Mr. Chairman and Commissioners:

Chairman Kean, Vice-Chairman Hamilton, Members and Staff of the Commission, families and friends thank you for the opportunity to share with you my reflections on the formation and coordination of national policy to fight terrorism, as well as my recommendations for the future.

The pain of September 11 still is present in our hearts. Plans to rebuild on the World Trade Center site remind us on the one hand of our nation’s resilience, but also of the losses that can never be replaced and the voids that will never be filled. We have an obligation to explore the events that led up to that terrible morning. In order to look forward, we have to look back – to ask tough questions and demand honest answers. For all the efforts of successive administrations, September 11 was not prevented. We were hit. It was horrible. That’s a blunt and tragic fact. And all of us want to learn the right lessons to make sure it never happens again.

At the same time, as your intensive investigation surely has revealed, it is easier to see how puzzle pieces fit together when you have in hand the final picture. History is written through a rearview mirror but it unfolds through a foggy windshield. Our challenge now is to sharpen, to the greatest extent we can, our ability to look forward, because the dangers and opportunities our country must confront lie before us, not behind.

In that spirit, what I’d like to do today is, first, put into perspective the National Security Council’s role in counterterrorism policy during my tenure, and the national strategy against terror that we advanced. Then, I would like to focus on the future – the challenges I believe our country still faces in dealing with the deadly jihadist terrorist threat, and what we must do to enhance our capabilities and protect our people. I will endeavor in the course of these remarks to address all the specific topics you have identified.
Ten Elements of a Counterterrorism Strategy

Before President Clinton took office, the intelligence community was primarily focused on the agenda created by the Soviet Union’s collapse and the Cold War’s end. Despite the fact that, during the 1980s -- the bloodiest decade of foreign terrorism against the United States before 9/11 -- when nearly 500 Americans had been murdered in terrorist attacks abroad by Hezbollah, Islamic Jihad and others, counterterrorism had not been a top intelligence priority. The CIA maintained no significant assets in Afghanistan after the U.S. withdrawal from the region in 1989. Little was known about Osama bin Laden except that he was one of many financiers of terrorist groups.

Soon after the Clinton Administration began, terrorism became an early priority, with the fatal attack on CIA employees at Langley five days after the inauguration, the first World Trade Center bombing in February 1993, the Iraqi plot to assassinate President Bush in April, and a plot against historic New York City landmarks such as the Lincoln and Holland Tunnels in June. These terrorist threats came from disparate sources – including Sheikh Omar Abdel Rahman, whom we caught, prosecuted and put in prison for life. None of these attacks was associated with bin Laden at the time. But they reinforced a larger view that President Clinton expressed early, and with increasing frequency: that the very same forces of global integration that were making our lives better were also empowering the forces of disintegration – terrorists, drug traffickers and international criminals, sometimes all three combined.

From the beginning, the NSC was responsible for policy formulation and we sought to implement the President’s concerns about the terrorist threat. We met frequently at the Cabinet level regarding terrorism during our time in office, as often as every few weeks in the later years. During times of acute crisis, such as during the Millennium threats, we took on a more active management role with rigorous and sustained high-level attention. We were the body to which the Counterterrorism Security Group (CSG), the day-to-day interagency working group, reported. We sought to stimulate agencies across a broad range of counterterror initiatives that were pursued with ever-increasing scope and urgency.

Our administration, with growing intensity, gave the fight against terrorism the highest national security priority. Ten key elements formed the core of our national counterterror strategy, a strategy that was serious, systematic and ambitious for the times.
First, as our understanding of bin Laden evolved in the mid-’90s from a financier to an increasingly rabid and magnetic galvanizer of anti-American hatred, our focus on him and his network increased. We established a dedicated CIA cell charged with tracking his activities. After the bombings of our embassies in Kenya and Tanzania in August 1998, which was the first time the intelligence community was able to attribute responsibility for an attack on the U.S. clearly to bin Laden, getting him and his lieutenants became our priority.

As has been reported, the President gave the CIA broad and lethal authorities regarding bin Laden -- which were unprecedented at the time. Director Tenet and other CIA senior officials -- who were well aware of the priority this commanded -- received the authorities they requested and never expressed dissatisfaction to the President or me as to their scope or meaning. The President’s willingness to destroy Osama bin Laden and his lieutenants was made unmistakably clear in August 1998; the one time we had predictive, actionable intelligence as to bin Laden’s whereabouts, the President ordered roughly 60 Tomahawk cruise missiles fired to kill him. Twenty to thirty al Qaeda lieutenants were killed, according to the intelligence community at the time, but bin Laden was missed by a matter of hours.

Over the next two years, we continually sought to obtain predictive, actionable intelligence on bin Laden’s whereabouts, including developing and successfully testing in late 2000 the unmanned Predator drone – a remarkable surveillance platform. But never again would the predictive intelligence necessary for effective strikes emerge on our watch. And it was our judgment that to fire on primitive camps and fail to destroy bin Laden or key al Qaeda figures would have fortified bin Laden and made the U.S. look weak and feckless. Nonetheless, the President ordered two nuclear submarines to deploy off the coast of Pakistan for additional missile strikes, and was ready to use them at a moment’s notice, had reliable intelligence materialized on bin Laden’s whereabouts.

President Clinton pressed often for military “boots on the ground” options to get bin Laden, and our military looked seriously at the feasibility of a special forces mission. But given the circumstances that prevailed at that time, including no support from Pakistan or other neighbors, no base near Afghanistan and no lead-time intelligence, the military leadership concluded that such a mission would very likely fail. To this day – even after a war against the Taliban and with the benefit of a large-scale U.S. military and intelligence presence on the ground in Afghanistan and the support of Pakistan, bin Laden remains at-large.
Second, the CIA worked closely with a number of liaison agencies worldwide to disrupt and roll up al Qaeda cells. This campaign broke up al Qaeda cells in more than 20 countries.

Third, the CIA, together with foreign intelligence services, tracked down and captured – sometimes after years of effort -- more than 50 top terrorists abroad, including Ramsey Youssef, responsible for the 1993 World Trade Center bombing and Mir Aimal Kansi, who murdered the CIA employees at Langley.

Fourth, we prevented serious attacks on U.S. citizens. The intelligence and law enforcement communities succeeded in preventing a number of very bad things from happening before September 11. They thwarted the plot against New York landmarks in 1993. Together with Filipino authorities, they broke up a Manila-based plot to assassinate the Pope and blow up 12 American airliners over the Pacific in 1994-95. In 1998, they disrupted a plot to attack the U.S. Embassy in Albania -- we sent 100 Marines to Tirana in connection with that threat.

In late 1999, as we approached the Millennium celebrations, the CIA warned of five to fifteen plots against American targets. This was the most serious threat spike of our time in office. My judgment was that it required ongoing attention at the highest levels of government. Accordingly, I convened national security principals, including the Director of Central Intelligence, the Attorney General, and top FBI, State and Defense officials at the White House virtually every single day for a month. I am convinced that our sustained attention and the rigorous actions that resulted prevented significant losses of life.

Working with Jordanian officials, plots were uncovered against the Radisson Hotel and religious holy sites in Amman. Following the arrest of Ahmed Ressam crossing into the United States from Canada, the CIA traced material seized from him to break up terror cells in Toronto, Boston, New York and elsewhere.

Fifth, we exerted strong diplomatic and economic pressure on the Taliban to give up Osama bin Laden by withholding recognition of their regime, and threatening to hold them responsible for any future al Qaeda attacks on American interests. We engaged in determined diplomacy with leaders and officials in Saudi Arabia, Pakistan and the United
Arab Emirates, as well as at the G-7 – all with the active participation of both President Clinton and Vice President Gore. The President insisted that two of the annual G-7 leadership summits during our Administration be devoted primarily to terrorism and greater international cooperation. Indeed, President Clinton felt strongly enough about the terrorist threat that he put his personal safety on the line by traveling to Pakistan in 2000, against the vigorous advice of the Secret Service, and personally pressing General Musharraf on the need to confront the Taliban. These efforts culminated in the UN Security Council adopting UNSCR 1333 in December 2000, which included a multilateral arms embargo against the Taliban.

Unfortunately, we learned after 9/11 that Osama bin Laden and the Taliban leadership were inseparable – that the Taliban would be destroyed without turning over bin Laden.

Sixth, we sought to track and freeze al Qaeda assets – including through unilateral and multilateral economic sanctions. We increased efforts to stem money laundering, and a commitment to “name and shame” countries that were not cracking down hard enough. In 1998 and 1999, President Clinton blocked al Qaeda financial transactions and froze some $255 million in Taliban assets and shut down the Afghan national airline. An effort to gain congressional support to further crack down on foreign money laundering havens and foreign financial institutions that laundered money for terrorists and criminals was blocked by the Congress. Overall, this effort to cut terrorist purse strings proved very difficult.

Seventh, we dramatically increased the resources and priority of counterterrorism to the highest levels ever. During a time of budget stringency – when every new expenditure was required to be matched by a budget cut -- we worked with the Congress to more than double counterterrorism budgets at the FBI and CIA from 1995 to 2000. We also were the first administration to secure counterterrorism funds for agencies who could find themselves on the front lines of a terrorist attack – boosting Health and Human Services’ bioterrorism budget from $16 million in 1998 to $265 million by the time we left office, and increasing FEMA’s WMD-response budget more than 500 percent over the last three years of the administration.

Eighth, we sought to achieve greater policy coordination among agencies. We appointed an experienced senior official, Richard Clarke, to a new position of White House-based National Counterterrorism Coordinator. We energized the interagency
Counterterrorism Security Group (CSG), consisting of senior-level counterterrorism officials from all key agencies. The CSG convened several times a week – sometimes every day – to review and follow up on threats. We elevated terrorism to an intelligence priority level exceeded only by support for military operations and a few key countries such as Iraq. We have come to understand better that this does not mean information always was shared within and among agencies. But everyone was at the table -- everyone should have been clear about the threat.

This priority was reflected in five Presidential Decision Directives (PDDs) we issued between 1995 and 1998. A PDD is a document hammered out by the relevant agencies and signed by the President, giving it special standing. PDD 35 issued in 1995 designated terrorism as an intelligence priority. PDD 39 issued in 1995 emphasized foreign terrorist captures, terrorist financing and weapons of mass destruction. PDD 42 issued in 1995 focused on combating criminal and terrorist organizations abroad. PDD 62 issued in 1998 established the first agreed designation of which agencies had lead responsibility for the range of activities involved. PDD 63 issued in 1998 called for the first plan to protect our nation’s critical infrastructure, with a new emphasis on cybersecurity and a new budgeting mechanism that provided for cross-cutting review of all counterterrorism budgets.

Ninth, we moved forward to develop a critical infrastructure protection plan, in coordination with the private sector, including government-industry advisory groups. We stepped up funding for first responders in more than 150 cities. At President Clinton’s personal instruction, we launched a $1.5 billion bioterrorism effort, developing national stockpiles of CIPRO (which were used in 2001 with the anthrax attacks) and of smallpox vaccine. President Clinton sought bioterrorism supplementals in the hundreds of millions.

Finally, the administration from President Clinton on down repeatedly sounded the alarm – assuring that terrorism was on the national agenda including in every State of the Union speech the President delivered from his first to his last. In 1995, President Clinton was the first world leader to bring this challenge before the United Nations, calling for a global fight against terrorism, and as early as 1996, he spoke of terrorism as “the enemy of our generation.” Indeed, over his eight years in office President Clinton devoted 10 speeches solely to terrorism and delivered more than 60 significant remarks on the topic and raised the issue in public remarks more than 200 times.

Both President Clinton and Vice President Gore were deeply committed to preventing and fighting terrorism at the highest levels; both played a hands-on role in articulating our counterterrorism strategy and both pressed our agenda with foreign leaders on innumerable occasions.
Let me address the remaining topics you enumerated in your letter more fully.

You asked about the attack on the U.S.S. Cole in Yemen on October 12, 2000, a few months before our administration ended. We did have strong suspicions that al Qaeda was involved. By the time President Clinton left office, however, neither the CIA nor the FBI had reached firm conclusions that al Qaeda was responsible for that assault. Let’s recall that we initially had strong suspicions that Oklahoma City was a foreign terrorist attack, the crash of TWA 800 in 1996 was caused by terrorism and strong suspicions in other cases, such as Pan Am 103, ultimately proved incorrect. A President needs a clear judgment of responsibility upon which to base military action.

You also asked about Saudi Arabia and terrorism. The President and Vice President personally pressed Saudi officials to use their leverage against the Taliban. We know that a senior Saudi official went to Afghanistan to press the Taliban at our request. The Saudis broke their relationship with the Taliban, cut off their funding and ultimately denied visas to Afghans. I do not know whether they used the full measure of their authority.

You asked how effective key agencies were at implementing the Clinton administration’s counterterrorism strategy. Certainly, the level of interagency cooperation was greater than ever before. I believe the CIA was seriously focused on the counterterrorism mission. I discussed the matter incessantly with Director Tenet and I believe he shared my sense of urgency and priority. I certainly believed at the time that the CIA was pressing 100% toward the objective of dismantling al Qaeda cells, disrupting plots, and getting bin Laden and his key lieutenants -- and I had no reason to think they were “holding back” from all they could do. I know that the President and I approved every request they made for counterterrorism authority to take action.

What we have learned since 9/11, however, makes clear that the FBI was not focused as sharply on counterterrorism as the CIA. The overall impression that the Bureau conveyed to us, until the very end of our time in office, was that al Qaeda had a limited capacity to operate in the U.S. and that its presence here was under surveillance. The stream of threat information we received each day pointed repeatedly to attacks on U.S. interests abroad, not at home. And because that was the daily threat picture, that was where we focused most of our attention. Nonetheless, when presented with specific domestic threats – such as during the Millennium period – we protected the homeland.

Finally, you asked about the transition. When the Clinton administration ended, we did our best to alert the incoming team to the terrorist threat in general and the al Qaeda threat specifically. During the transition, Bush administration officials received intensive briefings on terrorism. As the press has reported, I told my successor Condoleezza Rice that she would be spending more time on terrorism and bin Laden than any other issue.
**Looking Forward: Challenges and Recommendations**

Members of the Commission, the fight against terrorism is a long-term campaign. It did not begin on September 11 2001, and it will not be put to rest by any single administration. For the remainder of my testimony, I would like to offer some targeted recommendations – speaking from the perspective of a former National Security Advisor -- to help this and future Presidents protect our country and people.

Put simply, I believe we need to strengthen three broad areas of integration: policy integration, information/intelligence integration, and resource integration.

Policy integration means assuring greater seamlessness between what traditionally have been domestic and externally focused agencies. September 11 vividly showed that borders do not demarcate where terrorism begins or ends. Integration is essential to manage the varied policies and priorities that cut across the counterterror mission – from airport security to issuing visas to military operations. But in order to reach across and into agencies, we must have strong central authority.

I believe that kind of interagency authority can only come from the White House. Moreover, I believe the NSC, with 50 years of national security experience, has standing to handle the most urgent national security issue of the day. The National Security Advisor commands the authority to ensure the relevant players will come to the table and to leverage his/her proximity to the President to seek to get things done. Therefore, I recommend consolidating the current parallel structure – which established a Homeland Security Council alongside the National Security Council – and locating overall policy coordination for counterterrorism with the National Security Advisor. One of the NSC Deputies should be devoted to this task full time.

Let me be clear however, that with a staff of a few dozen people, the NSC has neither the time nor the resources to be operational. An operational interagency working body devoted to counterterrorism would coordinate the various agencies involved on a day-to-day basis, function below the NSC and report to it on a regular and frequent basis.

Similarly, we need information and intelligence integration to prioritize intelligence in a world where the lines between war and peace, foreign and domestic, and law enforcement and intelligence have been blurred.
I believe it is time to create a Director of National Intelligence (DNI) with authority to plan, program and budget for intelligence collection, analysis and dissemination. Today, the Director of Central Intelligence controls just 20 cents of every intelligence dollar. A more empowered DNI will permit much more effective integration of our intelligence efforts, including better concentration on counterterrorism. I would have a separate CIA Director so that the DNI would not be perceived as having a bureaucratic bias.

In addition, I would end the practice of having almost every intelligence community agency develop its own bilateral relationship with foreign counterparts, and give the DNI authority to coordinate all intelligence cooperation with other countries.

Moreover, I believe we should seek the same ethic of “jointness” among our various intelligence units that the Goldwater-Nichols Department of Defense Reorganization Act of 1986 initiated in the military. The aim of jointness is to encourage a sense of collective purpose among people working on the same issue, regardless of agency or bureau – in other words, to develop “mission-oriented” rather than “turf-oriented” professionals. Requiring rotational assignments among different agencies in the community exposes professionals to different techniques and points of view, while forging relationships that facilitate cross-agency cooperation and improve the overall community’s performance.

We also need to think seriously about creating a domestic intelligence service. I believe the training and culture of law enforcement and intelligence are sufficiently different that we need different people doing these jobs.

The only way to make such a body as effective as it must be is to earn the confidence and support of the U.S. public from the start. A domestic intelligence service cannot simply be a vacuum cleaner. Americans will need to know in advance how, when and why information will be collected, stored and shared. In addition, there will have to be some oversight in addition to Congress – whether an inspector general, a magistrate, or something else – to provide audits and accountability.

Finally, I believe we must add resources not only to collection but also to analysis. This includes the fusion of open source analysis -- what outside experts know and understand -- with information from clandestine sources. Today, these two worlds come together far too infrequently. We should develop new mechanisms for bringing academic and private sector specialists into close and productive contact with the intelligence community – perhaps by establishing a quasi-official institute like the National Defense University to connect them in a classified setting.
The third area where we need better integration is in our national security resources. During the last year of the Clinton administration, we had a consolidated counterterrorism budget, but we need to go farther, with a single National Security Budget that includes all the military, homeland security, diplomatic and economic resources we need to deal with the threats and challenges we face. That is the only way to set priorities in an environment of finite resources. In addition, it will reinforce government-wide policy integration by forcing recognition and understanding of each agency’s programs and priorities.

**Conclusion**

A New York Times editorial captured the feelings of many Americans on the first anniversary of the September 11 attacks: “By now we’ve all mapped our whereabouts in the city of memory – where we stood, what we saw, who we knew or lost, how close we came, how far away we felt.” None of us will ever forget that day – what we lost and why we grieve.

We have a responsibility of sober review – of asking the questions and demanding the answers that will help prevent such a brutal event from ever occurring again. A candid and fair examination of our experience is essential – neither to airbrush the past, nor to superimpose today’s knowledge on yesterday’s decision-making environment, but to help us sharpen our sights and our abilities as we move forward. As I said at the outset, the dangers and opportunities our country must confront lie before us, not behind.

I am grateful for the opportunity you have given me to testify on these critical issues. Your Commission’s work is extraordinarily important and I want to do everything I can to help. Thank you very much.