetrators were, in fact, mostly physicians or health care workers -- and I was absolutely appalled by that, and then I realized, of course, that they were working for the British health care system, national health care system. So it concerns me.

We have some great, great doctors in this country or foreign medical graduates. Don't let me suggest that they are not doing a great job for us, and they do. But I've been real concerned about things like the Visa Waiver Program, and maybe now we ought to take a step back and look at the J Visa Program, which would pertain to foreign medical graduates.

The question that I'm leading up to is this. We enjoy and promote and talk about how important the global economy is and global connectivity and how

that is the wave of the future -- fair, free trade and all of this. How does this play into what you worry about at night? What keeps you awake at night?

Do you concern yourself with things like the visa waiver program when you have 27 countries from Western Europe, mostly, that we, you know, back in 1978, or whenever this program started, probably to promote tourism and globalization, global economy, whatever -- and now there's also a move afoot to even expand that to additional countries. And yet, you know, we, in our law and the Patriot Act, a border security/secure entry bill back in 2001, we said, "At a date certain we've got to have U.S. Visit. We've got to make sure those countries have passports based on biometrics so that, you know, we're not just stamping something that could be anybody."

I'd like for you to talk about that a little bit and respond. It's not in the way of a question, but maybe each one of you can touch on that a bit.

Thank you, Mr. Chairman.

DR. FINGAR: I'll take the first whack at it. And this is more reverting to my previous position in the State Department.

I actually don't spend a lot of time worrying about the visa waiver program. As you know, I'm sure, Congressman, that one of the reasons that it exists is to be able to concentrate the resources, consular officials and so forth, in areas judged to be higher threats, or risk management; "x" number of consular officers and "y" number of interviews able to be conducted, put them in higher-threat areas.

Other aspects of managing the crossings of our border. Knowing where people are when they come here, knowing whether or not they have actually departed in accordance with the visa, is something that troubles me a little more.

But I think the movement of people, the movement of ideas, the familiarity with our country, the number of people who come, the vast majority of whom are not a threat to us, that pick up understanding, even if not greater affection for us, that then I judge that it nets out to a benefit to us when they go home and have had a positive experience and can talk about what America is and counter some of the caricatures of what life is like in America, whether it is standing up in a community hall or religious institution.

REP. GINGREY: If I can -- I know I'm running out of time. Mr. Chairman, I talk too slow. But in regard to that, I think we're talking about today, though, a soft underbelly, if you will. And I would agree with what you just said in 1978, whenever visa waiver was started, and the purpose of which. That all makes sense. But I'm concerned today. I wish I had more time, because I would love to hear Mr. Cardillo and Mr. Kringen also respond, Mr. Chairman. But I see I'm limited.

REP. SKELTON: We will have a second round shortly.

Mr. Sestak.

REP. JOE SESTAK (D-PA): Thanks, Mr. Chairman.

Sir, Mr. Fingar, when you spoke about the rapid drawdown in your conclusions of what would occur, did it include in the outcome that you said the

efforts, if it were to happen, that would be also happening at the same time, potentially, if Iran, Syria, Saudi Arabia were serious about trying to accommodate stability in Iraq. Was that part of your assessment of it spiraling downward?

DR. FINGAR: No, that was not part of it, sir.

REP. SESTAK: Okay, the second question, then, is, you spoke that negotiating with Iran would be hard. But you said, "I'm not suggesting we not do it." You also said -- I think you, sir -- that Iran is inflicting pain on us because we're there. And then you said, "But it doesn't want a fractionalized government."

What does your intelligence say, that if Iran were to work, in what your testimony said had great influence on select extremist groups, knowing that a lot of this violence is being perpetrated by extreme violence group, what would your outcome then be, if we're there and/or if we're not there?

DR. FINGAR: The framing of the answer is that the Iranian links to extremist groups like Hezbollah -- there's an indirect -- Hezbollah assisting in training of groups that attack us in Iraq --

REP. SESTAK: Understand that. But what would be the outcome?

DR. FINGAR: I'm honestly not sure how to answer that question.

REP. SESTAK: Wouldn't it be important to answer this? As I go through your testimony, it's a great snapshot, but it's a good snapshot, primarily upon the military situation. And yet intelligence has so much to do with the political intelligence, diplomatic intelligence, economic intelligence. And this is such an important part, people have said, can Iran be part of the solution?

DR. FINGAR: Iran, ultimately, has to be part of the solution, in my view -- that when violence is reduced, governance is improved because it is a major nation in the region, and there are long, historic conflicts with Iraq that --

REP. SESTAK: Sir, not to interrupt, but only because of time, if that is so, and the United States were to have its influence be such that it could do, what, negotiate hard, it doesn't want a failed coalition -- government -- what would the outcome, in your intelligence estimate, be for Iraq, whether we're not there in a year to 18 months, or if we were there? Then first -- first, please

DR. FINGAR: I could --

REP. SESTAK: I mean, this is an important issue --

DR. FINGAR: No, I certainly --

REP. SESTAK: This is about the force of law is about -- that some -- they pretend to go through the Congress saying we're not there. What if Iran were pulled into this, where she doesn't want a failed government. DR. FINGAR: The difficulty I have square -- AND I'll hand off in a moment -- (laughs) --

REP. SESTAK: I understand.

DR. FINGAR: -- is that for Iran, the nature of what is left and what is our role. They don't want an Iraq in which we, in some form or another, could be conceived by them as a threat to their existence. It might have to do with basing, it might have to do with -- for us, it would be a training presence. For them, it would be a hostile --

REP. SESTAK: Could I assume, from what you're saying, it's an important ingredient to think about?

DR. FINGAR: Absolutely.

REP. SESTAK: It's an important ingredient that, potentially, if we have no bases, it might be more attractive to them?

DR. FINGAR: I think all of the kinds of issues you addressed --

REP. SESTAK: So your intelligence supports that dealing with Iran may well be one of the keys to an unfailed state, including not being there.

DR. FINGAR: I would put it slightly differently. The intelligence --

REP. SESTAK: Slightly.

DR. FINGAR: -- makes clear that Iran is a very important player in the Iraq mix.

REP. SESTAK: I'm out of time, but then is there a possible strategic approach to redeploying and not leaving a failed state?

DR. FINGAR: I hope so.

REP. SESTAK: Thank you.

REP. SKELTON: Ms. Shea-Porter, please.

REP. CAROL SHEA-PORTER (D-NH): Thank you.

My question has to do, first of all, with a question about why have we lost so many friends in that region? And could you tell me where we were, in your opinion, six years ago versus now for the Middle East and what you attribute -- if you see the loss of respect and loss of support and loss of available intelligence information, what you attribute it to, please.

And I welcome anybody to answer that. Or all three.

MR. KRINGEN: If you could take another run at the question, because --

REP. SHEA-PORTER: Okay.

MR. KRINGEN: I'm not quite sure I quite understood.

REP. SHEA-PORTER: Looking at what's happened in the Middle East in the period of maybe six years now --

MR. KRINGEN: Okay.

REP. SHEA-PORTER: -- and looking at how much more difficult our relationships are with other nations -- the lack of support, problems with intelligence, et cetera -- what do you attribute that to? Do you think it's actually policy -- I realize you don't make policy, but I'm asking you to just speak about if you think that our involvement in Iraq has been detrimental to your ability to get the intelligence and to make friends -- basically, why have we lost so many friends in the region and there's so much hostility -- and also address the growth of the terrorist groups in that region.

MR. KRINGEN: In terms of the growth of terrorist groups, there is little not -- little doubt, I think, that our engagement in Iraq has served as a focal point for Sunni extremists to flow into that conflict and has served as a rallying point, more broadly, internationally. In terms of our relationships, I guess I don't see them as -- have changed as much as you would -- it seems implied by your question in terms of our relationship with Jordan, Israel, Egypt -- other countries in the region. I don't -- they may in some cases be critical of U.S. policy actions, but I don't see that having resulted in a major shift in their orientation towards the U.S. role in the Middle East, which they still see as very important, something that needs to be maintained. So maybe if you can give me a little bit --

DR. FINGAR: Let me take a run at it, building on what John has said.

That -- I would distinguish between discontent in the region with things we are doing -- attacking an Islamic country, occupying an Islamic country in their characterization of it, propping up governments so that we have access to oil. Again, in the way they would conceive of it as opposed to hostility towards American values, American way of life. One of the great ironies is the length of visa lines in these countries are people who want to come and study and take part in the world that we're in.

The second is the growing political awareness through -- again, the Internet and satellite television and everything else of populations that are basically dissatisfied with the quality of governments and quality of life and the non-responsiveness of their own governments and see us as playing a role in supporting their governments, warts and all for our interests that they don't see as consistent with their own political --

REP. SHEA-PORTER: Let me change the direction, maybe.

Is it harder for you to get intelligence now from that region than it was six years ago? Is it harder for you to have a handle and find out what's actually happening on the ground and more difficult to track terrorist activity than it was six years ago? Are their fewer people willing to speak up?

MR. KRINGEN: No.

DR. FINGAR: No.

REP. SHEA-PORTER: No.

Okay, can -- let's shift to Europe, then. Would you say that our relationships with Europe are strained over policies, and is it harder to work with Europeans for that reason?

MR. KRINGEN: I think that in -- don't want to talk broadly about Europe because with all places, it's country-dependent. But indeed, clearly in

places like Italy and Germany, as you can see by various legal actions they've taken -- that they are concerned about some of the things that we've done with regard to counterterrorist activity. Yes, ma'am.

REP. SHEA-PORTER: Does it worry you about our ability to get them to see us in a warmer light -- in a friendlier light?

MR. KRINGEN: I'm less worried about seeing us in a warmer, friendly light than getting the kinds of cooperation that we need to go after the terrorists of interest. And once again, that varies according to countries and so some are very supportive and others are less supportive, I would say.

REP. SHEA-PORTER: Okay. I know that surveys show that Europeans try not to buy American products. I think that's reflective of something going on there that worries me about our ability to get the information if we're not seen in the same regard.

Thank you.

DR. FINGAR: Okay.

REP. SKELTON: Ms. Castor, and then we can go back at Dr. Gingrey for a second round.

Ms. Castor.

REP. KATHY CASTOR (D-FL): And thank you, gentlemen, for your testimony and report here today. Your global security assessment paints a very serious and stark picture in the Middle East and Iraq. When you state that Iraq is at a precarious juncture and communal violence and scant common ground between Shi'as, Sunnis and Kurds continues to polarize politics, and that given the current winner-take-all attitude and sectarian animosities infecting the political scene, Iraqi leaders will be hard-pressed to achieve sustained political reconciliation. And despite the fact that the American people have now spent over \$450 billion and suffered great loss of life by very courageous men and women in service, you state that the current security and political trends in Iraq are moving in a negative direction.

I'd also like to focus on the regional concerns, and particularly the nations that have been our friends and have had some strategic interests in common over the years. You state here in your report -- in the assessment, "Friends of the United States in the region are concerned about the consequences of growing instability in Iraq. Many are increasingly apprehensive about Iraqi ethno-sectarian strife, agitating their populations. And all of our allies in the region are nervous about the growing role of radical Islamists, the spreading of Iranian influence and refugee flows." Could each of you go around the region -- maybe country by country -- and as we begin to consider more of a redeployment strategy, where can we look and where can we bring pressure to bear, country by country? What are their strengths when it comes to their military capability -- their ability to step into some of the training roles, intelligence gathering, resources that they can bring? If you could give us a snapshot of folks in the region that have those same security interests, that would be very helpful and enlightening.

DR. FINGAR: Want to try the military?

MR. CARDILLO: Sure, I'll start on the military roles.

Well, first of all, you're exactly right. I mean -- in that our assessment is that if we get too focused on a particular governance issue and problem, we'll miss the opportunity that the region does offer. I think that we've already found to date good contributions from allies to enable support, whether it's the training roles that we've had assistance in -- and it's our assessment that what we need to do is we need to leverage that mutual concern for stability so that it isn't those allies looking at us to make the decisions and implement all the actions.

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So -- but as much in life it's finding that balance between turning their good intentions into actions versus in some cases them actually benefiting from our lack of success, if you will. So what we have to do is we have to turn that equation around and find ways to leverage their interest in the stability. As Dr. Fingar mentioned, no one is interested -- none of the governments in the region are interested in a fractured state, so how can we invest those strengths that they have on the military side to be part of the solution?

MR. FINGAR: That we -- I would agree with what Robert has said -- that highly desirable to look for ways to cooperate with the region in areas of mutual interest. Among the hurdles that one has to get over to do that are Arab states -- the Sunni Arab states look at Iraq -- they look at the Iraqi government -- they look at the Shi'a demographics. The Shi'a dominate the government because they won an election and they're the largest chunk of the population. I think many look and they see the Shi'a in Iraq as a cat's paw or an extension of Iran. So there is a -- sort of a do you help your principal adversary while Iran is feeling full of itself, and sort of getting over that. The concerns about Sunni-Shi'a tensions that are high, perhaps higher than they've been in a very long time, and willingness to run some domestic risks by engaging what for our perspective would be an international geopolitical stabilization effort that has an element of taking sides in a religious conflict. Are there capabilities in the region in Egypt and Jordan and Saudi Arabia? Yes. How easily can they be tapped? That's a much more difficult -- well, and problematic question to get at -- (inaudible).

MR. KINGREN: No, I would agree. They are in many cases fairly direct in laying out their concerns about the Shi'a-led government in Iraq, and clearly have difficulties fully supporting a government of that nature, and so it's -- you would say at this point they haven't done as much as we would have liked I think them to do, and as Tom laid out that's a big hurdle for what we can expect them to do in any kind of future scenario.

REP. SKELTON: Thank the gentleman. Mr. Taylor, gentleman from Mississippi.

REP. GENE TAYLOR (D-MS): Thank you, gentlemen, for service of sticking around so long. My last memory of Kuwait around Easter time as we're flying out just after dark and I'm seeing a convoy of approximately 300 vehicles forming up headed towards Iraq, and it really is one of those moments where you scratch your head and say, "How is it that they're safe here but the moment they cross they burn?" So my question to you, as the experts on that, is what have the Kuwaitis done in order to stymie violence in their country, and do you see that as sustainable? Or am I wrong? Is there violence going on that I'm not aware of?

DR. FINGAR: Kuwait is -- does not have a high level internal violence that the government has -- to use words like liberalized and democratized and so forth probably overstate the situation -- but have been responsive -- increasingly responsive to the national needs. It's a population that knows they suffered horrendously during the period of the Iraqi occupation, and there is a recovery -- there is a we can put aside a lot of differences because we don't want to go through that again operating, I believe, in that country. And they do seem to be pretty well able to resist efforts at outside meddling. I don't know, John or --

MR. CARDILLO: I would agree.

DR. FINGAR: (Eric ?), do you want to answer?

MR : The only other thing I would add to what's already been said regarding Kuwait is that Kuwait has such a long history of managing Shi'a unrest, and the majority of the population in Kuwait is Shi'a and as a result the Sunni problem is sort of a relatively new one and the Kuwaitis have had a -- have a long history of sort of looking, you know, being able to identify in a very, very small country where trouble spots may be and using that experience in the past of managing the Shi'a problem -- sort of apply it to the -- what is now a lesser problem of Sunni extremism.

REP. TAYLOR: If you had to guess what percentage of the -- jumping to Pakistan, what percentage of the OSI (sic) rank-and-file would you say are sympathetic to the Taliban or al Qaeda?

DR. FINGAR: ISI -- this has been an issue that we've spent a lot of time and energy on. It's clearly a very mixed picture. I don't think our intelligence base would allow us to label percentages but we are concerned that some of the folks who should be the folks damping down those issues are indeed sympathetic, but in terms of a number or a percentage or anything like that I -- we don't have the data to support that.

REP. TAYLOR: Does that start with President Musharraf or does it start one level below him? Two levels below him?

DR. FINGAR: We're -- you know, we're not in a position to kind of lay that out. I would say in terms of President Musharraf himself we don't think that's an issue at all, sir.

REP. TAYLOR: And jumping to Afghanistan, how long has President Karzai's brother openly been in the drug business? MR FINGAR: I know there are reports of him being in the drug business. Those reports have been for -- longstanding. I'm not in a position here to kind of verify or deny those reports.

REP. TAYLOR: Well, let's just pass it on as how long has the average Afghan on the street been aware of this as something you are aware of?

MR FINGAR: Oh, many -- these allegations have been longstanding for multiple years, sir. I -- whether it's, you know -- two or three years easily I would say, sir.

REP. TAYLOR: Okay. Thank you, Mr. Chairman.

REP. SKELTON: Thank you very much. Dr. Gingrey?

REP. GINGREY: Mr. Chairman, thank you for the opportunity of the second round of questions and I do want to go back to my original question. Dr. Fingar, you have answered it basically. I think I heard you say that it doesn't keep you awake at night -- the visa waiver program and the fact that we don't have any really good way of tracking people that come to this country as tourist or for business purposes up to 90 days, and I am concerned about that. I'd like to hear Mr. Cardillo and Mr. -- Dr. Kringen also respond to that.

MR. KRINGEN: Let me start off. I would say I -- because I'm not responsible for the visa waiver program I also don't spend a lot of time on it. What I am concerned about is --

REP. GINGREY: But you, Doctor, are the director for intelligence of the Central Intelligence Agency.

MR. KRINGEN: No -- no. But I'm saying I -- I'm not involved in the implementation or policy decision about the visa waiver policy. What I will tell you is we are very concerned about the capability of terrorist groups to use Europe as a venue and a launching point for terrorists -- bringing terrorists into the United States. We are very concerned about the connection that clearly exists between British citizens in some cases -- British immigrants in other cases coming out of Pakistan.

And so that connection between Pakistan, the U.K. and then the potential for those individuals to get into the United States is a matter of exceedingly high concern to our agency, which is why we work very closely with various elements of the British government -- in this particular case, to be able to run to ground all reporting that bears on any individual -- British citizen or otherwise -- who may have a terrorist connection.

So we do think there is an issue there that we need to monitor very closely. And from an intelligence point of view, the way we tackle that is by working closely with our European partners.

REP. GINGREY: And I'm relieved to hear that response.

Mr. Cardillo.

MR. CARDILLO: I would share the concern. We -- first to your broader point about the globalization issue and access to markets and to talent, if you will, skill sets across the world.

I do hold my analysts accountable to be -- A, aware of that context within which we're working now. And as Dr. Fingar has mentioned in his testimony, there are plusses and minuses to that fact, that condition in the background.

To your specific question I share Mr. Kringen's concern, which is to the extent that there are leaks in the system that cause us to lose track of persons of interest or threads of threat both here and to deployed forces abroad because -- you know, our defense forces are around the world, and you can strike at the United States and not do it here in the homeland, as has been done in the past. So for both of those reasons, sir, if it in anyway inhibits our ability to maintain that track, we have a great concern.

DR. FINGAR: Let me sir, if I may.

REP. GINGREY: Yes, Dr. Fingar.

DR. FINGAR: I clearly failed to convey what I wanted to.

The visa-waiver program piece of it -- I worry a lot about being able to track. You can interview people at one end or can do a very good job of accounting for them when they get here. And absolutely screening -- we ought to know where they go and follow -- that whether you pick it up on the front end or you screen against the same databases when they arrive at the point of entry, we absolutely should be doing that -- utilizing the lists of who was on an airplane and notification ahead of time that there are alternative mechanisms that I believe give us the capability to identify who is coming in, identify them at point of entry. And that the weak link, in my view, is sort of after they arrive.

REP. GINGREY: Well, Dr. Fingar, I'm glad you clarified and I appreciate that.

And just in my concluding seconds, that is my concern. A chain is only as strong as its weakest link. And that's a trite expression, but clearly we've got some concerns here. And we've got to be able to identify these people. And maybe it sounds draconian to say that -- you know, we ought to temporarily suspend the program until these countries abide by the provisions of the Patriot Act, that they have biometric passports so that we can put that through data processing and know exactly who's coming into this country.

And then, of course, if they are clear -- everything's fine -- but yet, stay beyond the 90 days - whether it's for business or tourism - we need to be able to find them.

And I yield back, Mr. Chairman.

REP. SKELTON: Ms. Shea-Porter. Second round.

REP. CAROL SHEA-PORTER: Thank you very much.

I wanted to return to my question, if you gentlemen would please. My concern here has to do with our nation's security and our troop safety. And so I wanted to return to the question that I asked you before. Our policies are not hampering our ability to get intelligence from individuals in that region. Is that so?

Our policies are not hampering our ability to get intelligence from individuals living in the region around Iraq and Iran and Syria? We have the same level of intelligence that we can get from individuals as we did six or seven years ago?

MR. CARDILLO: I would just say it's difficult to give a blanket answer, because obviously it's mixed. But I would agree with Mr. Kringen's earlier statement that on the whole, our relationships which are mutually beneficial are in fact enhanced since, if you use six years ago as the baseline.

DR. FINGAR: We're looking for different kinds of information than we were six years ago. I associate myself with both John and Robert. And we are getting cooperation. We are getting information that six years ago we were not looking for the kind of tracking, targeting kind of data on specific terrorist-

related individuals, movements of terrorist monies moving around and so forth -- that we're asking different questions. The granularity of what we need is much greater and we're getting -- you know, not everything we want, of course.

Might more people come forward if they had a more positive view of us? The critical element here is that segment that knows something about the bad guys and might be willing to tell us about it. And sort of at the margins, presumably it's a smaller pool willing to tell the crown jewel kind of information.

REP. SHEA-PORTER: But there's no extra challenges getting information from individuals who live in the area who, because of policies or their grievance, they don't agree with the United States? You don't think that's hampering our ability to find out, for example, if there's a terrorist attack planned, if they're going to be attacking troops in two days or if there's some action along the border? That is not impacting is what you're basically saying?

MR. KRINGEN: I think you have to distinguish between in the region and within Iraq. And I would say within Iraq that the disposition of individuals to provide intelligence to us varies according to whether they think that our presence there is going to be helpful act.

And I would cite current developments in Anbar as a case where previously a lot of the tribal elements were resistant to working with us against al Qaeda. Now they are, in part because they see that as something that is helpful to them.

So within that particular complex you've got Sunnis, you've got Shi'a, you have Kurds. They all have very different views of the U.S. presence. And those very different views within Iraq clearly drive their willingness to collaborate with us.

The Sunnis have the most concern about our role in Iraq. The Kurds have the least concern. The Shi'a are very much in the middle, and therefore present a mixed picture. So within Iraq it clearly does shape who we can work with.

REP. SHEA-PORTER: I understand that. Thank you.

What I'm concerned about is that we're not getting the intelligence we need. And then I also wanted to ask you once more about the European nations and our strained diplomatic relationships with some of the nations because of the policy. This is not in anyway interfering with our ability to share information on individuals or possible terrorist activities? You're saying that you feel that other nations that may disagree with us for our Middle East policy are just as forceful about sharing and including us in intelligence. So we're not impacted at all.

MR. KRINGEN: What I would say and tried to say before, but clearly didn't articulate it well, was that working with us varies according to a lot of variables. The capabilities of the particular government in terms of their ability to go after terrorists, the legal regimes within which they operate, as well as kind of their attitudes towards the United States. All of those shape how we are able to get information or not get information from those countries.

So it's not -- it's certainly not uniform across all those countries by any stretch of the imagination.

REP. SHEA-PORTER: So it's not a yes or a no answer. I just wanted to

--

MR. KRINGEN: Because it's highly variable, based on the -- a number of different criteria of which, you know, government attitudes --

REP. SHEA-PORTER: So bad attitude towards us could impact the amount of intelligence that we receive?

MR. KRINGEN: Absolutely.

REP. SHEA-PORTER: That's what I need to hear. Thank you.

REP. SKELTON: Mr. Sestak, do you have questions?

REP. SESTAK: Yes, sir. Two questions.

Dr. Fingar, I was struck by I think what you said, that the army of Iraq is rift with sectarian militias. I think it speaks to the issue of whether some talk about their training is adequate. I've kind of always disagreed with it. I've always thought it was their motivation and allegiance. To some degree, reports are that half of them never show up for work.

When I was in Iraq with Senator Hagel from Nebraska, I was struck -- and I bring these comments up by the report of a message recently that Ambassador Crocker sent forward that alleged that he was not struck by the A-team quality he would expect where our troops are engaged in a war. When I was there, I asked the question of -- and I think your head there was actually an acting head when I was there -- and I was struck by the youth that was there, but youth can do a lot. But I was also struck that I was not able to get an answer to who is loyal to whom in these units.

And I bring that up -- and who will be where -- because if that's background, people talk about post-surge training. Does your intelligence give us any confidence that if we are to leave troops behind -- 50,000, 20,000 -- that you would feel comfortable that you can embed them for training in an Iraqi unit whose loyalty is not suspect and whose motivation to fight well, to protect our trainers is there?

DR. FINGAR: That's basically a question that should be directed to the military or the intelligence side of this.

John, do you want to answer that or --

MR. KRINGEN: When you take a look at the performance of embedded troops to this point and the casualties they've taken, frankly I think what we -- from an intelligence perspective -- see is a manageable risk.

REP. SESTAK: I'm talking post-surge -- 50 (thousand), 40,000.

MR. KRINGEN: Those kind of conditions -- now, it's hard to say. That is going to depend upon, for example, is there a plus-up in embedded soldiers, number one? Number two, there have been plans in the past to put in position the security detachments precisely to provide the kind of security you're talking about. But --

REP. SESTAK: I'm talking training of the Iraqi troops, though, sir, not the security detachments. MR. KRINGEN: The security detachments we're talking about are those that would in fact protect the embedded soldiers.

REP. SESTAK: So we would need our U.S. security combat forces to protect our embedded trainers.

MR. KRINGEN: Yeah. But you know, for lots of reasons: both to protect them against insurgent terrorist activities --

REP. SESTAK: I understand. So in a sense, we should not look at this training mission post-surge some talk about as just embedding some trainers and taking out our combat forces.

MR. KRINGEN: I'll take --

REP. SESTAK: Your intelligence indicates we'd need U.S. combat forces to remain to protect the embedded trainers.

MR. KRINGEN: I'm saying there will always be a requirement for what we call "force protection", and that force protection mission will either be performed by the trainers themselves in areas and in units where that's, you know, feasible. But where it's not, you're probably going to have to provide some additional form, and we know --

REP. SESTAK: Can you define which units are more loyal than others at this time?

MR. KRINGEN: Our reporting shows -- and we have reports that would give us some indications of units that have performed better in that regard than others.

REP. SESTAK: All right.

MR. KRINGEN: And as I said earlier, the fact of the matter is is that this is not a phenomena that goes across all units.

REP. SESTAK: So it's still to some degree an art, not a skill.

MR. KRINGEN: Absolutely.

REP. SESTAK: Second question has -- you said -- which I though was an important statement -- that the number one threat to America's homeland is al Qaeda. Where do you believe the center of strategic risk or the center of strategic gravity for U.S. security interests lies? This is a global assessment.

MR. KRINGEN: I think it is -- my answer to that would be the Middle East -- the Middle East writ large, that for the energy dimension, for the proliferation dimension, the danger -- the potentially seriously destabilizing impact of an Iranian nuclear weapon in that portion of the -- REP. SESTAK: I'm out of time.

MR. KRINGEN: (Inaudible.)

REP. SESTAK: Could I just have one last 30 seconds, sir?

REP. SKELTON: (Off mike.)

REP. SESTAK: May I ask you -- and I'm sure you're right, but can you also as you answer comment upon other types of -- not just military, but the financial, the economic security, the policy security of the Middle East versus Western Pacific -- China? And you did a very good job, I thought, earlier, describing some sides of China that people don't normally think about. But those two areas -- do you still rate the Middle East as the center of strategic for the decades to come?

MR. KRINGEN: I do, although the -- the danger of tension in Northeast Asia where you've got nuclear powers up against one another, where you've got a little bit of a wildcard regime in Pyongyang, where you've got the unresolved issues of the Cold War across the Taiwan Straits and the demilitarized zone, where the amount of armament, the lethality of the weapons that are involved, the deep historic suspicions and animosities increase the danger of miscalculation.

REP. SESTAK: Yes, sir. Thank you.

REP. SKELTON: Gentlemen, thank you.

Let me finish by a comment. Your testimony today, other than an early reference, Dr. Fingar, seemed to omit Latin America entirely. I suppose as a result thereof, it does not rise to the level of the other parts of the world. Is that correct?

DR. FINGAR: Well, the written statement for the record includes Latin America. I mentioned Venezuela, and I mentioned --

REP. SKELTON: Yes, you did. You did that, but you did not mention the other areas.

DR. FINGAR: That's correct. I did not do so in terms of trying to hit the greatest threats to the United States. Happily most of South America is not in the category of "grave threat to the United States".

REP. SKELTON: Would you expand on one other topic? You did mention the Persian-Arab differences -- Iraq really being Persia.

DR. FINGAR: Iran.

REP. SKELTON: The Arab countries -- or, the rest of what we call the Middle East. How deep is that division? I know it should be historic, but how deep is that division and how can we best take advantage of it? DR. FINGAR: The short answer, it is a very longstanding and deep --

REP. SKELTON: Excuse me, I think I said Iraq. I meant Iran.

DR. FINGAR: Yes. You meant Iran. Yes, I realized that, Mr. Chairman.

That the division is very longstanding and very deep; that rather than thinking about how we can take advantage of it, I think we need to think harder about how to deal with it as a fact of life in the region; that attempting to sort of exploit it seems to me to be fraught with an enormous number of problems. Conversely, failure to grapple with it as a part of the solution -- and it was suggested by many members' questions about bringing the states in the

region into any type of a solution for Iraq, a longstanding security or stability framework -- we simply have to recognize that there is a division there that, much as we as sort of Americans say will say, "Can't you get over those differences?", the people in the region aren't there yet.

Anybody want to add to that?

REP. SKELTON: Well, gentlemen, thank you for your excellent testimony. And I know we've kept you a bit longer than you had anticipated, but we did have the votes in between. Certainly good of you to do this. And with that, we will adjourn the hearing.

Thank you.

DR. FINGAR: Thank you.

MR. KRINGEN: Thank you, Mr. Chairman.

MR. CARDILLO: Thank you.

END.