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JOINT INTELLIGENCE COMMITTEE TESTIMONY

Washington, D.C.
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Chairman Graham, Chairman Goss, Members of the Joint Committee:

I am glad to have this opportunity to try to help, as best I can, the joint committee in its very important work. We must learn from the past while focusing on the future.

I have not had a recent opportunity to review the documentary record from the period in which I served as the Assistant to the President for National Security Affairs, but hope that these general recollections and thoughts are of value to you.

You have asked me to look back on the period of 1993 – 1996 as a consumer of intelligence. I think it is fair to say that we believed the Intelligence Community served us well.

Certainly, attacks such as those on the World Trade Center in 1993, in Oklahoma City, or on American facilities in Saudi Arabia in late 1995 and 1996 were serious setbacks. But it was a period also in which terrorism was formally moved to among the top priorities of the Community; in which the gulf between the FBI and CIA was further narrowed; in which a number of terrorist plots were defeated and terrorists captured; and in which a

focus on the emerging threat of Osama bin Ladin was established. For all of this, the Intelligence Community deserves more credit than it has been given.

Before discussing some of the problems in the Intelligence Community that I believe need to be fixed, let me briefly review that record.

After a truck bomb killed six Americans and injured some one thousand of our citizens on February 26, 1993, a massive effort led to the arrest in June of Sheik Omar Abdul Rahman. He was to be convicted in October 1995 and sentenced to life for his role in the so – called “Day of Terror” plot to attack various New York City landmarks.

In June 1993, the FBI’s Operation TerrStop successfully disrupted that plot.

In the same month, the United States bombed the Iraqi intelligence headquarters after the Kuwaiti government uncovered an Iraqi plot to assassinate former President Bush. The FBI and the CIA were able, largely through painstaking analysis of forensic evidence, to confirm Iraqi responsibility. I was not aware of any further Iraqi terrorist plots during the remainder of my time in government.

In January 1995, Abdul Hakim Murad, thankfully a bumbling bombmaker, accidentally blew up his apartment in Manila. This was more a stroke of good luck than an intelligence masterstroke. But the evidence collected by the Government of the Philippines and analyzed by the CIA not only allowed the defeat of a plot to bomb some twelve American commercial airliners over the Pacific (the White House immediately

grounded such flights until they were deemed safe) and to learn about the terrorists' discussions of many other possible actions including assassinating the Pope, crashing an aircraft into CIA headquarters, and attacking numerous other American targets. It also helped our intelligence agencies, through cooperation with foreign authorities, to capture Ramsi Yousef one month later, in Pakistan. The mastermind of the Manila plot, he had also been the object of a massive search for his involvement in the 1993 bombing of the World Trade Center. (If I may add a personal recollection: I vividly remember my joy as I looked at Ramsi's picture on one of the matchbook covers offering a reward for his capture when our NSC counterterrorism coordinator, Richard Clarke, informed me of his capture in a late night phone call to my home.)

In March 1995, President Clinton signed PDD 35, the product of months of work coordinated by George Tenet, then the NSC's Senior Director for Intelligence. It formally established our top intelligence priorities and placed terrorism among them, led only by intelligence support for our troops in the field and a small number of states that posed an immediate or potential serious threat to the United States. In June, PDD 39, a comprehensive directive on terrorism, mandated increased efforts to capture terrorists abroad; high priority for detecting and preventing attacks with weapons of mass destruction; and the exchange between the FBI and CIA of high-level anti-terrorism officials. The same year and in 1996, with the encouragement of the White House, the CIA expanded its Counter Terrorism Center.

The importance of these measures was reinforced by the murder of American diplomats in Pakistan in March 1995 and the Oklahoma City attack a month later. In May, the President called for legislation providing for more than one thousand new law enforcement personnel and other anti – terrorism measures. In October, in his speech at the General Assembly, the President called for a global fight against terrorism and penalties against states that harbored them, as he subsequently did at the summit meeting of Middle Eastern leaders at Sharm - El - Sheikh. The following April, the President was to sign into law the Antiterrorism and Effective Death Penalty Act.

In November, 1995, a bomb destroyed a facility in Riyadh, Saudi Arabia, killing seven, including five American military personnel training members of the Saudi National Guard. Four men were arrested and, after a public confession, quickly executed. The FBI had no chance to interrogate them. In June, nineteen Americans were killed by a truck bomb at a military barracks in Saudi Arabia. After repeated requests at the highest levels of our government, the Saudis allowed indirect access by the FBI to the suspects who were arrested. While some evidence of possible Iranian involvement was developed, our Intelligence Community was unable to develop a clear case at that time.

Meanwhile, we were giving increasing attention to Osama bin Ladin. This does not mean I was aware at the time of any active involvement by bin Ladin in any of the terrorist plots and attacks that I have mentioned. Nor did we then have any knowledge of clear operational links between bin Ladin and the murderous fighting in Somalia in the fall of 1993, despite his much later claims to the contrary.

Our focus, which goes back at least to 1994 and probably to 1993, was on bin Ladin as an increasingly important source of financing for terrorism and, by late 1995, as possibly more than that, as he called for attacks on American interests in the Persian Gulf and especially Saudi Arabia. Our primary preoccupation was on state sponsors of terrorism and such organizations as Hezbollah. Nonetheless, I recall chairing the meeting approving the establishment of a special cell at the CIA's Counter Terrorism Center to track bin Ladin and his activities.

In an effort to disrupt his financial networks, we urged the Sudanese government to expel him, which was done in May, 1996. He fled to Afghanistan. I am sure that we will be discussing further today his subsequent activities. But let me note here that I can think of few issues over which there has been more bad public information, or disinformation, than that concerning the role of the Sudanese government during that period.

Mr. Chairmen, you asked that I address also what I perceived as the weaknesses in the Intelligence Community and what might be done to strengthen it.

I would suggest that the weaknesses I noted in the early and mid 1990's were less vertical than horizontal. By this I mean that I thought the reports the White House received from the Community, in the President's Daily Brief and other forms, were of very high quality, although I wish they had better integrated open source and classified intelligence. And my weekly meetings with the DCI generally served us well. The main needs, most of

which were and are being addressed by the Clinton and both Bush administrations, I believe were horizontal:

-- Not only cooperation, but near fusion, in the counter terrorism work of the CIA and FBI, as the FBI addresses difficult legal, cultural and communications challenges in adding intelligence collection to its primary task of building criminal cases;

-- Better communication between the Department of Justice and the White House staff on terrorism - related investigations, even at some risk to the secrecy with which it is building its cases;

-- Not only a strengthened capacity for the collection of human intelligence, as Director Tenet has been emphasizing, but real time, operational coordination of human and technical intelligence;

-- Better integration of the work of the Intelligence Community and the intelligence cells of our regional military commanders;

-- Production of all source analysis that is not only more efficient within the government but better includes open source information and outside expertise;

-- And methods of securely but effectively sharing intelligence about terrorist threats with state and local officials. This is too often seen as a vertical, one-way stream

from Washington. In fact, it should be seen as horizontal cooperation among all the federal, state and local agencies protecting our homeland, cooperation in which all have insights from which the others can learn.

Let me emphasize: progress on all these issues has been made, in both Bush administrations and under President Clinton. But I believe there is a way to go on most of them.

Many can be resolved by more progress on technical connectivity, linking computers in secure ways not only within the Community but with its government consumers. Yet I wonder, given the number of challenges and their magnitude, if this or some future President, with the Congress, might not want to think in larger terms, and pursue not piecemeal but comprehensive reform. This would have to take on the most important horizontal issue: the institutional relationship of the DCI and the Secretary of Defense. Such a comprehensive approach could include as a goal – and I recognize that this seems quixotic in bureaucratic terms – giving the DCI budget authority over the Intelligence Community to equal his or her responsibilities, or even to place not only the CIA but also NIMA, the NRO and NSA under the direct control of the Director of Central Intelligence.

One last point: I hope, as the Congress, the public and the press hold the Intelligence Community accountable for its failures, that we also remember the difficulty of its work. The fiber optic flood of information it must monitor... the changing faces of

the terrorist threat and the large number of possible targets... the many other intelligence priorities we have... the fact that you build intelligence piece by piece, so what is clear looking back is never so clear looking forward: it is no wonder that we predict that there will be new terrorist attacks. But we cannot logically both predict those attacks and then act with extreme shock whenever there is failure to prevent one.

The Community should be held accountable. But if the search for accountability becomes hostile or politicized, it will be taken less seriously within the Community and the reformers are undercut. If every setback becomes immediate grist for a public grilling, the analysts could become risk averse, covering themselves by crying wolf about every possible threat rather than making judgments about the most likely. And while honoring all those who have been the victims of terrorist murder over the years, we should also bear this in mind: when we fail to remember intelligence successes while examining those tragedies, we do the people who are trying to protect us, and ultimately ourselves, a great disservice.

We will never know which of our citizens are alive today because of those successes, nor note their names nor see their faces. Yet it is a reality, not rhetoric, that they are alive. And we should be grateful.