

THE FUTURE OF COUNTER-TERRORISM STRATEGY

HEARING

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

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THE FUTURE OF COUNTER- TERRORISM STRATEGY

THURSDAY, DECEMBER 1, 2016

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 10:32 a.m. in Room SD-419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Risch, Rubio, Johnson, Gardner, Perdue, Paul, Cardin, Menendez, Shaheen, Coons, Murphy, Kaine, and Markey.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. The Foreign Relations Committee will come to order.

I want to thank our witnesses for being here. It is great to be back with all of you. We had a little time off here.

I want to thank our witnesses for testifying today. Both of you have had long careers working to defend our country against terrorists, and today is a great opportunity for us to learn from your experiences and hear your insights about the future.

As the Mosul operation continues and the Raqqa campaign begins, ISIS could soon lose the most important territory it has held. As ISIS changes from an organization intent on retaining territory to one focused more on inspiring and directing violence and spreading radical ideology, the next administration is going to face new and perhaps even more and more diverse sets of problems.

We have seen ISIS and other groups employ multiple different tactics, from organized external networks directing coordinated attacks in Europe to huge suicide bombings in the Arab world, to inspired attacks by lone wolves in the United States, like those that are current in my hometown of Chattanooga, Orlando, San Bernardino, and this week at Ohio State University.

I hope you can help us think about the evolving nature of terrorist organizations and what tools the United States needs most to counter them. ISIS and al Qaeda have proved to be resilient in the face of extreme pressures, reinventing themselves and taking advantage of conflicts around the globe to root into local populations.

With the world now focused on ISIS in Iraq and Syria, what can we do to best prepare for the next iteration of ISIS or al Qaeda?

How can we recognize when a radical ideology is taking root and determine ways to best combat it?

And finally, both of you have served in different administrations that created new structures and positions to combat terrorism. I think we could appreciate your views on what could be done going forward to better coordinate the whole-of-government approach to combatting terrorism.

Again, I want to thank you both for being here, and I want to turn to our distinguished ranking member, my friend Ben Cardin.

**STATEMENT OF HON. BENJAMIN L. CARDIN,
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Well, Mr. Chairman, first, it is good to be back with hearings. It has been an interesting recess that we have had, and we are certainly looking forward to this hearing and the work of this committee.

This is a very important hearing, so I thank you for scheduling it. It is very timely as we deal with an incoming new administration and the incredibly important subject of countering terrorism.

You have made many points that I totally agree with. We need to build on the success that we have seen in combatting ISIL. Ramadi has been liberated. Mosul is in the process of being liberated. Raqqa is just a matter of time before the headquarters of ISIL in Syria falls. ISIL itself has said its days of the caliphate are limited, and I think that reflects the point that you raised, that there is more to this than just territory, and we have to be prepared for the continued vulnerabilities of particularly open and free democratic societies.

What has been particularly encouraging in the region is that we have seen, as these areas are being reclaimed, that it is local security forces that are maintaining the security, which is absolutely essential, and there is recognition by those governing that they need to represent all the people. That is a continuing process, and that is very much part of the overall strategy to counter terrorism.

But as you pointed out, terrorist groups are rather flexible, and they figure out different ways to cause mischief. They use their ideology to recruit, and we see also self-taught terrorists. When ISIL has been uprooted in Iraq and Syria, it will still seek to spread its barbaric ideology everywhere it can and inspire the desperate, the deluded, the delusional to strike out at the innocents in their country.

Military action is very important, especially our Special Forces, which can and have been extremely effective in dealing with plans and generating intelligence that is very important to our game plan. However, it is only one tool that must be used. Defense through domestic police and investigative forces is also paramount, in cooperation with each other and their counterparts in other countries, especially within Europe, which has been the target of so many of the ISIL and al Qaeda attacks. As we learned so painfully, bureaucratic barriers to the exchange and analysis of information about potential terrorists and their plans must be torn down.

We need to work together. We need to work with all of the tools that are available in all of the countries that are in our coalition

to fight terrorism, and we must figure out more effective ways to accomplish that. We must give at least equal attention and resources to countering the social media appeal, the ideology, the lies, and all the different contributing conditions that provide fertile ground for groups like ISIL to grow and flourish.

Mr. Chairman, we have spent trillions of dollars in our fight against terrorists. Most of it, over 90 percent, goes to the Department of Defense, as is needed. I do not disagree with our support of our men and women who are defending our country. We need resources in diplomacy and development assistance, the so-called “soft powers” of building democratic institutions, and I think it is our committee’s responsibility to be there in order to understand that. So I very much appreciate this hearing.

We must not only pursue a whole-of-government approach to counter terrorism but a whole-of-government perspective as well. We cannot do this alone. We need our coalition partners.

I want to mention one last point where I think we have to be very careful in our language and in our actions. Quite frankly, anti-Muslim promises and songs about instituting a Muslim ban on immigration, profiling, and increased violence on Muslims threaten to isolate the United States. To me, that is counter to the strategies we need to fight extremists. Identifying Islam itself as a terrorist source, thinking somehow that directly attacking the religion of over 1.6 billion people will make them more willing to help us is just fallacy. We need to recognize that there is a global effort to stop extremists, and what we say and what we do has a major impact on that.

So, Mr. Chairman, I look forward to hearing from our witnesses. I would like to just conclude by pointing out that we have self-grown terrorists here. We have to deal with those issues. Significant attacks have been carried out here by persons motivated by racism, by homophobia, by radical political objectives, and that needs also to be part of our equation.

So I look forward to this hearing. I look forward to working with all the members of this committee to make America safe.

The CHAIRMAN. Thank you, sir. I appreciate that. I appreciate those comments.

I might take a personal privilege here for just one moment to welcome Tim Kaine back. It is good to have you back here. I know you have had quite an adventure, and I look forward to hearing about it.

Senator KAINE. What I did on my summer vacation. [Laughter.]

The CHAIRMAN. I understand you have quite a star that you have added to the committee and that this may be their first hearing. Is that correct?

Senator CARDIN. If I might, Jessica Lewis is the staff director for the Democrats on the Senate Foreign Relations Committee. She comes to this committee with a great deal of experience, having worked with Senator Menendez, having worked with Linda Reed on intelligence issues, and has a vast knowledge of the Senate Foreign Relations portfolio. So it is wonderful to have her working as part of our team.

The CHAIRMAN. We have had a lot of interaction with her because of the role she played, and we certainly look forward to working with her here on the committee.

With that, welcome.

To our witnesses, our first witness today is the Honorable Juan Zarate, chairman and co-founder of the Financial Integrity Network. Previously Mr. Zarate served as the Deputy Assistant to the President and Deputy National Security Advisor for Combatting Terrorism from 2005 to 2009. He also served as the First Assistant Secretary of the Treasury for Terrorist Financing and Financial Crimes.

Our second witness today is the Honorable Daniel Benjamin from the Dickey Center for International Understanding at Dartmouth University. Among other roles, Mr. Benjamin previously served as Ambassador-at-Large and Coordinator for Terrorism at the State Department and as Special Assistant and Director for Transnational Threats for President Bill Clinton.

We thank you all for being here. You all have been before this committee or have been a part of it, I am sure, many times. If you could keep your comments to around 5 minutes, we would appreciate it. Your written testimony, without objection, will be entered into the record. We thank you for being here.

If you would start in the order of introduction, we would appreciate it. Just to let Senator Cardin know in advance, I am going to defer to you on questioning first and interject along the way.

So, Mr. Zarate?

STATEMENT OF THE HONORABLE JUAN C. ZARATE, CHAIRMAN AND CO-FOUNDER, THE FINANCIAL INTEGRITY NETWORK, WASHINGTON, DC

Mr. ZARATE. Chairman Corker, thank you for the kind introduction. Ranking Member Cardin, it is wonderful to see you again. Distinguished members of this great Committee on Foreign Relations, thank you again for the invitation and the honor to be with you today, especially today to talk about our counter-terrorism strategy.

Let me say welcome to Senator Kaine, my home senator as well. It is good to see you again, sir.

I also want to say I am honored to be here with Ambassador Dan Benjamin, somebody who served our country with great distinction in a number of roles over the years, and I have been honored to watch his work and have been privileged to become his friend, I hope.

But this is an important moment, Mr. Chairman, to have this hearing. Fifteen years after 9/11, we face a more diverse and complicated global terrorism threat. We have continued in quickening adaptations from groups like ISIS and still al Qaeda, and with a new administration set to take over, it is a critical moment to take stock of where we have been, some lessons learned, and to start to shape a counter-terrorism strategy to defeat the persistent threat of violent Islamic extremism.

Mr. Chairman, you have asked us to address a number of issues, including the nature of the metastasizing threat and what lessons have been learned from the rise of ISIS, and perhaps its demise.

There is no doubt terrorist groups continue to learn from each other, Mr. Chairman, with demonstration effects of attacks, methodologies, and messaging echoing instantaneously around the world. These groups and their adherents adapt quickly to pressure and opportunity, leveraging elements of globalization and modern communication while exploiting seams in security, along with weaknesses in governance to their full advantage.

The rise and reach of ISIS has driven much of this adaptation, and we have witnessed this over the past few years. Likewise, al Qaeda affiliates have continued to perpetrate terrorist attacks from West Africa to Yemen, and now al Qaeda is smartly rebranding itself in key conflicts and war zones, including in Syria.

But there has been significant pressure on ISIS, which is good news. There has been important and increased pressure on its safe havens physically in Iraq and in Syria, targeting of the organization's key leadership, especially taking off the battlefield operational core leaders focused on external planning.

The Treasury Department, the military, the intelligence community have increased the pressure on the ISIS war chest. In fact, ISIS' budget is significantly constricted. They have had to cut their foreign fighter salaries by 50 percent and suspended what are important death benefits to families of ISIS fighters killed in combat.

And importantly, in demonstrating the loss of ISIS' physical space, losing its so-called "caliphate," we have begun to shatter the myth of ISIS victory and the allure of the caliphate that has really been the siren song for ISIS and its global movement.

So the effect of this pressure is good news, but it is certainly not the end of the story. Mr. Chairman, as you have set out, we need to worry about what the next chapter looks like and what comes next.

With adaptations on the horizon, ISIS will certainly remain a player in the context of the Syrian civil war, especially as it continues and to the extent that they can hold some territory. If ISIS is driven out of major cities, as we hope they will be, it could continue to strike using classic terrorist tactics. If it contains and maintains its provinces and platforms, there will be an opportunity to use those platforms, from West Africa to Southeast Asia, to support and reinforce a new network even if they do not have a functioning capital or control of vast swaths of territory.

And even though many of the ISIS foreign fighters will die, no doubt, in defense of territory in Iraq and Syria, there is a very long and real tail to the foreign fighters and cells returned to the West, Asia, Africa, and Australia. ISIS can also survive through the influence of a digital diaspora. ISIS has already proven its ability to innovate the use of targeted messaging and social media for recruitment and inspiration. And there has also been, unfortunately, a powerful digital afterlife for many of the radical ideologues and operatives for ISIS and al Qaeda.

Importantly, al Qaeda has taken advantage of the attention ISIS has drawn to reinvigorate its networks, including having training camps in al Qaeda that have come to the U.S. Government's attention in recent months. The danger in the environment, Mr. Chairman, is something this committee knows well, the growing proxy battles in the region between Sunni and Shia forces. The danger

here is that the proxy battles will no doubt grow worse and these groups will be seen as a response and a defense against Iranian and Shia-backed militias and terrorist groups.

Now, the demonstration effect from ISIS has been real, and, Mr. Chairman, it is dangerous. They have developed terrorist methodologies that have been improved over time. They have been allowed time and space to do so. They have experimented with drones, used chemical weapons, developed tunnel systems, classic things that an insurgency and a terrorist group does.

They have also directed different types of attacks. They have obviously directed sophisticated attacks of the types we have seen in Paris and Brussels. They have also begun to frame attacks, entrepreneurial attacks for followers and those who are adherents. And finally, as we have seen in recent months, they have amplified their attempts to inspire attacks-in-place for fellow citizens to attack in the countries in which they live with the simplest means possible, including running over pedestrians.

ISIS has innovated in terms of its use of media and recruitment, using targeted social media to isolate and radicalize. It has perfected the use of multiple media forms, consistency and quality across all of its products. And though not successful, the organization has developed governing structures, schools, and even court systems that have allowed it to experiment with controlling populations, imposing its rule, and embedding itself ideologically with young generations.

There is also a cautionary tale, Mr. Chairman. The problems that ISIS has encountered will be a cautionary tale to other groups. Other groups will note the disillusionment of those who joined ISIS and tried to flee, the inability to keep populations satisfied or at bay, and the ultimate inability to consolidate its control of territory and rule.

Finally, Mr. Chairman, you asked us to reflect on key ideas or focus of our U.S. counter-terrorism strategy, and I know I am over my time. Let me be really succinct here in terms of some key principles and elements of a strategy.

First, Mr. Chairman, we have to realize that the underlying ideology and appeal of these violent extremist organizations animates these terrorist movements. This is not just a threat about one particular group or one manifestation. This is an ideology that has manifested in a variety of ways and that will continue to drive the threats from this violent extremist movement.

I was recently part of a study at CSIS led by former Secretary of Defense Leon Panetta and former U.K. Prime Minister Tony Blair that set out a new comprehensive strategy for countering violent extremism. I have included some elements of that report in my testimony. I would ask people to look at that because it lays out a new approach, new resources, and new methodologies to deal with the underlying ideology.

Second, Mr. Chairman, the laws of physics apply to counter-terrorism. You cannot forget that. We have to physically disrupt the ability of these groups to organize, control territory, to lead, and to plot. I think we have lost sight of that at times, thinking that we can push magic buttons in New York and Washington and have the problem go away. The reality is you have to dislodge these groups

from their hold on territory, and that has been especially the case with ISIS.

Mr. Chairman, effective and trusted partnerships are essential. We cannot do this alone, obviously, and what Dan did at the State Department, what we did prior in the Bush administration to create regional alliances to deal with the emergence of these groups in places like East Africa, Southeast Asia, becomes essential moving forward. We cannot be in all places at all times dealing with the emergence of these groups.

Mr. Chairman, this is also important for this committee: Our counter-terrorism strategies cannot be divorced from a coherent national security and foreign policy. It is often the case that administrations say we do not want counter-terrorism to be the sole driver of our foreign policy, but the reality is it suddenly becomes the priority, especially when dealing with conflict zones or crises and direct and imminent threats to the homeland. But the reality is these are complicated environments—Syria, Yemen, other conflicts where these terrorist threats emerge—and we have to have comprehensive and coherent foreign policies to address the underlying issues.

And finally, I want to echo something that Senator Cardin said. I think words and lexicon matter quite a bit. How we define the enemy matters in terms of our strategic approach. How we talk about our allies and our approach matters to creating a sense of unity with our coalition. Our language should reinforce our alliances, strengthen our messages and ideals, and certainly undercut the appeal of our enemy's vision of the world.

Mr. Chairman, I know I have taken a lot of time here, but I think certainly with the right strategy, focused resources, institutions we have put in place, we can handle this problem, but we have to be focused and be imaginative in terms of where the manifestations of this movement will emerge, and we cannot be afraid to imagine the worst because we have to get ahead of the curve, because these are actors that are innovative, smart, and constantly using time, space, and resources to their advantage.

[The prepared statement of Hon. Juan Zarate follows:]

PREPARED STATEMENT OF HON. JUAN C. AZRATE

THE FUTURE OF COUNTER-TERRORISM STRATEGY

Chairman Corker, Ranking Member Cardin, and distinguished members of the Senate Committee on Foreign Relations, I am honored to be with you today to discuss the future of counter-terrorism strategy.

This is an important moment to reflect on the state of the so-called Islamic State of Iraq and alSham (ISIS) and the lessons terrorist organizations have learned from it. More than fifteen years after 9/11, we face a more diverse and complicated global terrorism threat, with continued and quickening adaptations from groups like ISIS and al Qaida. With a new administration and Congress a few weeks away, this is also a critical moment to reflect on our own lessons learned and how the United States should shape its counter-terrorism strategy to defeat the persistent threat of violent Islamic extremism.

Introduction

The nature of the global terrorist threat today is more geographically dispersed, adaptive, and strategically relevant than ever before. Terrorist attacks appear to be quickening and intensifying around the globe, and the perception of a worldwide metastasizing threat is increasing.

Terrorist groups continue to learn from each other—with demonstration effects of attacks, methodologies, and messaging echoing instantaneously around the world. These groups and their adherents adapt quickly to pressure and opportunity,

leveraging elements of globalization and modern communication while exploiting seams in security along with weaknesses in governance to their full advantage.

These groups also take advantage of and exacerbate dislocation, conflict, and sectarianism to fuel their agendas, fill their coffers, and gain footholds and adherents. In the context of broader dislocations and national anxieties, terrorist attacks and messaging take on more strategic relevance. Even a series of smaller-scale attacks could have broad social effects and political impact that affect the trajectory of nations and societies.

The rise and reach of ISIS has driven much of the adaptation we have witnessed in the global terrorist landscape over the past few years. The emergence of ISIS outpaced expectations and surprised most authorities and terrorism analysts. With the announcement of the caliphate in Iraq and Syria and the taking of Mosul and other major cities, ISIS sought to redraw the map of the Middle East, threaten the West, establish provinces (“wilayats”) and terrorist alliances, and inspire attacks well beyond the Middle East. ISIS has perpetrated serious attacks in Europe, Beirut, Istanbul, Egypt, Bangladesh, and the Gulf countries, and its affiliates and aspirant supporters have attacked far afield in Nigeria, Afghanistan, Indonesia, San Bernardino, and Orlando.

Likewise, al Qaida affiliates have continued to perpetrate terrorist attacks from West Africa to Yemen, with members perpetrating the 2015 Charlie Hebdo attack in Paris. Al Qaida is now smartly rebranding itself in key conflicts and war zones, such as in Syria, Yemen, and Libya, and attempting to reemerge again as part of the legitimate local landscape.

Though ISIS and al Qaida have been in strategic competition and in direct conflict in certain arenas like Syria, they form part of a broader violent Islamic extremist movement that can find common cause, leverage each others’ networks, and reflag quickly to adapt to opportunities in the environment. We have seen this in the shift in allegiances declared from al Qaida to ISIS by Boko Haram in West Africa, the Islamic Movement of Uzbekistan in Central Asia, and Taleban and al Qaida members in Afghanistan. Though competition still exists, cooperation could accelerate in certain contexts, especially in the face of increasing Shia and Iranian pressure and proxy battles.

All the while, these violent Islamic extremist organizations have occupied territory—creating a terrorist archipelago encompassing not just the deserts, jungles, and mountains of past safe havens but urban and resource-rich environments. This has allowed both ISIS and al Qaida to exploit civilian populations and to develop local and regional war economies. It has allowed ISIS in particular to leverage the establishment of the caliphate as its demonstration that it can govern an Islamic state and to animate the global terrorist movement in support of its cause. This has revived and connected pre-existing jihadi networks from Southeast Asia to the streets of Europe.

Dangerously, failing to understand and anticipate ISIS’ intent and capabilities—and the shifting terrorist landscape—has led to some misguided assumptions that have now been shattered in the wake of a series of serious attacks, particularly following the Paris and Brussels attacks. As part of its broader strategy of establishing the caliphate, ISIS is purposefully confronting the West. While creating its caliphate and expanding its provinces to places like Libya and Yemen, ISIS has been planning to strike the West, using Western operatives flowing into the conflict zone by the thousands, and is openly attempting to inspire singular attacks by sympathetic radicals in Western societies. It has built these capabilities over time and taken advantage of intelligence and security gaps to implant operatives in Europe. This is a strategy not triggered by provocation or weakness, but rather is a deliberate part of ISIS’ planning.

European authorities have come to grips with the realization that ISIS is targeting the heart of Europe with dozens of operatives. Ongoing raids, arrests, and disruption of plots continue throughout the continent.

This should not have come as a surprise to those watching ISIS erase the border between Iraq and Syria, occupy major cities in the Middle East, and take advantage of the safe haven it has established and of the foreign fighters flowing in and out of the region.

Indeed, with the thousands of foreign fighters traveling to terrorist-controlled territory and others animated by the allure and narrative of a historic and heroic caliphate battling infidel forces, ISIS and al Qaida can more easily mobilize attacks against the West. France and Belgium have been particularly vulnerable given the role and importance of Francophone terrorist networks embedded in pockets of radicalization like Molenbeek in Brussels. But they are not alone. The rest of Europe is vulnerable, and the United States is at risk for acts of terror resembling

what occurred in San Bernardino, Orlando, or from more organized attacks by foreign fighters or sympathizers.

The United States does not face the same kind of threats from ISIS and al Qaida that Europe does, but the threat remains real—for U.S. citizens and interests abroad and for the Homeland.

Recent terrorist attacks inspired by ISIS and violent Islamic extremism in Orlando; San Bernardino; Garland, Texas; Brooklyn; Chattanooga; and Philadelphia reflect an environment in which radicalized or deranged individuals are willing to attack fellow citizens on behalf of a foreign terrorist organization or its brand. The case this past week of the Somali refugee who attacked fellow students at Ohio State University by running them over and stabbing them may be another example of this kind of threat. Terrorism-related prosecutions brought by the U.S. Department of Justice over the past few years demonstrate a fairly consistent, yet small number of cases of radicalized individuals willing to support ISIS and al Qaida as well as plan attacks.

There have been small pockets of radicalization that have emerged, for example in the Somali-American community which has seen young members of its community travel to Somalia to fight with al Shabaab and more recently to fight in Iraq and Syria. ISIS and al Qaida have continued to target Americans—including young women - specifically for recruitment, including by using targeted social media and peer-to-peer communications to identify, isolate, and mobilize operatives in the United States.

The FBI Director has stated that there are open “homegrown violent extremist investigations” in all fifty states. The diversity and volume of cases fueled by the ideology of ISIS and al Qaida have challenged U.S. counter-terrorism capabilities to identify, monitor, and determine the seriousness and priority of each case.

It is important that we examine and understand the threat soberly. ISIS, al Qaida, and likeminded groups are neither omnipotent nor comprised of ten-foot giants. They have not been able to mobilize large percentages of susceptible Muslims to violence, and the communities impacted by their brutality have largely rejected their message.

But they have rallied thousands to their cause, perpetrated some of the worst brutalities of the 21st century, and caused major disruptions and dislocation in an Arc of Instability from Central Asia to West Africa. Their rapid and devious adaptations—in attack methodologies, messaging, recruitment, financing, and governance—are dangerous and cannot be ignored or discounted. ISIS’ use of chemical weapons, establishment of a chemical weapons unit, and surveillance of Belgian nuclear infrastructure and personnel raise the specter of a group intent on using weapons of mass destruction.

The blind spots in our intelligence have only heightened concerns of what we are not seeing or hearing regarding terrorist plans. And these groups remain intent and capable of striking the West in strategically impactful ways.

Effective Pressure on ISIS

U.S. and coalition pressure on ISIS has been significant and important to diminishing its capabilities and affecting its strategic posture. ISIS is losing ground in Iraq, Libya, and Syria. The U.S., Iraqis, Kurds, and other allied forces have put greater pressure on ISIS physical havens and urban strongholds throughout the Middle East. Turkish-backed forces recently took back the symbolic city of Dabiq, the battle for Mosul is well underway, and Libyan forces are cleaning up remnants of ISIS in Sirte.

Iraqi forces, supported by the Kurds, the United States, and the broader coalition, will eventually retake Mosul. The question will be when, with how much bloodshed and cost, and whether Mosul and surrounding territory can be held and rebuilt. Dislodging ISIS from its physical footprints is the most urgent and important counter-terrorism measure for the international community. Mosul and Raqqa must be taken. From Raqqa, its so-called capital in Syria, ISIS has been able to plot, plan, communicate, adapt, raise funds, and operate openly and freely.

The targeting of the organization’s key leaders, especially the operational core, has proven important to affecting the ability of the group to adapt quickly to pressure. Since last year, there has been an increased pace in the targeted killing of key ISIS leadership, to include Omar al-Shishani, a top military commander in Syria; Abu Mohammed al-Adnani, ISIS’s official spokesman, director of external relations, and senior leader; Wa’il Adil Hasan Salman al-Fayad, the minister of information; and Abd al-Basit al-Iraqi, emir of external networks and Western targeting.

The constriction on ISIS funding has been critical as well. The Treasury Department, the military, and the intelligence community have increased the pressure on the ISIS war chest. ISIS has run a war economy with a diversified portfolio. Its abil-

ity to control significant territory, with populations to tax and resources to exploit, has allowed the organization to govern and expand its operations. Revenue from running oil operations in Iraq and Syria has been a major source of income for the group—taking advantage of the black market in oil and old Iraqi oil smuggling routes. It has developed mobile refineries and transport to transact with brokers, including even the Assad regime in Syria.

The United States had to accelerate its understanding of how ISIS is doing business and moving money within its territory and beyond. U.S. authorities have squeezed certain key chokepoints for the ISIS economy where it touches the regional and global financial system—including by isolating the financial institutions that sit in ISIS-controlled territory and sanctioning key financiers and brokers. Ultimately though, we have had to recognize that a major enabling factor for financing is ISIS control of territory and resources—and therefore that the United States and its allies have to dislodge the group physically in order to fully cut off its financial lifeline. There is no magic button at Treasury to do this.

This is why economic disruption is a key element of the war plan against ISIS. The U.S. and coalition airstrikes—including on cash distribution centers—and pressure on the ground have dislodged the Islamic State from some of its oil and gas supplies and infrastructure and put real pressure on its economy. The effects are real, and the ISIS budget appears to be constricting significantly. ISIS recently cut fighter salaries by 50% and suspended “death benefits” to families of ISIS fighters killed in combat.

Importantly, demonstrating that ISIS is losing in the physical space—and losing its hold on the caliphate—will begin to shatter the myth of ISIS victory and the allure of the caliphate to the global movement. This is essential to stunting the expansion of the movement. The Siren Song for ISIS has been the call of a realized, functioning caliphate where true believers can unite to build and defend a “truly Islamic society.” The inability to hold and defend territory along with the organization’s failure to govern successfully or to capture hearts and minds of the locals will pierce some of the romantic appeal of ISIS. Dejected and disaffected recruits have amplified disillusionment with the group. This, in combination with more intense enforcement efforts and greater difficulty traveling into ISIS-controlled territory, has slowed the pace of foreign fighters significantly.

The effect of this increased pressure is good news, but ISIS has had time and space to operate, spread its reach, and demonstrate its capabilities. ISIS and al Qaida—and the violent Islamic extremist movement they represent—will continue to take advantage of opportunities in the environment and adapt.

Adaptations on the Horizon

Even if all of ISIS’ footholds in the Middle East and North Africa are retaken, ISIS will remain a threat and will adapt. ISIS will certainly remain a player in the Syrian context as long as that civil war continues and as long as it is able to hold territory or galvanize opposition to the Assad regime.

Though ISIS has attempted to create a proto-state, it remains a hierarchical terrorist organization. If ISIS is driven out of the major cities, it could continue to strike using classic terrorist tactics like vehicle-borne improvised explosive devices against population centers in the Middle East. Some “retreating” ISIS leadership and personnel can blend back into the population and refugee flows, deploy to neighboring countries, or lie in wait with sympathetic Iraqi or Syrian allies. Here the experience of the conversion of a depleted al Qaida in Iraq into what eventually became ISIS is instructive. Remnants of ISIS could take advantage of weak security, worsening sectarian tension, and episodes of political crisis to reassert or rebrand itself.

ISIS has also established footholds well beyond Iraq and Syria. ISIS has various wilayats (or proclaimed provinces) in North Africa, Central Asia, and the Arabian Gulf that allow the ISIS brand to project power and threaten U.S. and allied interests. The recent uptick of ISIS-claimed attacks in Pakistan has demonstrated this reach. In addition, the ability of ISIS to embed in terrorist insurgencies like Boko Haram in West Africa and into enduring conflicts as in Libya and Yemen provides the network a platform to operate and regenerate. ISIS could certainly contemplate moving its command and control—or elements of its foreign operations—outside of danger zones into safe havens. If such provinces or platforms exist, there will be the opportunity for those platforms to support and reinforce each other—creating a network for ISIS to operate and support adherents even if it lacks a functioning “capital.”

Unfortunately, ISIS has had time and space to recruit, deploy, and inspire foreign fighters and those attracted to its message. Even though many of the remaining ISIS foreign fighters will die in defense of territory in Iraq and Syria, there is a

tail to the foreign fighters and cells returned to the West, Asia, and Africa. The foreign fighter diaspora is a real threat. ISIS has had over 5,000 Western foreign fighters, as well as upwards of 40,000 total foreign fighters, from which to choose to leverage for different purposes, including returning to Europe to perpetrate attacks.

ISIS organized an external operational unit, and has marked operatives for attacks in Europe, many of which have been thwarted. Francophone cells—comprised of French, Belgian, and dual nationals—have proven a lethal network for ISIS attack plotting in Europe. Some of these Western operatives have been trained to evade scrutiny, engage in operational security—including the use of encryption technologies—and execute strategic attacks in concert. The sheer volume of potential operatives, along with unknown actors, has overwhelmed even the best European services.

ISIS can also survive and influence through a digital diaspora. ISIS has already turned explicitly to trying to inspire any and all attacks in place—and has grown more willing to claim less sophisticated and seemingly less coordinated attacks in the United States, including the attack this week on the campus of Ohio State University. It has innovated the use of targeted messaging and social media for recruitment and inspiration.

There has also been a powerful digital afterlife for certain radical ideologues and operatives, whose effect and ability to radicalize or inspire has far outlived their natural life. The persistent appearance of Anwar al Awlaki, the Yemeni-American cleric, in the files and motivations of radicalized individuals in the West, including the United States, is a troubling factor. In general, ISIS and its supporters could attempt to move functionally from a physical caliphate into a virtual environment. Authorities worry about what such adaptations may entail.

Importantly, al Qaida has taken advantage of the attention ISIS has drawn to reinvigorate its networks, appearing dangerously again in places like Afghanistan training operatives. In many cases, al Qaida has regenerated, embedding itself from the ground up with local populations—often renaming itself to gain legitimacy and to emphasize its local bona fides. We have seen this in places like Syria where Jabhat-al Nusrah has distanced itself from al Qaida and been renamed Jabhat Fatah al-Sham. At the start of the Arab Spring, I noted that al Qaida and associated movements would try to take full advantage of the dislocations and likely disillusionment with the Arab Spring. The battle for “reform” and control is still at play.

A danger in this environment is that the growing proxy battles between Iranian backed terrorist groups and militias on the one hand and Sunni groups, populations, and regimes on the other will animate greater support or at least tolerance for ISIS and al Qaida remnants—and any likeminded allies—in order to beat back the perceived aggression of Shia forces. This has been a problem in conflict zones like Syria where al Qaida affiliates have proven at times to be the most effective fighting forces against the Assad regime and its Iranian and Hizballah backers. Sectarian tendencies have exacerbated mistrust, as with the Iraqi government’s recent decision to incorporate Shia militias into the military over the objection of Sunni lawmakers.

This proxy battle is likely to grow worse. The West seemingly underestimated how far Iran would go to prevent the fall of the Assad regime, the Iranian regime’s sole Arab ally in the Middle East. Since the Syrian revolt began in 2011, Supreme Leader Ayatollah Khamenei—who controls Iran’s foreign policy—has implemented a full-throttled strategy executed by the Islamic Revolutionary Guard Corps (IRGC) to prevent Assad’s fall and preserve an Iranian-allied Alawite-led enclave stretching from Damascus up to the Lebanese border and the Mediterranean Sea. In order to offset the bled-out Syrian army, the IRGC has mobilized an international Shiite expeditionary force comprised of fighters from Afghanistan, Syria, Pakistan, Iraq, Lebanon, and even as far as West Africa.

In mid-2015, when pro-Assad forces were overstretched and Assad was in danger of falling, Iran coordinated with Russia to escalate militarily and save their embattled ally—thus inviting Russia back to the Middle East after nearly four decades and positioning it near NATO’s southern flank. Iranian and Russian investment appears to have paid off. They have virtually eliminated the option of Assad’s overthrow by military means and are on the cusp of achieving a major victory in capturing Aleppo, Syria’s largest city prior to the war. Despite costs, Syria has given the IRGC the opportunities to hone its international expeditionary model, what Guard commanders call the nucleus of a “global Basij,” and gain a long-term foothold in Syria and by Israel’s doorstep.

The ISIS Demonstration Effect

Other groups have learned from the ISIS experience and its innovation, especially as ISIS propaganda, videos, and messaging are tweeted and streamed globally and reported and repeated by legitimate media sources.

The United States is concerned about the demonstration effects of successful or attempted terrorist attacks, especially in the West. Radicalized individuals in the United States could always be inspired to attack—to feed off of the attention and momentum of attacks in Europe or to engage in copycat attacks. In a globalized, instantaneous, and fluid information environment, would-be terrorists can learn quickly from those who have executed successful attacks and may understand or study the security protocols employed to attempt to thwart such attacks. The more terrorist attacks are successful, the more concern there will be that radicalized individuals in the United States will be mobilized to attack.

The ISIS demonstration effect is dangerous.

Terrorist Methodologies. ISIS has certainly improved certain terrorist and insurgent methodologies, using tunnel systems in territory it holds; sequential urban terrorist attacks (reminiscent of the Mumbai attacks); experimenting with drones; and deploying chemical weapons. The organization has had time and space to adapt its tactics, and others in the jihadi environment have watched and learned.

ISIS has decided to use three forms of attacks that make overseas counter-terrorism efforts even more difficult to manage. ISIS leadership has planned and orchestrated attacks, with growing sophistication and reliance on an operational lead (“directed attacks”). In a recent attack in Germany, the terrorist was communicating with a handler directing the operative from Syria during the attack. ISIS leadership is also framing the broad parameters and timing of plots and enlisting operatives to launch attacks entrepreneurially (“framed attacks”). Finally, ISIS—like al Qaida—is trying to animate radicalized individuals to kill fellow citizens in any way possible where they live (“inspired to attack in place”). ISIS—like al Qaida—has urged followers to use simple means, like vehicular attacks to run over pedestrians. These three forms of terrorist plotting create a tapestry of complicated threats for Western authorities.

Importantly, there could also be adaptations in the use of social media and communications technologies not just to radicalize and animate individuals but also to mobilize and direct them to act in concert for strategic purposes. A key influencer—in the United States or from abroad—could use peer-to-peer technologies to choreograph disparate, radicalized individuals to attack in the Homeland. Such methodologies might allow terrorists to turn lone wolves into a coordinated pack attacking the West.

ISIS has also focused on recruiting and using women—as operatives, supporters, and cornerstones of the caliphate. Many women have been drawn to the idea of the caliphate, seeking both adventure as well as family. Women have been used to lure foreign fighters, to evade security services and scrutiny, and to create the sense of stability and family structures in the caliphate. ISIS has also enslaved, entrapped, and committed atrocities against women, which the organization attempts to justify through twisted theological interpretations. Women will grow as a part of the terrorist landscape, especially as groups like al Qaida attempt to embed themselves more neatly with local populations.

Terrorist Media. ISIS has changed the nature of the media and recruitment in the terrorist landscape. ISIS messaging has echoed in sophisticated ways via recruiters, the Internet, and targeted social media. The ISIS mythology, amplified by the establishment of the caliphate, piggybacks off the al Qaida narrative and has drawn adherents and converts from around the world.

On June 29, 2014, al-Adnani (now deceased) declared the creation of the caliphate after ISIS’ June offensive in Iraq and the capture of Mosul. In July 2014, Abu Bakr al-Baghdadi, the self-proclaimed “caliph,” called on Muslims around the world to “rush” to the Islamic State. On September 21, 2014, al-Adnani encouraged followers to carry out lone wolf attacks, especially if they cannot travel to the Islamic State.

ISIS has standardized high-quality videos and productions—from short form to longer documentary reports—across its affiliates. Many of its videos have been brutally graphic, intended to stoke fear, cow opponents, and excite followers. Even so, most of their videos have been focused on ISIS’s ability to govern and the nature of the caliphate. The organization publishes high quality magazines, Dabiq and now Rumiyah, intended to capture Western and other audiences with the idea of the caliphate.

The ISIS “fan boys” have used thousands of Twitter accounts to echo such messages and send videos around the world. ISIS has also created a system of using social media for targeted recruitment and social isolation of radicalized individuals.

These messages have resonated with specific individuals who have been willing to mobilize on behalf of ISIS. This new media and recruitment model will be replicated by other terrorist groups.

Allure of Ideology & Reality of Governance. In its media campaign, ISIS has also demonstrated that the ideology and narrative of the caliphate holds purchase with some individuals and can be alluring to a global audience. Data from ISIS recruitment records analyzed by the Combating Terrorism Center at West Point demonstrates the diversity of the foreign fighter recruits, including through their nationalities, education levels, and backgrounds. ISIS also demonstrated that the caliphate can be a physical reality imagined today, as opposed to waiting for a mystical future, and that individuals have agency in its creation.

With its cruel designs, ISIS was able to alter the map, erasing the border between Iraq and Syria, displacing unwanted populations, and exacerbating the weak seams in the countries in which it operates. By destroying and desecrating historical and sacred sites, it demonstrated how to erase evidence of a history that does not comport with its version of reality—while also profiting from the sale of antiquities.

ISIS has also attempted to organize and govern in replacing authority. It has often filled governance gaps, taking full advantage of embedded grievances and mistrust, often stoked by sectarian tension, injustice, and corruption. Though not successful, the organization developed governing structures, schools, and courts that allowed it to experiment with controlling populations, imposing its rule, and embedding itself ideologically with other generations.

ISIS has operated war economies that allowed it to run all aspects of the oil sector, food distribution, and exploit local businesses, banks, and money service businesses. ISIS leaders also administered tax and extortion systems in major cities and learned how to use the local economy and infrastructure as an economic shield. Even if ISIS physical footholds were to be taken back tomorrow, it will have demonstrated to those drawn to this ideology that some form of the caliphate is a real possibility. It will also have demonstrated ways to manage governance and economies of major population centers.

Cautionary Tale. The problems that ISIS has encountered—and its eventual demise as a so-called caliphate—will serve as a cautionary tale to other groups. Other groups will note the disillusionment of those who joined ISIS, the inability to keep populations satisfied or at bay, and the failure of ISIS ultimately to consolidate its territory and rule. Indeed, al Qaida may begin to message again more clearly that the premature announcement of the caliphate—without proper grounding and support—was doomed to fail. Al Qaida might also be reminded that there are dangers with open and direct confrontation with the West, a lesson it learned the hard way after the aggressive U.S. response after the 9/11 attacks.

The ISIS experiment has also demonstrated that it is very hard to govern large swaths of territory and vast populations for a long time. Good governance takes management of resources, attention to detail and mundane tasks, and the ability to compromise. Terrorist groups may not be constituted by the nature of their organizations to run governments on their own—but instead may want to embed in existing structures or political parties. This however dilutes the message and mission of a committed terrorist group. The ability to govern is made even more difficult if beliefs and order are being imposed harshly and alienate influential local leaders and large parts of a local population. Terrorist groups that hope to operate as insurgencies or proto-states will again take note that establishing harsh regimes without grassroots support is difficult to sustain.

The harshness and exclusiveness of the ISIS agenda has also alienated potential allies, creating fissures in the global violent Islamic extremist movement. These fissures are not permanent, but they have pitted like-minded groups such as al Qaida and ISIS against each other. These are the kinds of fissures that need to be exploited to avoid the consolidation of terrorism movements across the Arc of Instability.

Key Principles and U.S. Counter-Terrorism Strategy

There are certain reinforced lessons for the United States and her partners that are critical for the counter-terrorism mission. The United States should keep these squarely in mind as the new administration constructs the strategy and focus necessary to constrain the growth, reach, and impact of the violent Islamic extremist movement—and ultimately defeat it. This will be a generational challenge, and the U.S. government and its allies need to treat it as such.

The Underlying Ideology Animates the Terrorist Movement

The underlying ideology and appeal of these violent Islamic extremist organizations animates the terrorist movements—be it al Qaida, ISIS, or whatever mani-

festation emerges next. We cannot ignore that ideology is a driver for this broader global movement, and we must work to prevent the perpetuation and embedding of this ideology. This matters operationally. This ideology drives a violently exclusionary narrative that focuses on the United States and other “far enemies” as principal targets and has become a fundamental part of the jihadi DNA, regardless of local focus or origins of the group. More broadly, we run the risk of losing the broader “battle of ideas” against a violent extremist ideology that is infecting a whole new generation of Muslim youth and defining what it means to be Muslim in the 21st century.

This is not just about one group or terrorist actor, and it’s not a short-term problem. This is a long-term battle, and we have assets, allies, and ideas on our side. The vast majority of Muslims are not drawn to the ideology, and Muslim voices and activists are speaking against extremism. This is precisely why ISIS has targeted some of them openly and why voices of moderation have come under direct attack in places like Bangladesh.

The world must confront directly the outbreaks and manifestations of this ideology—like it does a pandemic. This requires empowering a new type of coalition—a “network of networks” of non-state and state actors—that not only counters the extremists’ narrative and seeks to intervene and replace it, but also gets ahead of it through inoculation.

Mothers and victims of terrorists have organized chapters and spoken out against radicalizers. Former extremists have organized to counter recruitment and the ideology on the streets, on campuses, and online. Muslim youth, imams, and entrepreneurs have developed online platforms to organize against extremism.

Attempts to amplify these and other credible voices and create new platforms for expression and a sense of modern identity not dictated by terrorists have worked on a small scale. All of these efforts must be scaled up dramatically. Networking, empowering, funding, and enlisting credible voices are critical, and this has to be done not just by governments but also by civil society, NGOs, and philanthropists.

Governments need to provide consistent strategic focus, funding, and a willingness to let a thousand flowers bloom. This includes seeding investments in this space—like a “CVE In-QTel”—to allow for investment in innovation to counter the messaging and manifestations of extremism. And then we need to scale those projects and networks that have proven successful with real effects.

I was honored to serve recently on the Center for Strategic and International Studies (CSIS) Commission on Countering Violent Extremism (CVE), co-chaired by former Secretary of Defense Leon Panetta and former British Prime Minister Tony Blair. It is worth noting some of the findings from its report, “Turning Point: A New Comprehensive Strategy for Countering Violent Extremism,” published in November 2016:

Diminishing the appeal of extremist ideologies will require a long-term, generational struggle. The United States and its allies must combat extremists’ hostile and apocalyptic world view with the same level of commitment that it applies to dealing with its violent manifestations. We urgently need a new comprehensive strategy for countering violent extremism—one that is resolute, rests in soft and hard power, and galvanizes key allies and partners from government, civil society, and the private sector.

It is time for the U.S. government and its allies to go all in to prevent the radicalization and recruitment of a whole new generation. This is a problem that affects everyone. All segments of society must pull together to defeat this global scourge. Yet, they should not have to do so alone. The U.S. government, its allies, especially from Muslim-majority countries, and the private sector have an essential role to play—providing leadership, political support, funding, and expertise.

The Commission’s goal was to clearly articulate what the next U.S. administration, in close collaboration with governmental and nongovernmental partners, must do to diminish the appeal of extremist ideologies and narratives. The plan has eight major components:

1. *Strengthening resistance to extremist ideologies.* The international community must forge a new global partnership around education reform to stop the teaching of extremist ideologies in schools. At the same time, we must redouble efforts to enhance respect for religious diversity, stem the spread of intolerance, and reinforce community resilience to extremist narratives.
2. *Investing in community-led prevention.* Governments should enable civil society efforts to detect and disrupt radicalization and recruitment, and rehabilitate and reintegrate those who have succumbed to extremist ideologies and nar-

ratives. Community and civic leaders are at the forefront of challenging violent extremism but they require much greater funding, support, and encouragement.

3. *Saturating the global marketplace of ideas.* Technology companies, the entertainment industry, community leaders, religious voices, and others must be enlisted more systematically to compete with and overtake extremists' narratives in virtual and real spaces. It is the responsibility of all citizens to rebut extremists' ideas, wherever they are gaining traction.
4. *Aligning policies and values.* The United States should put human rights at the center of CVE, ensuring that its engagement with domestic and foreign actors advances the rule of law, dignity, and accountability. In particular, the U.S. government should review its security assistance to foreign partners to certify that it is being used in just and sustainable ways.
5. *Deploying military and law enforcement tools.* The international community needs to build a new force capability and coalition to quickly dislodge terrorist groups that control territory, avert and respond to immediate threats, weaken violent extremists' projection of strength, and protect our security and the security of our allies and partners.
6. *Exerting White House leadership.* The next administration should establish a new institutional structure, headed by a White House assistant to the president, to oversee all CVE efforts and provide clear direction and accountability for results. The Commission finds that strong and steady executive leadership is essential to elevating and harmonizing domestic and international CVE efforts.
7. *Expanding CVE models.* The United States and its allies and partners urgently need to enlarge the CVE ecosystem, creating flexible platforms for funding, implementing, and replicating proven efforts to address the ideologies, narratives, and manifestations of violent extremism; and
8. *Surging funding.* The U.S. government should demonstrate its commitment to tackling violent extremism by pledging \$1 billion annually to CVE efforts, domestically and internationally. These resources are meant to catalyze a surge in investment from other governments, the private sector, and philanthropic community.

We can change the course of this threat. Doing so will require aligning all of these pieces into a comprehensive strategy and investing in CVE programs, partnerships, and policies at scale and over the next decade or more.

The report lays out in more detail sets of recommendations in line with these strategic goals. Without question, there needs to be much more emphasis on the CVE mission. This ideological fight is ultimately not just about terrorism. These are enemies of humanity—attempting to spread their ideology like a virus while reshaping borders, history, and identity. This demands stopping the manifestations of the ideology itself.

The Laws of Physics Apply

In counter-terrorism, the laws of physics matter. There needs to be constant presence and pressure to disrupt, dismantle, and deter the emergence of any serious group that has aspirations to attack U.S. interests. In the first instance, this means that we should do everything within the bounds of the law and our Constitution to collect relevant intelligence and information and to work with allies to ensure that we understand the threat landscape as it shifts. Terrorist threats will constantly adapt, and we should not be unilaterally disarming our ability to see, hear, and understand threats as they emerge.

The United States must apply a sense of urgency and importance to countering ISIS, al Qaida, and the underlying and motivating ideology that animates the violent Islamic extremist movement.

We also need persistent pressure against the key elements necessary for terrorist groups to survive: terrorist leadership—taking key strategic and operational leaders off the battlefield in rapid succession to prevent groups from growing or proliferating; financing and funding—squeezing resources (from local illicit economies to state sponsorship) to constrain a group's reach and strategic ambitions; and safe haven—denying any space in which a group can organize, plot, and exploit the resources or population.

It is in these terrorist archipelagos now occupied and governed by terrorist groups that they are able to plot, train, interact, and adapt. With time, space, and leadership, motivated global terrorists will always innovate and surprise. These territories must be disrupted, and the links between various ISIS provinces and al Qaida affiliates must be cut.

Though ISIS is difficult to dislodge, it is hard to imagine that the international community would allow a global terrorist organization that has struck so many parts of the world—including the heart of Europe—and inspired attacks in the United States, to operate a capital and to occupy and govern urban environments like Mosul, the second largest city in Iraq.

This requires U.S. leadership, but it does not dictate that the U.S. be in all places all the time. The United States and her allies are facing a common terrorist enemy. The United States must therefore work closely with its trusted partners—to enable, support, and lead where necessary—to disrupt the short- and long-term threats from terrorism. Much of this work is underway, including with the U.S.-led coalition against ISIS, and the U.S. counter-terrorism community continues to focus on the emerging threats and disrupting them in concert with capable and willing partners.

Effective and Trusted Partnerships are Essential

Counter-terrorism can only work if there is close collaboration and trust with effective partners. Building capacity, reinforcing will, and enabling partners to act against emerging threats is a critical part of shaping the battle space and preventing terrorist groups from growing and the movements from metastasizing. This work must be constant to help build effective working relationships, not just in moments of crisis. As the Special Operations community likes to remind, “You cannot surge trust.”

In denying safe haven, the United States must in the first instance rely on and support legitimate local and regional partners that have a vested interest in ensuring that such zones are not allowed to fester. U.S. counter-terrorism strategy for the past decade has involved relying on and working with regional partners to disrupt and dismantle terrorist networks and safe haven. In Southeast Asia, East Africa, Central Asia, and other regions, this model has helped empower and enable U.S. allies to work together to combat terrorist groups in their midst. This model has yet to prove fully effective in all regions, and the expanding reach of ISIS and al Qaida is a challenge to the United States and the international community.

The United States should enable key partners—especially European governments—by spurring even greater intelligence and information sharing, forcing European partners to sit together to understand the unfolding threat and determine or establish new mechanisms to increase real-time information sharing tied to terrorist suspects and plots. This will involve capacity building with European partners and increased collection and analysis to fill the gaps in knowledge around terrorist intentions and capabilities. This becomes critical as ISIS or successive groups expand beachheads and as the West defends itself against expeditionary terrorism coming from new safe havens. In concert with Europe, the United States should help enable local proxies and allies on the ground to fight ISIS and al Qaida directly. This approach has worked well in West Africa with the French taking the lead on the ground.

This also means that the United States must prove to be a loyal, reliable ally—especially with local actors like the Kurds, on whom Washington has relied to fight ISIS and save populations. Continued support to such allies is critical to our long-term ability to enlist friends to fight with or for us.

In the United States and with key allies, partnerships with the private sector are essential. The Department of Homeland Security and Department of State should move even more aggressively toward a model of layered, systemic defense and resilience for critical infrastructure and national systems. This is important as terrorist groups like ISIS begin to flirt with cyber capabilities, and other transnational actors and their state sponsors probe for weaknesses in the American system and economy.

National Security Strategies Must Drive CT Strategies and Priorities

It is self-evident that counter-terrorism strategies cannot be effective or sustainable if they are not nestled in a broader, coherent national security strategy. This is easier said than done.

Administrations often say they do not want counter-terrorism to define and drive U.S. foreign or national security policy, but it is often the urgency and priority of counter-terrorism operations that begins to drive U.S. strategy in difficult regions of the world. This can make sense when there are no easy policy answers to long-term problems or crises, and the most obvious policy priority is defending the country from imminent threats.

This does become debilitating or counterproductive when there is little recognition that terrorist movements have grown more sophisticated at exploiting local grievances, vacuums of governance and order, and sectarian tension to embed in communities and countries. The rapid rise of ISIS is a testament to the importance of diplomacy, politics, and partner commitment in ensuring that terrorist groups cannot

gain hold. This is a lesson that we have applied well to the case of Afghanistan, where U.S. and NATO forces will remain to support President Ghani and the Afghan government.

This is also important as Iraq, Syria, Libya, and other countries work to dislodge ISIS, al Qaida, or other terrorist groups—which leave behind physical, economic, and psychological scars and destruction. This requires demining, rebuilding, and reinvestment from locals, regional actors, and the private sector—and a political commitment by local governments to ensure reintegration and rebuilding of affected towns and populations. The problem of refugee flows and displaced persons—and the potential that such refugees could become disaffected, marginalized, or even radicalized ties the broader problems of dislocation to counter-terrorism. This all begins to sound and feel like nation-building, but the reality is that political, economic, and social vacuums are susceptible to conflict and exploitation and need to be addressed. Otherwise, organized terrorist groups will fill the void, as they continue to do in conflict zones.

Counter-terrorism work is further complicated by the multiple actors and interests at play in the key conflicts like Syria, the underlying competition and currents in the region (for example, as seen between Iran and Saudi Arabia), and the need to tend constantly to the multiple political and diplomatic factors at play in the Arc of Instability. This is where a well-defined foreign policy is critical, and the trust and confidence of U.S. allies is essential—especially if we are asking them to make hard decisions or to sacrifice with us. Counter-terrorism can be an enormous enabler to our broader policies, but the United States needs to apply clear strategies and principles to our national security work for our counter-terrorism work to be effective in the long term.

Words Matter

How we talk about and classify the threat of terrorism and the enemy is critically important. It helps define the legal framework in which we operate, it explains our intentions and approach to friends and foes, and it shapes the policies and resources we apply to the problem. Our language should also reinforce our alliances, strengthen our message and ideals, and undercut the appeal of our enemies' vision of the world.

Assessing threats and classifying the risks from terrorism are a fundamental part of how we calibrate our response and ultimately make decisions about what the nation will do to defend itself. If we underestimate the threat, we run the risk of ignoring threats as they gather and reacting only when it is too late. If we overestimate the risk, we may overreact, overextend, and misallocate our resources. We also need to be precise about the threats we are facing and allow for a “taxonomy” of threats that we constantly reevaluate.

In this regard, we have heard much that ISIS and terrorism are not an “existential” risk.

Recalibrating and rationalizing risk is the right instinct, but articulating this in terms of “existential risk” has a strategically dangerous effect. This has the potential to dull the sense of urgency to confront the real and quickening strategic threat from ISIS and the movement that may follow.

Repeated, targeted terrorism has strategic impact. Though the Islamic State may not be able to mount a 9/11-style attack, it has perpetrated terrorism from Brussels to Baghdad and inspired it in Orlando and San Bernardino. Al Qaida and ISIS have called on followers to attack with whatever means possible in Western countries, including driving into pedestrians. Aside from body counts, psychological impact and economic consequences, these attacks exacerbate social cleavages and political instability. They stoke fears of immigration at the height of a global refugee crisis and animate sectarian and reactionary forces.

Viewing the threat in a binary fashion — existential or not existential — also fails to account for its dangerous and predictable adaptations over time. ISIS has adapted quickly by leveraging havens, especially in cities, and inspiring sympathetic networks throughout the world to present new threats. It reportedly downed a Russian commercial airliner, targeted the Egyptian navy and launched coordinated attacks under the noses of Western security services. It is flirting with weapons of mass destruction — using chemical weapons, operating a chemical weapons unit and accessing labs at Mosul University. It has used the cyber domain to radicalize using peer-to-peer technologies and to attack online with a new “United Cyber Caliphate.”

Such a maximalist formulation does not account for the reality that ISIS, al Qaida, or any successor can adapt very quickly and may present new and more dangerous threats to U.S. and allied interests—from use of WMD to cyber attacks.

Further, articulating the threat only in “existential” terms leads to a myopic, insular foreign policy. The Islamic State poses a direct threat to U.S. allies, having

a deeper impact on those societies — from genocide and displacement of millions of refugees to the radicalization of Muslim youth and the hardening of reactionary forces. The French president has declared repeatedly that Europe is at war while mourning attacks on French citizens; Kurds and Iraqis are defending their families and communities; Jordan, Turkey and Lebanon endure attacks and the massive weight of refugees. To our friends fighting for their survival with the Islamic State on their doorstep, this threat looks existential.

By seeming to care only about threats to the Homeland, we damage the perception of U.S. partnerships and weaken U.S. influence over the sacrifices our partners must make to defeat terrorism in their midst. If the threat is not “existential,” we may believe we can sit behind the oceans and contain it. This attitude can dull our willingness to make hard decisions.

We must always push government agencies to imagine the unimaginable and not underestimate the will and capacity of global terrorist organizations to strike U.S. interests and allies. We must continue to invest resources and energy to prevent terrorist groups from developing, acquiring, or using weapons of mass destruction. The Nuclear Security Summits and work in both the Bush and Obama administrations—starting with the Global Initiative to Combat Nuclear Terrorism—is a great example of the United States focusing global attention on the potential of nuclear terrorism and the need to prevent it. The United States has concentrated its strategy, programs, and international engagements on preventing terrorists from acquiring or using biological, chemical, and nuclear weapons.

Conclusion

With the right strategy, focus, and resources, there is no question the United States can execute an effective counter-terrorism approach. The United States has the ability, organization, strength, and allies to defeat violent Islamic extremism in any manifestation—al Qaida, ISIS, their affiliates, or whatever group may arise next. We should however take care to learn the lessons of the last fifteen years and not underestimate the ability of such terrorist groups to innovate, adapt, and ultimately threaten the United States.

Thank you for the opportunity to testify. I look forward to your questions.

The CHAIRMAN. Thank you.

Mr. Ambassador?

STATEMENT OF THE HONORABLE DANIEL BENJAMIN, THE NORMAN E. McCULLOCH JR. DIRECTOR OF THE JOHN SLOAN DICKEY CENTER FOR INTERNATIONAL UNDERSTANDING, DARTMOUTH UNIVERSITY, HANOVER, NH

Ambassador BENJAMIN. Chairman Corker, Ranking Member Cardin, distinguished members of the committee, thank you very much for the opportunity to appear today. Thank you for holding a hearing on this vitally important subject on counter-terrorism strategy, and thank you for appearing me with my old friend and colleague, Juan Zarate, with whose testimony I am in broad agreement.

As we approach the beginning of a new administration, as we watch events unfold in the Middle East and the continuing damage being done to ISIS, key questions about our future plans and orientation are on the table. Let me begin by noting that over the past several years the United States has made significant progress against the major jihadist terrorist groups in the extraordinarily complicated and roiled world that was created by the chaos post-Saddam Iraq and the Arab uprisings of 2011 and after. Nevertheless, we face a range of threats that is increasingly diverse and more widely distributed geographically. The continuing appeal of the jihadist narrative and the adaptive nature of these groups pose an enduring challenge to our national security.

At home—well, let me just say briefly that we saw in the period 2011 through 2014 a dramatic rise in global terrorism. At home,

the San Bernardino and Orlando attacks more than doubled the number of jihadist-related deaths in the United States since the attacks of 9/11. The total, I would add, comes to 94, and that number, judged by any reasonable standard, is low and a testament to the extraordinary measures that the nation has taken since 2001 in law enforcement, intelligence, military operations, and migration.

It also reflects the high level of integration of the American Muslim communities who have remained largely immune to the call of extremism. Indeed, if we consider that there have been upwards of 225,000 homicides in the nation in this period, the American populace I would argue has been remarkably well protected from this form of violence, even if the public discussion does not reflect this level of security. I say that recognizing full well that terrorist attacks carry unique and peculiar horror and that their toll must also be reckoned in terms of public confidence in our institutions and perceptions of our global standing.

Having said all that, ISIS today is on the defensive. It has lost some 55 percent of the territory, inhabited territory captured in Iraq in 2014. It remains dangerous by virtue of the sanctuaries that it has where it can recruit, train, and execute external attacks, as we have seen in Europe, and to incite assailants around the world. Recent attacks in Europe further demonstrate that ISIS now has the intent and capability to direct and execute sophisticated attacks far from its territory. These attacks have increased in complexity and pace and are clearly intended to maximize casualties.

In the United States, the threat of ISIS is somewhat different and on a smaller scale. The group to date has not had command and control of any of the attacks that have occurred here. Lone actors or insular groups, often self-directed, pose the most serious threat, and home-grown violent extremists will likely continue gravitating to simpler plots often involving firearms that do not require advanced skills, outside training, or communication with others.

Terrorism has its own political economy, and for ISIS to retain its mantle of leadership in the jihadist movement it must achieve successes that offset and distract from its military setbacks. Many of those efforts are likely to be in Iraq and Syria since the local forces' ability to hold and reconquer territory will be limited.

Continuing sectarian polarization in the region will mean that however unattractive they may find ISIS, many Sunnis will support it as a counter to the Shia-dominated government in Baghdad and to Shia militias. Major population centers, including Baghdad and other cities, are likely to see considerable terrorist violence.

ISIS understands as well that another means to maintain its status is to strike out of area, especially in Europe and, if possible, North America. And as it loses its grip held on land since 2014, the operational tempo could well increase.

Now, as I said before, to date we have no evidence of command and control in an ISIS attack in the United States, and I think we should be mindful of the reason why, because contrary to the situation that exists in Europe, and contrary to some of the rhetoric that we heard in the recent campaign, we do not have a dysfunctional

immigration system, and we do know who is coming into our country. We have a highly sophisticated system with many layers. Its procedures have been steadily expanded and refined to the point where it bears little resemblance to the system whose vulnerabilities were exposed on 9/11.

It is, of course, a human system, and therefore there will be another failure at some point. But since 9/11, it is important to underscore that every attack, every casualty caused in this country was caused by someone who was either a citizen or a green card holder.

We should, I must say—and this is an echo of Senator Cardin and of what Juan has just said—we should expect that danger to grow if the tone and the approach of the new administration resemble in any way the tone and the approach of the campaign. The U.S. public had already been subjected to an enormous amount of fear-mongering while ISIS was on the rise in 2014. Threats to cut off all Muslim immigration, restore water-boarding and other forms of torture, create a national registry of Muslims, and kill the families of terrorists have all contributed to a profound unsettling of American Muslim communities. This will undermine our security in far-reaching ways, I fear.

It is important to remember that while intelligence and law enforcement do a great deal to prevent attack, it is also because of the American Muslim community, which has been largely immune to extremism, that the number of victims is so low. Not only are they immune to extremism but they are also the source of a large percentage of the law enforcement and intelligence tips that prevent plots from occurring.

Now, I recognize that the time is short, and I do just want to get to a few of the other issues that you have asked about. But I do want to just say that, first of all, we should have no illusions about our ability to eliminate the jihadist threat, which I think is a persistent problem, particularly in policy debates. Given the historic dimensions of the changes in the Middle East, I am afraid that we will be seeing terrorist violence and jihadist violence for decades to come. It is nonetheless a threat that I believe we can defend against and manage if we remain clear-eyed and do not make the mistake of over-reaction that the jihadis hope we will.

On the military side, I think that we have innovated and developed really an extraordinary toolkit that will enable us to continue reducing terrorist/insurgent groups in a very effective way, and this is really the refinement of the drone program together with Special Operations in-theater that have been so effective at intelligence gathering and, by the way, enabling local forces and targeting high-value operatives and leaders.

As a way of avoiding putting large numbers of forces into a combat role, this approach has been successful, although it requires a great deal of patience while the intelligence base is built. But those costs in terms of time are more than offset by the lack of radicalization that ensues from large deployments.

We need to do more capacity building. The Obama administration pursued this vigorously in its second term and I think that, to put it bluntly, we must have capable partners, especially in the developing world, and we must have them on the military side, but

we must also have them on the civilian side, and that has been I think woefully underfunded. We need to have partners who have courts that can convict terrorists, police that can catch them, prisons that can incarcerate them, and they need to be treated in a way that observes the rule of law, because, as we know, radicalization is a direct response of repression.

We need to strengthen our relationships, and I agree with Juan on this one entirely. That includes working with our Sunni partners to try to move them from an excessive focus on sectarian issues to curbing extremism, and we need to work with our European partners, who need to do a better job on intelligence and law enforcement.

We need to prevent radicalization and recruitment at home, and I will end just by saying here that I think we need to rebalance our efforts away from counter-messaging, which I think has not shown the kind of yield, the kind of effects that we had hoped for, and towards more direct intervention in communities where teachers, health care providers, religious leaders and the like can intervene when they see that individuals are at risk of radicalization.

There is much more to talk about, but I think that is a good place to stop. I want to thank you again for the invitation. I look forward to your questions.

[The prepared statement of Daniel Benjamin follows:]

PREPARED STATEMENT OF AMBASSADOR DANIEL BENJAMIN

Chairman Corker, Ranking Member Cardin, Distinguished Members of the Committee:

Thank you for the opportunity to appear before the Committee today, and thank you, as well, for holding a hearing on the vitally important subject of counter-terrorism strategy. As we approach the beginning of a new administration, and as we watch events unfold in the Middle East and the continuing damage being done to ISIS, key questions about our future plans and orientation are on the table.

Let me begin by noting that over the past several years, the United States has made significant progress against the major jihadist terrorist groups in the extraordinarily complicated and roiled world that was created by the U.S. invasion of Iraq and the Arab uprisings of 2011 and after. Nonetheless, today the range of threats we face has become increasingly diverse and more widely distributed geographically. The continuing appeal of the jihadist narrative and the adaptive nature of these groups pose an enduring challenge to our national security.

In sheer numbers, global terrorist violence rose dramatically in 2011–2014, with the number of fatalities roughly tripling in this period to about 33,000. In 2015, the incidence of attacks declined somewhat, and that appears to be continuing this year, but the overall level of violence in historic terms remains very high. The proximate drivers of this development have been the rise of ISIS, several ISIS affiliates and Boko Haram, which has declared its loyalty to ISIS.

At home, the San Bernardino and Orlando attacks more than doubled the total number of jihadist-related deaths in the United States since the attacks of 9/11 to 94. That number, judged by any reasonable standard, is low and a testament to the extraordinary measures the nation has taken since 2001 in law enforcement, intelligence, immigration and military operations. It also reflects the high level of integration of American Muslims, who have remained largely immune to the call of extremism. Indeed, if we consider that there were upwards of 225,000 homicides in the nation in 2002–2016, the American populace has been remarkably well protected from this form of violence—even if the public discussion of the terrorist threat does not reflect this level of security. I say that recognizing full well that terrorist attacks carry a unique and peculiar horror, and that their toll must also be reckoned in terms of public confidence in our institutions and perceptions of our global standing. I would add, by the way, that most analysts agree that the nation is considerably safer from unconventional attack than it was during the years after 9/11, when al Qaeda remained interested in acquiring and using weapons of mass destruction. Nonetheless, in the minds of many Americans, the aggregate threat has

grown markedly because of the surge of attacks in the United States and Europe during the period of ISIS's ascendance.

ISIS today is on the defensive, having lost some 55 percent of the inhabited territory it captured in Iraq in 2014, but the group still presents a persistent and critical threat. It has exploited the conflict in Syria and sectarian tensions in Iraq to entrench itself in an area at the geographic center of the Middle East. Using both terrorist and insurgent tactics, the group has seized and is governing territory, while at the same time securing the allegiance of other terrorist groups across the Middle East and North Africa. ISIS's sanctuary enables it to recruit, train, and execute external attacks, as we have now seen in Europe, and to incite assailants around the world. Most important, ISIS's core idea of creating a caliphate—an authentically Islamic polity—and its record of capturing and governing territory has galvanized extremists in a way that Usama bin Laden's al Qaeda never could. It has recruited tens of thousands of militants to join its campaign in the region and to become cadres for bringing the fight back to their home countries. The group also uses its propaganda campaign to radicalize others around the world through a sophisticated set of online approaches.

Recent attacks in Europe further demonstrate that ISIS now has the intent and capability to direct and execute sophisticated attacks far from its territory. Over the past year, ISIS has increased the complexity and pace of its external attacks, which are not merely inspired but planned, directed and executed by ISIS personnel with a clear intention to maximize casualties by striking highly vulnerable targets. The Mumbai-like multi-pronged attack in Paris in November 2015 and the multiple bombings in Brussels in March exposed the weakness of French and Belgian counter-terrorism capabilities and the large majority of European nations are unlikely to do much better. The continent also faces a protracted struggle with homegrown extremism, as the Charlie Hebdo and Nice attacks indicate, as well as many foiled plots elsewhere. As ISIS territory comes under greater pressure, the incentive to carry out terrorist attacks "out of area" will continue to grow, and with more foreign fighters returning to their home countries, the chances of such events will grow. Recent reports that ISIS has used chemical weapons in Syria, and that it conducted surveillance of Belgian nuclear facilities raise the new specter that the group may be developing an interest in weapons of mass destruction.

In the United States, the threat from ISIS has been on a smaller scale. The rise of ISIS almost certainly drove the perpetrators of the San Bernardino and Orlando killings, even if the group had no hand in command-and-control, and there has been an uptick over the past year in the number of moderate-to-small scale plots. Lone actors or insular groups, often self-directed or inspired by overseas groups like ISIS, pose the most serious threat here. Homegrown violent extremists will likely continue gravitating to simpler plots that do not require advanced skills, outside training, or communication with others. The online environment serves a critical role in radicalizing and mobilizing homegrown extremists towards violence. Highlighting the challenge this presents, Director Comey said last year that the FBI has roughly 900 cases homegrown violent extremist cases, including at least one in every state. Most of these cases are connected to ISIS.

Although the battle for Mosul continues—and the humanitarian toll there has been appalling—ISIS is unlikely to be able to reverse its decline. The number of fighters migrating to ISIS controlled territory has dropped dramatically, reportedly from a peak of 2000 a month down to 50, and the group's financial resources are under enormous strain. The U.S.-led military campaign has killed thousands of ISIS fighters and significantly rolled back ISIS's territorial gains in parts of Iraq and Syria. ISIS has not had any major strategic military victories in Iraq or Syria for over a year. As ISIS loses its hold on territory, its claim that it has established the "caliphate" will be eroded, and the group will lose much of its distinctive appeal. Outside of the Iraqi/Syrian theater, the U.S. carries out regular attacks on ISIS targets in Libya in coordination with the Government of National Accord.

Terrorism has its own political economy, and for ISIS to retain its mantle of leadership in the jihadist movement, it must achieve successes that offset and distract from its military setbacks. Many of those efforts are likely to be in Iraq and Syria, since the local forces' ability to hold and police reconquered territory will be limited. Continuing sectarian polarization in the region will mean that however unattractive they may find ISIS, many Sunnis will support it as a counter to the Shia-dominated government in Baghdad and Shia militias. Major population centers—including Baghdad and other cities relatively distant from ISIS-controlled areas—are likely to see considerable terrorist violence.

ISIS understands well that another means to maintain its status is to strike "out of area"—especially in Europe and, if possible, North America. As it loses its grip on lands held since 2014, the operational tempo for such attacks could well increase,

and the potential for impact is great. The increase in jihadist violence in Europe—both ISIS-organized and lone wolf—has caught our allies unprepared. Without a catalytic experience like 9/11, continental Europeans have underfunded intelligence and law enforcement for years, paid too little attention to radicalization in their midst, and failed to integrate their efforts across national boundaries. As ISIS decays, the danger from returning foreign fighters will increase. Weak external borders and the Schengen regime, decades of failed integration policies, the migration crisis, the rise of populist politics, and petty rivalries between intelligence and law enforcement have all aggravated the situation.

Here in the U.S. the picture is different. Contrary to what the President-elect maintained throughout the recent campaign, we do not “have a dysfunctional immigration system. that does not permit us to know who we let into our country.” Rather, we have a highly sophisticated system with many layers. Its procedures have been steadily expanded and refined to the point where it bears little resemblance to the system whose vulnerabilities were exposed on 9/11. It is, of course, a human system, so we will undoubtedly find new shortcomings in future. We must innovate constantly. But it is worth recalling that not a single terrorism-related death since 9/11 was caused by foreign operatives coming into the country to cause violence. From Fort Hood to Orlando, the killings were all caused by U.S. citizens and green card holders. So the principal danger will remain from homegrown extremists, especially those who operate alone or in very small groups. Although, as has been detailed in the press, the U.S. has become more effective at targeting online recruiters, we should expect that ISIS will step up its efforts to incite sympathizers in the country to carry out “individual acts of jihad.”

We should also expect that danger to grow if the tone and approach of the new administration resembles in any way the tone and approach of the Trump campaign. The U.S. public had already been subjected to an enormous amount of fear-mongering while ISIS was on the rise in 2014. But threats to cut off all Muslim immigration, restore waterboarding and other forms of torture, create a national registry of Muslims and kill the families of terrorists all have contributed to a profound unsettling of American Muslim communities. So too do now famous tweets from incoming National Security Advisor Mike Flynn saying, for example that, “Fear of Muslims is RATIONAL.”

All this demagoguery may have made for effective electoral politics, as political scientists have observed, but it will undermine our security in far-reaching ways. Intelligence and law enforcement do a great deal to prevent attack, but it is also because of the relatively well-integrated American Muslim community, which has been largely immune to extremism, that the number of terrorism victims at home is so low. That is true in two important ways: First, American Muslims are much less likely to become radicalized. Using travel to ISIS territories as a proxy, American Muslims are about one-third as likely to become extremists as their European co-religionists. Second, American Muslims provide law enforcement with a large volume of tips that lead to arrests in terrorism cases—according to some estimates, almost half of such information. If these communities feel that the authorities are not on their side, then there will be fewer tips and, of course, more radicalization. The sense of isolation that community leaders have expressed is a danger sign that should be heeded. The spike in anti-Muslim hate crime that has accompanied the presidential campaign provides yet another reason for concern and course correction. Otherwise, we are clearing the way for increased jihadist recruitment in the U.S., which we will come to regret.

Let me turn to our strategy going forward. The U.S. will of course need to continue to use a variety of tools, some of which we have mastered, others that require innovation. It is difficult to predict precisely how the jihadi threat will evolve. One thing that we can rule out with some confidence is that the diminution and even defeat of ISIS will lead to a large-scale reduction in the jihadi threat. We have the military might to dramatically affect individual groups, but no amount of military strength will eliminate the jihadist movement.

To begin with, as long as the fires of the conflict in Syria burn, radicalization will also continue. In this context, it is worth noting that a policy along the lines suggested by President-Elect Trump in Syria—to include working with Russia against jihadis and, as inevitably would be the case, the Syrian opposition—would exacerbate matters. If our Sunni partners in such countries as Saudi Arabia, Qatar, and elsewhere see the U.S. siding with Russia, and, by extension, with Syria and Iran, it will cause a deeper rift in our already strained relations, and may cause them to abandon all restraint regarding who they arm and fund in the Syrian civil war. Needless to say, this would be disastrous for our efforts to bring peace to Syria or to limit radicalization.

While ISIS looms large in the constellation of bad actors today, we need to keep sight of the larger historical developments that have spawned the jihadist movement. Poor governance in most of the Arab world, chronic economic underperformance, marginalization and alienation of youth, the Arab uprisings of 2011–2012 and consequent weakening and/or failure of multiple states have created opportunities for the extremists that far surpass anything seen in the past. The overlapping Sunni-Shia split/regional rivalry between Saudi Arabia and Iran has further energized militants and created precisely the kind of conflicts in Syria, Iraq, and Yemen that breed extremists who will direct their violence against the West as well as sectarian opponents. The kind of upheaval we see in Libya, a country that had all its institutions destroyed under Qaddafi, provides another kind of venue for dangerous radicalization. In Europe, the failure to integrate immigrants, youth unemployment, and discrimination will continue to feed extremism. Defeating ISIS in Iraq and Syria so it can no longer hold territory will help quell global extremist sentiment. But even if the group is decisively set back, we can expect additional violent jihadist groups to emerge for many years to come. We cannot exclude the possibility of a revival of al Qaeda, perhaps growing out of the turmoil in Yemen. We also should not rule out the emergence of an entirely new generation of jihadist threats, which might, for example, emanate from the growing crisis of governance and repression in Egypt. The threat, in short, will confront us for many years to come.

It is, nonetheless, a threat that we can defend against and manage if we remain clear-eyed and do not make the mistake of overreaction that the jihadis hope we will. The Obama administration has employed military force, intelligence operations, law enforcement and diplomacy to implement its counter-terrorism policy. I believe these tools have served us well and should continue to be at the heart of our efforts going forward. The signature initiative of the first Obama term—the drone campaign against al Qaeda—has been updated in the fight against ISIS in Iraq and Syria to include more manned air strikes, special operations efforts and training and equipping of Iraqi, Kurdish and Syrian opposition forces. The approach has achieved real success, though it requires patience—a scarce resource—while the necessary intelligence base is built up for the campaign. The military effort has also successfully targeted a significant number of ISIS leaders. United States special operations forces have gone into Syria to support the fight against ISIS, bringing a unique set of capabilities, such as intelligence gathering, enabling local forces, and targeting high-value ISIS operatives and leaders. As a way of avoiding putting large number of forces into a combat role, this approach has been useful and effective; whatever the costs are in terms of time till success, they are more than offset by the lack of radicalization that ensues from large deployments.

Let me briefly address some other key considerations—there are far too many to address them all—that I believe will be important to success against terrorism. One important requirement is capacity building, which has grown in importance during President Obama's second term. Multi-billion dollar requests beginning in 2014 were sent to the Hill to support both military and civilian efforts. Congress amply funded the military request in the first round but denied funding to State. In 2016, however, Congress did partially fund State's Counterterrorism Partnership Fund requests for both traditional capacity building efforts focused on law enforcement and high-end police capabilities. To put it bluntly: the U.S. must have capable partners, especially in the developing world, where states are often too weak to defend themselves fully. It is, moreover, imperative that the resources be made available for civilian-side capacity building that increase capabilities while respecting human rights—a paramount concern if we are to avoid the repressive approaches that drive radicalization. That means strong police, strong courts, legislatures capable of trying and convicting terrorists and prisons capable of incarcerating them. We will not always succeed in these efforts, but we still must broaden them to more countries and deepen our engagement. Such work will repay the investment when the U.S. does not need to deploy forces to deal with more jihadist violence far from our borders.

We must strengthen and, in some cases, revitalize our bilateral partnerships as part of a broader effort to construct an international coalition against ISIS and jihadist extremism and to resolve the underlying conflicts in the broader Middle East. The administration has had limited success at eliciting help from Sunni coalition partners; the overwhelming majority of partner support has come from Australia and Western European countries, and that still amounts to a third or less of our overall contribution. Although Jordan and Bahrain have made noteworthy contributions, Saudi and Emirati forces have done little, focusing their efforts instead on the fighting in Yemen. Turkish forces have also contributed little. So long as the region is more focused on the sectarian divide, containing and eliminating extremism will be a secondary or tertiary concern. (Russian efforts, it should be noted, have focused chiefly on opponents of the Asad regime—not ISIS.)

That said, President-Elect Trump will have his work cut out for him in this area. Some leaders of Muslim nations—especially non-democratic ones—may at first be eager to work with a U.S. president who will not lecture them on human rights or democracy, but their publics are unlikely to understand why they are meeting or cooperating with someone who has spoken so disparagingly of Islam, threatened to block Muslims from entering the U.S. and opined that there was a “‘sickness’ in Islam.” Since we rely on these partners for intelligence that has saved American lives, this is a major concern.

Our partnerships with the Sunni Arabs are not the only ones requiring attention. Although our bilateral intelligence sharing with European partners is generally acceptable, we need them to step up to become more productive collectors at home and abroad, especially as the number of foreign fighters returning from the conflict in Syria continues to increase. (The migration crisis remains outside the scope of this hearing, but a robust U.S. effort to ameliorate that issue may be needed, including through acceptance of more immigrants and active diplomacy to ensure that those requiring resettlement outside the region are equitably distributed.) Although our intelligence and immigration systems have performed well in keeping terrorists out, Europe is at least partially within our security perimeter due to the visa waiver program and deep economic ties. Our cooperation on counter-terrorism efforts outside the continent—including on high-priority development work—remains fragmented. The U.S. has a vital interest in European security as well as in Europe’s performance as a counter-terrorism partner inside and outside the continent. We must press European leaders for greater integration of intelligence and law enforcement operations especially within Europe but also across the Atlantic; we also have an interest in seeing increased intelligence and military cooperation and targeted development assistance and capacity building in third countries. None of this will be easy during a period when the transatlantic agenda will already be overloaded with such issues as Russia, trade and the future of NATO topping a list of urgent issues.

We will continue to need a robust effort to block terrorist finance. In 2015, the U.S. government sanctioned more than 30 ISIS-linked senior leaders, financiers, foreign terrorist facilitators, and organizations, helping isolate ISIS from the international financial system. Vigorous continuation of such efforts against ISIS and other terrorist groups is vital.

We must also deepen our efforts to prevent radicalization and recruitment at home and abroad. A recognition that a more comprehensive approach was needed to defeat ISIS—one that included a focus on addressing the factors driving ISIS recruitment led the White House to stage an ambitious summit on Countering Violent Extremism (CVE) in early 2015 and to initiate more vigorous programmatic efforts at home and overseas. The infrastructure is there for meeting global needs: The Global Counterterrorism Forum remains an effective institution for propagating best practices in CVE and civilian CT, and the State Department-led the creation of the multilateral Global Community Engagement and Resilience Fund—an innovative public-private fund to channel grants to local NGOs working on CVE.

In my view, we need to accelerate efforts in this area and especially rebalance our work to support programs that empower communities to intervene with at-risk individuals. Overall funding of CVE—from both the U.S. and partner countries—remains minuscule, with CVE accounting for less than 10 percent of State/CT’s capacity-building budget. While the global trend has been toward more direct community engagement aimed at addressing local grievances and providing vulnerable young people alternative paths, the administration has still devoted much of its CVE energy to counter messaging, focusing in particular on the attempt to undermine ISIS online propaganda. In 2016, the administration folded the Center for Strategic Counterterrorism Communications (CSCC) into the new GEC, ended CSCC-originated messaging and created new communications hubs—the first in Dubai and then another in Malaysia—to be run by Muslim partners. Obviously, we cannot abandon the public communications sphere to the extremists. At the same time, though, it is questionable whether messaging linked to “apostate regimes” will be more successful than US-produced messaging. Expert opinion has become increasingly doubtful about the value of such campaigns. While some messengers (ISIS defectors, for example) may be effective, too often, we are spending large sums to reach young people who are cognitively closed to such appeals.

At home, we also need to realign and deepen our efforts to counter extremism. American Muslim communities may be our first and best defense against home-grown radicalization and terrorism as they are the most likely to recognize the behavioral patterns of radicalization before it’s too late and intervene to help set a young person straight. Unfortunately, the trust between these communities and the government is very uneven. Law enforcement is perceived by some as untrustworthy. There are few, if any, non-law enforcement alternatives to which to

report concerning behavior. And interventions, such as counseling to prevent violence before law enforcement is needed, remain quite limited and entirely ad hoc. The FBI and its state and local partners have achieved some remarkable successes—most recently, the swift apprehension of Ahmad Khan Rahami, in New Jersey in September. Such accomplishments increase deterrence against would-be terrorists, but if we seek to stop radicalization before the turn to violence has occurred, approaches other than law enforcement are also necessary.

This requires engaging and empowering communities: families, peers, teachers, religious leaders, mental and public health professionals, social workers, and others who are often in the best position to recognize signs of radicalization in young people and work, where appropriate, with law enforcement to intervene before it's too late. This is particularly important given that the perpetrators of each of the recent attacks exhibited behavior that suggested that they were becoming or were already radicalized. That behavior was observed by community members who either lacked the knowledge or training, were in denial, or did not know to whom to turn other than law enforcement. Community members need encouragement, guidance, and flexible resources from all levels of government, as well as the private sector to play this preventative role effectively and to develop “off-ramp” programs for those at risk or who have begun to embrace terrorist propaganda but have not committed a crime. In order to broaden and deepen the involvement of communities in this work, these efforts should be anchored in a framework centered on preventing targeted violence rather than the narrower “CVE” law enforcement-centric approach that has not gained traction in or, in some cases, alienated communities. A more effective approach—similar to what is done in the world of public health—would involve detecting and interrupting a behavior before it becomes dangerous and spreads, changing the thinking of those most at risk, and, in time, reshaping the social norms that exacerbate those risks.

Pilot programs in Boston, Chicago Los Angeles, Minneapolis and Montgomery County, Maryland have been working developing this kind of effort. Framing the work in this way will facilitate efforts to involve mental health and social service professionals, educators, teachers, religious leaders, not to mention federal departments and agencies (e.g., HHS and Education) that have so far been reluctant to get seriously involved in CVE efforts, and will allow for the development of the necessary multi-disciplinary/agency approach both in and outside the Beltway. This, I would submit, is a true “whole of society” approach to addressing the multi-faceted challenge of violent extremism.

Let me close with a final global perspective, which I confess I offer with little hope that it will make a dent anywhere. The durability of the jihadist movement reflects the profound social, governmental and economic dysfunction of many Muslim nations. Since 9/11, analysts and policymakers—including Secretary Kerry—have spoken of the need for a comprehensive economic and political reform effort along the lines of a Marshall Plan in the MENA region. The nation, I strongly believe, should consider whether it is desirable and feasible to undertake a genuinely global effort to address the root causes of extremism, which would entail significant large scale non-military capacity building, human capital development, local economic opportunity unencumbered by overbearing bureaucratic impediments, and poverty alleviation.

Thus far, the costs of the Iraq and Afghanistan Wars, the Great Recession and the state of Western budgets have prevented any serious consideration of such an initiative, including at the time of the Arab Spring, when sympathy for many Middle Eastern countries was greatest. A meaningful initiative may remain simply out of reach because prospective partner governments will refuse to reform or require exorbitant subventions to make it worthwhile for them. Prospective partners may be unwilling to support a program that will not pay off for decades. Still, we need to examine the concept of deep engagement with Muslim-majority countries to advance democratic institutions and economic opportunity. The region is dangerously broken, and leaving it in its current condition is a recipe for the development of further extremism. Such an effort would obviously require support from Europe, the Gulf, the Pacific Rim and North America.

Quite clearly, such an approach is unlikely to fit in with a narrowly conceived governing concept of “America First.” Nonetheless, in light of the hundreds of billions of dollars we spend every year on counter-terrorism, we would be derelict not to think long and hard about the possible benefits such a comprehensive approach might yield.

Thank you again for the opportunity to present this testimony.

The CHAIRMAN. Well, thank you both for those very expansive opening comments.

With that, I will turn to the distinguished ranking member, Ben Cardin.

Senator CARDIN. Well, Mr. Chairman, first off I want to thank both our witnesses. I thought you gave a very comprehensive outline on our strategies moving forward to counter-terrorism.

Mr. Benjamin, I could not agree with you more about the importance and the realities of the relationships with the Muslim community has paid off major benefits as far as safety in our community. Maryland has a significant Muslim community. I have worked a long time on the relationship with local police, with our intelligence communities, and that relationship has kept I think our state safer, and it is in everyone's mutual benefit. If that trust does not exist because there is a view that by helping government you are hurting your own people, then that really jeopardizes everyone's safety. So, I appreciate that point.

Mr. Zarate, thank you for mentioning the CSIS study, "Turning Point." It pointed out very clearly that we have to avoid reactions that play into violent extremists' hands. It included a former al Qaeda recruiter as saying, "Radicals and recruiters love Islamophobia. It drives recruitment." The report further advises that it is important for governments to avoid rhetoric and responses that estrange Muslim communities.

So I just really want to underscore that point, that we really play into making our country more vulnerable when we use that type of rhetoric that estranges Muslims around the world.

I do want to ask both of you a question, though, about what we should be doing here in this committee. As I pointed out in my opening statement, most of our resources to fight terrorism are on the defense side, the DOD side. This committee is responsible on the State Department and on the so-called "soft powers." We know the importance of good governance. We have seen that play out directly in Iraq, that if you do not have a comprehensive government that all communities respect, you are not going to be able to maintain peace.

We have resources in our State Department through diplomacy, through development assistance. Where do you see the most effective use of those resources? Where could we be doing better? What would you recommend should be our priorities in fighting terrorism using your own terminology that we need a comprehensive foreign policy? How would you have us use those tools more effectively to counter terrorism?

Ambassador BENJAMIN. If I may, Senator, I believe that it is very important to continue with the capacity building in the military field and the intelligence field, but I think that we have lagged on the civilian side. We need to do a better job in terms, as I referred to in my testimony, of training the police who deal with counter-terrorism. Remember, in most of these countries, terrorism, as it is in ours, is a police issue, not a military issue. We need to strengthen their ability to track terrorists, to collect intelligence on them, but also to try them, incarcerate them, and also to do the work of countering violent extremism which is so vital to tamping down radicalization.

The State Department I think does a good job to the extent that it is engaged in these areas, but I think it is important to note that

capacity building efforts have grown exponentially in every other part of the government, and I would say perhaps arithmetically.

Senator CARDIN. Mr. Zarate, I am going to give you a chance to respond, but I just want to underscore that point. If you look at our development assistance, most of those funds go into health programs or food programs, which are very important. I am for those programs. I do not want to see those programs marginalized. But the money we spend on capacity building is not very great. If we look at where the seeds are already there for growing terrorists such as Africa, where we could be doing so much more in capacity building, and yet our investments in capacity building in Africa are very, very small.

Mr. Zarate?

Mr. ZARATE. Sir, I can be quick because I agree with everything Dan has said. I think there are three categories, really, for you to consider. I think there is the partner capacity issue that Dan has mentioned, and that is everything from law and order to the ability to govern.

There are the questions of the aftermath of these terrorist-held territories. What happens in Mosul after ISIS is dislodged? We have seen this problem in Ramadi and Fallujah. How is it rebuilt? What does governance look like? How is trust rebuilt with the citizenry? We are not going to do that, obviously, the Iraqis have to do it, but we have to be present and we have to have the ability to impact that.

And finally, a bigger question here, and it emerged in the context of the Arab Spring where there was a lot of, I think, Pollyannish analysis that things would go incredibly well, that the arc of history would bend in our direction in terms of the Arab Spring. There was a lot of discussion at the time as to whether or not we needed to consider a Marshall Plan-like structure for dealing with what was inevitably going to be dislocations, lack of governance and, frankly, pockets of vacuums that terrorists and jihadis were going to fill. Many of us were warning that this was probably going to happen.

I think those three areas are three conceptual areas where this committee can focus.

One final point. There is room for private sector engagement in a way that we have not done creatively enough. In the report on countering violent extremism, we lay out some very interesting ideas for how to leverage the private sector not just from a media perspective but in terms of actually organizing against the manifestations of the ideology as it emerges in places like Bangladesh, Nigeria, and around the world. The private sector has a key role to play, and there are a number of programs that need to be scaled up and supported, and I think that is something for this committee to look at.

Senator CARDIN. Thank you. I thank both of you again for your testimony.

The CHAIRMAN. Thank you.

Senator Perdue?

Senator PERDUE. Thank you.

I want to follow the money, briefly. It just seems to me, looking at this, that we are at war, and sometimes we do not approach it

that way. I believe our homeland has been invaded. When you see the rise of home-grown terrorists, the lone wolves and so forth who have been radicalized through social media and the Internet, I believe our borders have been breached. I think we are at war, and I think we have got to face up to that reality.

But I want to talk about the financing of this. Mr. Zarate, to start with, we saw ISIS grow very radically early and rapidly through the use of oil resources, selling antiquities. In other parts of the world we see the illicit trade of wildlife and so forth. What can we do? I mean, you were the first undersecretary that really attacked this, I believe, and what I would like to get at is what are the loopholes? What are the ways that we can track the money and actually fight them through the financial ways that we can, and also limit their use of established financial systems throughout the world?

Mr. ZARATE. Senator, great question, and they both link, actually, because I think one of the things that we were slow to realize is that in cutting off terrorist funding, which is essential to cutting off the lifeline for these groups to give life to their programs to have global reach, you have to actually treat it like a war. And especially when these groups are holding territory, holding resources, have populations and even financial institutions at their command, we actually have to find ways of physically dislodging them, and that is what has been so effective over the last year-plus. We have dislodged them from their control of territory, oil resources, hit their mobile refineries. We have even begun to hit them physically, their cash centers. We have seen these videos of the U.S. military blowing up these cash centers and the cash flying up in the air.

So the first thing we have to recognize is that when these groups—and more and more of these groups are figuring out that they can control localities and local economies—when they control those economies, you actually have to physically dislodge them. There is not much you can do from afar to effect what they can do on the ground, and we have done that relatively well over the last year.

The second thing that can be done, Senator, is to find where those chokepoints are in the system where their economy hits the regional or even the global economy. So in the context of ISIS, the question was who are the brokers with whom they are doing business? How are they actually moving their money? How are they trading in antiquities? How are they selling their oil? Where are the money service businesses that they are operating? What money service businesses or banks are they using in Mosul, or even Raqqa, or Sirte, to actually move their money? So finding what those chokepoints look like is essential, and frankly intelligence is key to that, and I think we were a bit blind to how this emerged. We have gotten much better—

Senator PERDUE. Have we focused the resources to really do what you are saying there?

Mr. ZARATE. I think we have now. With our departure in 2011, in all honesty, I think we blinded ourselves to what was emerging. We had seen with the terrorist financing tracking cell that we had established in Iraq how al Qaeda was using some of the same

mechanisms that ISIS eventually used. We dismantled that capability, and we have been playing catch-up ever since.

So I think it is important to realize that the long pole in the tent here is intelligence and information to understand where these groups, be they the groups and militias using wildlife trafficking or drug trafficking or oil smuggling, whatever it is, how they are actually running an economy, how they are linking to the formal financial system. Once we know that, we have a set of tools that begin to shut that down and begin to restrict their ability to raise and move money.

Senator PERDUE. Thank you.

Mr. Ambassador, I have a question about Europe. How do we coordinate with our allies in Europe? We see a lot of activity over there. We know that Brussels is a haven for terrorist activity and so forth, and is being exported to this country through Europe. General Breedlove even said that Putin is involved with the radicalization and the weaponization of the refugee problem in Eastern Europe.

What can we do, and how would you advise the incoming administration to coordinate with our allies in Europe to fight this?

Ambassador BENJAMIN. Our coordination with our European partners tends to be pretty good. Our problem is the coordination within Europe itself between different European partners. Intelligence gathering is not a European—that is, EU—competency. It is a national government one. And for that reason, and because of the nature of intelligence work, many of the services are not fully trusting in one another. In some ways, they are still more in the Cold War era than we are at this point. Europe never had the 9/11 galvanizing experience that we did, and as a result it has never spent the money on law enforcement, on intelligence, on border controls that we have.

I think that the new administration should engage vigorously with the Europeans and push them hard, and this needs to be done at a very high level to integrate more effectively. I know the current administration has pushed this issue and has offered them various kinds of technical assistance so that they can integrate their many different databases more effectively. But I have to tell you, it is going to be rough sledding because Europe has an awful lot of issues on its agenda right now. But I do think that they need to do a better job, and they really need to increase the resources devoted to this problem.

Let me just add, though, that perhaps the issue that is most dangerous of all for Europe right now is the migration one, not only because of the domestic problems it creates but also because it is politically tearing apart the EU. So it seems to me that as part of a broader strategy to deal with this, the United States should take a leadership role and try to help Europe with the migration crisis in terms of a global approach to dividing up extremely needy people who have been the victims of a horrible war, resettling them around the globe as necessary, because until that is done, I fear we are going to be in crisis management for a very long time.

Senator PERDUE. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Menendez?

Senator MENENDEZ. Thank you, Mr. Chairman.

And thank you both for your service and for your testimony.

As the new year approaches, we find ourselves 15 years removed from September 11th, 13 years from the invasion of Afghanistan and Iraq, five years from the turmoil of the Arab Spring, two years from Baghdadi's declaration of a caliphate, and conflict ranges across the Middle East and North Africa, horrible civil war in Syria, failing states in Libya and Yemen, sectarianism hardening. So we should not be surprised that violent extremism flourishes in such conditions, or that we are not immune from the blowback.

By the end of last year, more than 31,000 people from at least 86 countries have migrated to ISIL-controlled lands, testifying to the global appeal of their extremist ideology. It is in the backdrop that I look at and I appreciate this hearing because it is a time of inflection and reflection to think about what we have not done or have not achieved, or what we have done well but maybe what we should be doing as well.

Several years ago I made a speech, well before this time, that if we did not listen to the Arab street, we would live with the consequences of it. What did I mean by that? We had an overwhelming population incredibly young and incredibly poor, with no aspirations of seeing anything in the future that would be better, governance and governments not taking care of their own people, and economic conditions that would not create the opportunity for people to realize their hopes and dreams and aspirations. Therefore, you go and listen to the suggestions that glorification comes in dying, and you get pieces of gold and other enhancements as a result.

For those of us in the Western world who live in democracies and what-not, we find it incredibly hard to believe that someone would succumb to that belief. But when you are desperate, it is amazing what can happen.

So my question is, yes, we are doing—and I have supported all of the efforts to deal with the military, intelligence, and other elements, but that almost seems ripe for a perpetual war.

So the question in my mind is, should we not be equally addressing the questions of the economic underpinnings that create masses to be disenfranchised to the point that their purposes can be perverted? Should we not be focusing more on governance as a way to move towards better economies? Is that not also in our national interest and the national security of the United States? And should we not be more significantly, in a broad-based collaborative network way, be dealing in the social media realm to counteract? And I think both of you have referred to that. But how do we do that more extensively, more collectively, more powerfully than we are doing right now?

And lastly—so I will put all three questions out there and then give the rest of the time for you to answer. I think, Ambassador Benjamin, you said that terrorism and ISIS have their own political economy. And I would say to you and Mr. Zarate, well, how do we attack that political economy successfully? What regulatory impediments could Congress fix that would allow Treasury and State to more effectively employ the tool of financial sanctions in our counter-terrorism efforts towards that economy?

So if you could comment on those three things, I would be appreciative.

Ambassador BENJAMIN. Juan has graciously let me lead on this.

So, on your broad point of the chaos in the broader Middle East, I am in full agreement and I think that we face, as I said in my testimony—and it is in the written record—a very, very long-term challenge that will be very difficult to escape. We are talking about historical changes on a scale that have not been seen certainly since the end of World War I, the period of colonization, the end of the caliphate, and in many ways on a socio-economic scale that is simply unprecedented.

Senator MENENDEZ. But if we do not start down that journey—I admit that it is long. But if we do not start down that journey, then we are destined to ultimately live with the consequences.

Ambassador BENJAMIN. I fully agree. I think that this is the moment from a global perspective that requires an enormous amount of American leadership and that is going to bring together the wealthy countries of the West, the Gulf, and others to begin to incentivize good governance and better economic institutions and arrangements in this region. I think it is going to be extremely difficult, but I think we should do it. It is going to cost an awful lot of money, and I guess I question whether or not, in a period of America First, we are prepared to do something like that. But that would certainly be my recommendation to any incoming administration.

Mr. ZARATE. Senator, you are always insightful and certainly ahead of the curve, and I think you have been on this as well.

Senator MENENDEZ. You can stop there. [Laughter.]

The CHAIRMAN. And his time is up, too. [Laughter.]

Senator MENENDEZ. It is the Cuban-American thing. [Laughter.]

Mr. ZARATE. I do think we have to realize that this is a generational struggle, and it has all of the components that you have described and that Dan and I have put in our testimony. We have to realize that the nature has changed.

To Senator Perdue's point, we are at war. It looks very different than past wars. It is not going to have a neat expiration date. And frankly, our European partners have realized over time that they are at war. The French president and prime minister have talked about this in those terms.

So we do have to realize that this is a war, that it is generational, and that you do have to employ all elements of national and international power.

In terms of governance, you are absolutely right. There are short-term dimensions. You have to fill voids so that these groups do not take hold.

One of the things I worry about in Libya, for example, is that the new council, the Mujahedeen council in Derna is now filled with al Qaeda folks. Al Qaeda has grown much smarter as they are re-emerging. They have relabeled themselves in Syria as a way of legitimizing themselves and distancing themselves from the al Qaeda brand, very smartly.

So I worry that in the short term, if you do not fill the void, these actors are very smart and they will adapt and take advantage. In the long term, you have to have a solution to these questions of

identity, of aspiration, and there is no question that there is a crisis of identity in many parts of the Muslim world and with Muslim communities.

Fortunately, I do not think that has taken hold in the United States, and one of the key elements of countering violent extremism in the homeland is making sure that the ideology never has real purchase or longevity in the homeland. I think if we can get to the point where we begin to look like Londonistan or Molenbeek, we have got a real problem. We are not there by any stretch, and I think we have to make sure that we never get there.

But I could not agree more that the governance issues in the context of a movement that really is trying to reshape maps and history—this is a movement—is trying to give identity and shape in a very convoluted and dangerous environment, and we have got to shape the environment.

Senator MENENDEZ. My time has expired. But if you can in a separate setting give me ideas on regulatory changes that would make our financial sanctions more effective, I would appreciate it.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Gardner?

Senator GARDNER. Thank you, Mr. Chairman.

Thank you, both of you, for being here today and sharing your expertise.

Ambassador, just to follow up on something, you made a comment to Senator Perdue about talking about the intelligence situation in the EU and Europe in general. It is pretty clear that when our focus shifted to the Middle East, terrorism in the Middle East, that we started shifting our intel assets and resources from Europe and obviously have not built up to where we were at in the midst of the Cold War.

What level are we in terms of appropriate intelligence responses, assets and build-up in Europe today to understand the threat from Russia and others in the EU, in Europe in general?

Ambassador BENJAMIN. Well, I confess I do not think I am entirely qualified to answer that, not being from the intelligence community. My concern was less with the staffing of U.S. people in Europe or on the staffs in the various agencies here than it was with what we were getting from our liaison partners, because liaison partnerships remain absolutely vital.

But I will say that one of the great challenges facing the intelligence community today, of course, is doing all of these different things. You mentioned Russia, and it is really tough when you are dealing with the potential of an imminent terrorist threat to also be resourcing people who are looking at long-term trends in Russia as well.

Senator GARDNER. But would you agree that we cannot simply rely on European nations to provide us both an intelligence look into Russia and the Middle East because you have the north/south split for—

Ambassador BENJAMIN. Well, we do not rely on them for either of those things. We rely on our own services for that and for others who are in the region. We rely on liaison services in the Middle East heavily for counter-terrorism information. Every intelligence operation worth its salt relies on a combination of its own resources

as well as those of its partner services. No one can do it all by themselves. And, quite frankly, in the Middle East, for example, we just do not have the kind of personnel who can do that work. We are really challenged in this period, there is no question about it.

Senator GARDNER. Thank you.

Mr. Zarate, a couple of questions for you.

If you look at Southeast Asia—we talk a lot about the Middle East, but if you look at Southeast Asia, 240 million people, the population, some of the largest Muslim-majority countries in the world, 15 percent of the Muslim population in terms of the Sunni Muslim population, 40 percent of Southeast Asia's overall population, what do you see happening right now in Southeast Asia that is of concern to U.S. interests in the region, how that growth of terrorism is occurring, and the spread and recruitment taking place in Southeast Asia?

Mr. ZARATE. Great question, Senator, because I think a few years ago we certainly saw Southeast Asia as a success story in terms of our ability to contain the growth of the terrorism threat, even the growth of the ideology, even though it was still present and we saw attacks, as we saw in Bali and other places in Southeast Asia.

I think one of the dangerous things that we have seen—and part of this is the reanimation that ISIS has provided to the jihadi networks that have existed in the past—is a reanimation of operational cells in Southeast Asia that are tying back to groups like ISIS, or even al Qaeda. They are regenerating themselves after having been suppressed or deterred for some time. So I think that is the first order of battle, and you have seen attacks emerge.

Secondly, I think the ideology has had a bit of a renaissance, unfortunately. You have seen rallies, for example, in Indonesia, mass rallies where the violent Islamic extremist ideology seems to have grown a bit more popular, and I think that has implications politically, and that we have got to watch very carefully because to the extent that Salafi politicians begin to take hold in Southeast Asia, that begins to affect policy and dynamics and our ability to work with them, perhaps.

Finally, I think the diaspora communities are of concern. So, for example, in Singapore they have worried often about, for example, the Bangladeshis that are radicalized. They recently arrested a whole slew of individuals. So diaspora communities have proven problematic at times in these areas.

So those are three concerns that I have looking at the environment currently.

Senator GARDNER. To follow up on that question, though, have we done enough in terms of our prioritization on counter-terrorism assistance to them to help build their capabilities to monitor, to track, and to prevent terrorism recruitment, to know who is coming back in from Syria? And do we have an overall high enough priority on counterterrorism efforts in Southeast Asia right now? Have we prioritized it decently enough?

Mr. ZARATE. To be honest, I have not seen current resource levels and the rest. But I would say that one of the successes in Southeast Asia that we can build on and that has really been a success is the sharing of labor around this intelligence work. I mean, one of the great things in Southeast Asia is that you have a partner

and five eyes in the Australians, who are present, who have just as much if not more interest than we do in terms of watching what is happening, capable partners like the Singaporeans who are very committed to stability in the region.

So these are all partners that are devoting resources and working closely together and that we are trying to amplify.

One word of caution, though, and this is where counter-terrorism fits so importantly into our foreign policy. Our partners have to want to work with us, and what we have seen currently with the political maneuvering in Manila with the removal potentially of U.S. Special Forces in the south, it is troubling because that partnership has been incredibly important to diminishing the reach of Abu Sayyaf, the Moro Islamic Liberation Front, both of which have flirted with ISIS support. So how we manage the foreign policy there begins to impact very directly what we can do with our partnership.

Senator GARDNER. And I, too, would like to follow up with you a little bit on how we can be more effective in a different region of the world, and that is our sanctions in North Korea, against individuals in North Korea. Victor Cha and Ambassador Galluci just issued a report talking about the importance of identifying individuals, isolating them from the worldwide financial systems, and how we can be more effective in targeting the ways that dollars are getting back into the North Korean nuclear regime.

So, thank you.

The CHAIRMAN. Senator Kaine?

Mr. ZARATE. May I just make one quick follow-up, Senator? Just to tie back to something that Senator Cardin was inquiring about before.

If we went back to 2003–2004, we probably, if you polled a lot of counter-terrorism experts, would have said that Southeast Asia was one of the true crisis regions and that we would worry about the fundamental stability of Indonesia.

One of our success stories, I would say, in the capacity building area has been in Indonesia. We are fortunate that it is a large and very vibrant democracy and we had very, very effective partners, particularly in the high-end policing area, but also in the judiciary there. So I think that while there are occasionally worrisome signs that we should not in any way be complacent about, this is a demonstration of what you can do if you invest in a partner country.

Senator GARDNER. But I do think we have to be careful because in conversations with the Singapore officials, they talk about the emergence of a hardline element in Indonesia and recruitment obviously in Indonesia's national language, and the Malay language that is increasing. So I agree with you, but we cannot be complacent because there seems to be a larger element that is rising.

The CHAIRMAN. Senator Kaine?

Senator KAINE. Thank you, Mr. Chairman. Thank you for your kind comments earlier. I am energized to be back with good colleagues here, and this hearing is a good explanation of why.

Two things happened last week during our Thanksgiving recess that I thought were interesting and a close connection. On the 24th of November, Thanksgiving Day, we had the first American combat death in Syria, Chief Petty Officer Scott Dayton of Virginia, from

Woodbridge here in Northern Virginia, who was based out of Virginia Beach who was a bomb disposal expert who was killed about 30 miles from Raqqa.

And second, on the 27th there were news stories about the President's decision to send to Congress a notice under the War Powers Resolution to basically say that he wants to use the 9/11 authorization passed in 2001 to expand activities against Al Shabaab in Somalia.

Senator Perdue talked about world war, and Senator Menendez talked about perpetual war, and both of these instances occurring a couple of days from each other, a combat death in Syria and actions against an organization that did not start until two years after the attacks of 9/11, expansion of military kinetic activity against Al-Shabaab, which did not exist until 2006 or 2007. I think it demonstrates the mutating scope of the war.

I have raised questions about the legality of the war pursuant to the authorization.

But setting aside those questions, we are 15 years after an authorization that is being used now—I think it has been used 37 times by Presidents Obama and Bush to justify kinetic action in 13 different nations. I do think it is a point of reflection and inflection when you bring in a new Congress, when you bring in a new administration, to assess what is going on and continuing to trace back all of these kinetic activities in 13 different nations to the perpetrators of the 9/11 attack. I think we all recognize that there is some artifice there, and it is a good moment to do that reflection or inflection.

Each of you have testified—the title here is “The Future of Counter-Terrorism Strategy,” but each of you have testified to some degree that the counter-terrorism strategy has to be part of a larger foreign policy strategy. One of the great things about this committee is we have a lot of people on the committee who really want to think about bigger-picture strategic questions.

So I would love it if each of you could talk about counter-terrorism strategy as part of a larger strategy. What would your advice to the committee be at this moment of inflection, or to a new administration at this moment of inflection of how we ought to see counter-terrorism strategy fitting into broader strategic questions? What are the broader strategic questions that we ought to be trying to answer to determine what the right counter-terrorism strategy is?

Mr. ZARATE. Senator, if I could just address the AUMF question, because you have been leading on this for a long time and speaking about it, I think rightly, because it is an important legal policy and moral question as to how we define the war and where we use targeted killing and other tools.

I think a key question in the context of the AUMF—and then it relates to the broader question of our future strategy—is how we define the prevention of the manifestation of this movement in its various forms, and you have articulated that it has manifested around the world and especially where there is a lack of governance and vacuums of authority.

At what point—how do we define prevention? This administration has defined that in a variety of ways, but it has redefined the

sense of imminence to allow for the use of targeted killings in a sooner and a more prolific way. I agree with that, but it is an important question because it goes to the heart of what the purpose of the AUMF is. The original AUMF in 2001 was not only related back to the 9/11 attacks but also has a provision in it, as you know, with respect to prevention of future attacks from those same groups. So that question of prevention is critical.

The second is labeling. How do you label these groups as they redefine themselves, as they morph, as they shift gears, and frankly as they redefine the map itself? ISIS has erased the border between Iraq and Syria. If you look at the map, it is hard to even figure out what you are looking at sometimes. So those traditional authorities, the authorities that Dan used, for example, for labeling terrorist organizations, are in some ways outdated because the groups are adapting around this in a dynamic way.

So I just wanted to comment on that because I think your point is really important.

Three things, I think, are important long term for this committee. One is what is the nature of partnership? I think we have got great models in terms of how we create regional alliances to deal with the manifestation of these issues, in the trans-Sahel with the French taking the lead, in East Africa with the Kenyans, the African Union, the Ethiopians taking the lead in supporting Somalis.

I think also this question of how we support sub-state actors and alliances at the tribal, at the local level, the whole question of the Kurdish support is critical. So how we define that is really important, and I think this committee has a key role to play in defining that.

How we think about soft power and the use of tools. Again, we have talked about this in the context of countering violent extremism, but how we think about capacity building, how we think about long-term issues of governance.

And then finally, where do we see America playing a role in all of these regions and conflicts. What is America's role in shaping the battlefield? We do not want to occupy, of course, every place there is a conflict, and we do not want American service members dying in these places. At the same time, we have to be present, and as I say in my testimony, the laws of physics apply, and American leadership is still critical. So what does that mean in a more difficult, diverse, global counter-terrorism environment, especially when we do not have reliable partners in places like Yemen, Libya, and Syria?

Ambassador BENJAMIN. I think it is illustrative that Juan and I are in very broad agreement, because although the issue of terrorism remains a highly politicized one in the nation, I think in the mainstream on both sides of the aisle there is broad agreement about a lot of the things that are necessary. And I, too, would focus on this being a moment when we think hard about what it means to be engaged around the world on a variety of different levels.

I would strongly agree with Juan, we need to redouble and redouble again our capacity building efforts, and not so we create a lot of empowered militaries under dictatorships who will then repress their populaces, because that is a certain guarantee for

radicalization, but rather that we need to have broad-based engagement, much greater engagement on the civilian side, coupled with insistence on compliance with the rule of law, because that is how societies will deal with the grievances in their midst that drive radicalization.

I think at the moment we spend an enormous amount of money on our military, and rightly so, and we are going to need to spend a good deal more money on promoting good governance while also promoting those in situations within societies that deal with terrorism at the tactical level—police, judiciary, prisons—and, of course, the many different elements in society that deal with countering violent extremism.

I also think that even in those countries that we do not need to invest in, we need a deeper engagement in terms of the partnerships that we build. We need a great deal of help from the Europeans in dealing with societies at risk in Africa, in South Asia, in any number of different places. We have some fledgling institutions to work with; for example, the Global Counter-Terrorism Forum, the GCTF, which is an offspring of that which funds CVE programs around the world, but they are really small. We are not going to get from here to there if we continue to be incremental in the smallest sense of the word.

Senator GARDNER. Thank you.

Thanks, Mr. Chairman.

The CHAIRMAN. Senator Murphy?

Senator MURPHY. Thank you very much, Mr. Chairman.

Thank you for being here today.

I am glad that we have spent a good amount of time here talking about the roots of extremism. We tend to spend most of our time talking about how to combat extremism after the fact, and I thank you for your comments on this.

Broadly, there are a number of different dynamics at play when you think about how somebody becomes radicalized. There is an economic dynamic. There is a political dynamic. There is a religious dynamic. I think we are pretty good at talking about the political dynamic, which probably over the last 10 years we have exacerbated as a country. We are pretty good at talking about the economic dynamic, which we have probably underfunded. But we are pretty terrible at talking about the religious dynamic. It is one that I would argue we cannot afford to ignore any longer.

Since 1979, there has been a fight on in the Middle East, expanded all across the globe, as to what the true nature of Islam is going to be. In the last 10 years the Gulf states, the Saudis in particular, have put more and more money into a very conservative, very intolerant brand of the religion which has formed the basis, the foundation for these extremist groups. Often the Salafi textbooks are just taken word for word and turned into recruitment materials for some of these organizations.

If you go to the Balkans today, it looks very different than it did 10 years ago. There are women being paid to wear head coverings. There are more mosques preaching that brand of Islam than ever before.

So I guess I just sort of pose this as a question to you. We have not talked about it at all here today. And yet without that religious

dynamic, I do not know that we can tell the same story about the radicalization of peoples throughout the world that we can today.

So just help us understand how we intersect with this discussion. Should we be talking about it? And if we should, how do we intersect here? I think it is a very uncomfortable topic, for good reasons, right? The United States should not be weighing in, in a definitive sense, as to what the true or right version of Islam is, but we cannot ignore the fact that if we let the current dynamic play out as it is, it makes it really hard to solve this problem simply with political and economic responses.

Mr. ZARATE. Senator, you hit the nail on the head in terms of the complexity of dealing with this violent Islamic extremist ideology and how it is manifested and embedded. I will tell you that I spent countless hours trying to figure out how you deal with what is a movement that is warping tenets of one of the world's great religions to reshape the sense of Muslim identity in the 21st century when the U.S. Government is neither placed nor expert nor by the First Amendment postured or legally enabled to do anything in that realm. This is why the analogies to the Cold War battle ideologically is a bit off. It is a little bit of apples and oranges.

The Cold War analogy was two basically Western ideologies that were competing in the marketplace of politics and economics, and certainly in the battle place of ideas, but it was largely in a Western context, and it certainly was not religious. Obviously, the Soviets were trying to excise religion from their societies.

But this is very different because the animating feature of this movement is to try to pull on and shape that very religious identity. So they try to use schools and texts to their advantage. You have seen ISIS develop schools to try to brainwash the next generation of radicals. They have recruited women to try to create a sense of family and to create a sense of what home life in an Islamic caliphate looks like, all with the sense that in their mind a true Muslim society, a true Muslim believer, has to subscribe to their vision of the world, has to subscribe to their dictates.

So I could not agree more, that is a key issue.

Senator MURPHY. But that does not happen in a vacuum. I think we often just focus on what ISIS is doing. That does not happen in a vacuum. It happens upon a foundation that is funded in part by allies of the United States.

Mr. ZARATE. Yes, and it is not just on the Sunni side either. As I mentioned in my testimony, it is also on the Shia side, right? So you mentioned 1979. It was the siege of Mecca. It was also the Iranian revolution, and it was a key moment in the context of where this ideology and the clash of violent Islamic extremism was headed, and we are seeing the fruits of that now, especially with the proxy battles.

So you are absolutely right, this is why we have to rely so heavily on Muslim majority countries, credible voices, not just clerics but also key influencers in Muslim communities. It is why in the report I mentioned from CSIS we focus so heavily on funding and enabling non-governmental actors to actually have a central role in countering the ideology and offering alternatives; and, as Dan said, being a part of intervention strategies in places like Minneapolis or Boston or L.A.

So it actually forces you to rethink what the model is because it cannot be that the U.S. Government is absent, but it cannot be that the U.S. Government is the voice. So what does that then look like? It means you have to have partners that are non-traditional that begin to counter the ideology and shape what it means to be Muslim in the 21st century, and we cannot be shy about it. Muslim Americans know that they are under assault. ISIS is trying to recruit Somali Americans. They are trying to get Muslim Americans to kill fellow citizens. They know they are under assault. They need U.S. Government help, but they also need to be seen as enablers and not necessarily as just victims, or even as threats.

Ambassador BENJAMIN. It is a big issue, Senator, and this is, in a sense, where I got on, because my first book was called *The Age of Sacred Terror*, and it was about the rise of religious extremism especially in Islam, but in all the major faiths, where we have seen growing tendencies to violence.

I think Juan gets it right. It is a real problem for us to be a part of this dialogue. It is really in many ways a dispute within Islam. We need to find those partners with whom we can work who are, in our view, promoting a positive message. We have an enormous problem with the country or countries that have put the most money into propagating extremism because those are also some of our very, very closest intelligence partners, and they provide us with tactical intelligence that saves lives. So it is a paradox, and those of us who have tried to push this in the government have come up against hard barriers because of that problem.

I understand that we are short on time, so I would be happy to take this up with you later.

Senator MURPHY. Thank you.

The CHAIRMAN. Thank you. Thank you so much.

Senator Coons?

Senator COONS. Thank you. I would like to thank the Chairman, the ranking member, and the panel. You have given tremendous testimony today.

I know my time is short, as well as yours likely is, so let me just follow up, if I could, on the point you made, Mr. Zarate, on the recent CSIS report that you referenced.

I am very interested in your calling for the next administration to have an assistant to the president who would expressly be focused on building public-private partnerships and countering violent extremism goals.

We have Hollywood. We have some of the best TV shows and on-line content in the world. In many ways American companies and content creators invented modern social media which ISIS and others have turned to perverted ends.

How would you imagine us most effectively using this new resource and role to engage in countering extremism here at home? And how can we better engage the more than 3 million American Muslims who, as you said, are in some ways really caught in the middle between this global contest over the future identity of Islam and this concern by many Americans about our security at home? And how can we better reinforce that the integration of American Muslims is the best almost in any Western society outside the Muslim world?

Mr. ZARATE. Thank you, Senator. What you have just described is precisely why you need someone, be it in the White House or in some other structure, that has not only the mandate but also the authority to coordinate what is happening internationally as well as domestically on these issues.

I think one of the challenges that we have seen in the space is that what we can do and influence abroad often cannot get translated domestically for good legal reasons. But you do need somebody who is able to coordinate what is happening internationally, connecting the countering violent extremism mission to our broader policy goals to what we are trying to do domestically, which is largely to enable Muslim American communities to not only defend themselves against this ideology but to enable them to be proactive participants in dealing with the threat.

This idea of intervention models, community-led intervention models is an important one. That has to be done with the help of the Department of Justice, the FBI, the Department of Homeland Security, but that cannot be set in isolation from what the State Department does or the intelligence community does.

So the idea here is you have got to have somebody that is concentrated on this issue, concentrated on integrating it internally, and then, as you said, Senator, figuring out what is the right way of leveraging the non-state elements of our power to actually influence, and that is technology companies, media companies, the artistry fields, singers, songwriters, et cetera, entrepreneurs, into a broader campaign to think about how we have reshaped this environment. You need somebody who is concentrating on that full time, and we often do not see that. That is why that recommendation is in the report.

Senator COONS. And I would argue that to the extent elected officials at the Federal, state and local levels embrace and engage with and represent the American Muslim community, the more likely we are to be successful. And to the extent there are proposals that marginalize them or suggest that somehow they are not fully part of the American community, I think that makes us less safe.

Mr. Benjamin, if I might, we have spent an enormous amount of money trying to rebuild and stabilize countries like Iraq or Afghanistan during and post-conflict. You have talked about the importance of our being engaged in countries that have been plagued by terrorism. What should we be doing now to prepare for the reconstruction and rebuilding that is going to be required in a number of states, not just those but others—Somalia, Nigeria—that are really suffering a scourge of terrorism and where they are fragile or failed?

Ambassador BENJAMIN. If I could just begin by making one quick note on the CVE issue, I would just point out that people have been trying to think about how to leverage American culture to deradicalize or to fend off radicalization in lots of different contexts for a long time. While I think that the vast majority of the Muslim world probably enjoys a lot of the products that we send them, the very small number of people who are radicalized probably view it as deeply offensive, pornographic and the like. So this is a very difficult issue, and it is not clear to me that we can pick winners and losers, as we cannot in industrial policy, for example.

On the very important issue you raised, there is an enormous amount of donor fatigue out there already, and yet if there is not investment in the areas of Iraq that have been destroyed by ISIS and destroyed by the battle to retake it, if there is not soon a ceasefire in Yemen and reconstruction there, we will be paying a price for a long time because terrorist groups love these civil conflicts. They are the breeding grounds for the next generation of extremists.

And I would add that we were talking about trouble spots ahead before. I think this is just an enormous question mark for the future because of the declining economy combined with repression and no voice for moderate Muslims who today do not believe in the violence but who find that they are really excluded from the politics of their own country.

Senator COONS. I want to thank both of you. This has been a very informative hearing.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Risch?

Senator RISCH. Mr. Benjamin, you made reference to, in the context of this hearing, the migration issues regarding Europe. I would like to drill down a little bit into that. It is incredibly frustrating when you look at this. Europe will never be the same after what has happened over the last 24 months. Europe is never going to be the same. And for that matter, it has not shown any signs of letting up. You get these waves that come. It was not that long ago when people would take up arms, there was an invasion, they would repel them and send them back. That is not happening. Indeed, a good share of the population in Europe is very welcoming, and it is causing friction between the countries there.

One of the things I found that was really interesting was that, in addition to these huge numbers of people that are coming that are indeed victims of war-torn countries and are true refugees in that sense, mixed in with that, the people who are simply opportunists, economic opportunists, are mixing themselves in there, not intending to harm anyone or anything else. They just want to do what we all want to do, and that is do better for our families and for ourselves.

As a result of that, the NGOs I have talked to who deal in this and who really want to help people who are refugees are very frustrated by the fact that they are getting this mixture, and the result of that is the numbers are just overwhelming. Our minds cannot get around the kind of numbers we are talking about. Our human minds are not designed to do that. You look around this room. If you try to think about the people in this room and then go to a thousand people or a million people or a billion people—there are 7 billion on the face of this earth, all of whom have a view that if things are not good, they are going to go somewhere where it is better.

I mean, this is something that I do not know what you do. I hear the Pollyanna kind of speeches about, oh, what we need to do is stabilize all these countries, we need to get them governing, they need jobs and they need hope, but that is not happening, okay? And there is no magical formula for that to happen. Certainly the

United States cannot do this. As egotistical as we are in thinking we can control these things, we cannot. I mean, it is just huge.

Give me some hope here. Where is this thing going? Mr. Benjamin, you raised the problem. You take a run at it first, and then we will give Mr. Zarate a shot at it.

Ambassador BENJAMIN. Well, Senator, I think you have made me hopeless. No.

So there is no question that large-scale migration from either war-torn countries or underdeveloped countries is one of the greatest challenges that we face, and certainly this is tearing Europe apart because of the way that it has translated into the politics of the continent. So we are not talking about the terrorism dimension which is also real because they do not have the kind of border controls that we have.

I have some sympathy with your argument about the challenges of economic migrants. International law does allow us to distinguish between these two, and we are going to have to continue to do so, otherwise states will simply be overwhelmed, and that is why it is so important to distinguish and find those who truly have been forced to flee from their homes because of conflict.

I do think, though, coming back to what we were talking about before with Senator Kaine and with Senator Murphy, this is why deeper engagement with a lot of these countries, in concert with Western Europe, which faces the most critical threat, but also with wealthy countries in the Gulf and the Far East, there really has to be a concerted effort to increase development in these places. We have to look at what we can do to underwrite the availability of greater capital for borrowing.

Look, it is a paradoxical situation because we are in the period of history that has seen the most extraordinary reduction in poverty globally in history, with something like 500 million people coming out of poverty in the last decade or two. So it is possible, but it is going to take a level of coordination among governments that we have not achieved before, and I do not see any better way to do it. Unfortunately, we are going to have to continue to insist on the distinction between refugees from conflict and refugees from economic privation.

Senator RISCH. I would appreciate your thoughts, Mr. Zarate.

Mr. ZARATE. Senator, I do not want to add to the sense of dread or pessimism, but one other factor to consider is these migrant flows are creating new way stations and flows of people that are allowing a variety of groups—criminal groups, terrorist groups—to take advantage of these people. So you have seen, for example, these way stations appear in West Africa or North Africa, where human trafficking results from the flow of people trying to head into Europe. So you have the immediate problem of just pure exploitation of people and the threats that emerge from these flows.

I would say, look, if we try to solve everything at once, we are not going to solve anything. So one way of thinking about this is how do we solve the immediate problem of distribution of refugees as they flow out of the conflict zones, and especially if the conflicts are not going to be resolved? But how do we manage the refugee camps so the refugee camps themselves do not become long-term liabilities for the international community?

I think we have to pay a lot of attention to Lebanon, to Turkey, to Jordan, which have already absorbed enormous numbers of refugees and have tried to incorporate them. I think starting with what is right in front of us first, how do we deal with the refugee camps and the distribution currently. It is probably the good, right first step, and it is not solving all of the refugee problems around the world, but solving that may be a good first step to getting at some of these longer-term problems.

Senator RISCH. Thank you so much.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

I might add, just on that note, that continuing to engage with Egypt—I mean, if Egypt were to fail, what we have seen as it relates to the issues in Western Europe would be exacerbated multi-fold. That is an issue where our national interests come up against our national values; it matters a great deal.

Anyway, with that, Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

Thank you to both of our panelists for being here. I have to especially call out Ambassador Benjamin because he is from New Hampshire. Thank you for your leadership at the Dickey Center at Dartmouth.

I will tell you especially for the good work that is going on there with students, I had an intern, Morgan Sandhu, who helped conduct a national study on women's access to health care in Kosovo, and she was very impressive. So I very much appreciate what you are doing there.

I just want to pick up very quickly, because I had not been thinking about it as a question, but on something you just said, Mr. Zarate, and that is on the camps in Jordan and Lebanon and Turkey and whether we are doing enough there to address those camps. My assessment, based on everything we have heard in this committee and other places, is that we are not and that we ought to be doing much more there. Would you agree with that?

Mr. ZARATE. I would. I think that is a source of real threat and instability for those countries, and obviously for the people that are living there. So I think that as a first order of concern has to be an area of focus for us.

Senator SHAHEEN. I want to go back to some of the questions that I understand Senator Cardin was raising about budgeting and what we fund and what we do not fund, especially given that particular issue. I certainly agree with the assessment that I think you made, Ambassador Benjamin, and that you probably agree with, Mr. Zarate, about our willingness to fund military counter-terrorism operations but not to fund the governance, the civilian, the civil society aspect in a way that would help us so that we do not have to get into the military operations.

One of the things that we are about to do is to pass another continuing resolution which will limit our ability to fund efforts at least from now until the end of March, and I am hearing more and more people talking about a year-long continuing resolution, which is even more troubling.

But can I ask you both to speak to what that does to our ability to make decisions about supporting efforts on counter-terrorism, as in so many other areas?

Ambassador Benjamin, do you want to go first?

Ambassador BENJAMIN. Well, you know, it certainly keeps us ham-strung since continuing resolutions do not involve plus-ups. I would just note that, as I stated in my written testimony, when we were talking about capacity building and CVE.

So countering violent extremism, which has been a major source of discussion in this hearing, is globally completely miniscule and represents less than 10 percent of the State Department's CT capacity building budget, and that capacity building budget is a tiny fraction of what we put into our military capacity building.

Now, obviously, military capacity building is going to be more expensive because of the hardware that is involved and the numbers of people. But we are sucking the blocks here, and I think this is disastrous for our national interests. I know there has been skepticism on the Hill at times about states' ability to deliver these programs effectively, and I would say that both ends of Washington have some justification for being upset. I do think that too often at State we look at throughput instead of sustained engagement that makes sure that the people who are trained stay in the places they are and that they continue to be productive and carry out the lessons that we have transferred to them or given them.

At the same time, we are in a constant feedback loop where Congress is asking frequently for metrics that show progress in particular areas where it cannot be measured. I mean, CVE is extraordinarily difficult, and we cannot even get to the point where we can develop the programs so we can figure out the metrics.

So there is a vicious circle here, and I think it is time that we recognize that things are not getting better while we do not spend money. It is just not getting better until we can innovate, and there needs to be more room for innovation particularly in countering violent extremism and in capacity building. A lot of these fragile societies are not going to be success stories because of exogenous factors. If your country collapses in a civil war, as happened in Yemen, then you are going to lose some money, and that is just tough to deal with. But we still have to give it, it seems to me, a good try.

Senator SHAHEEN. Mr. Zarate, do you have a different assessment?

Mr. ZARATE. Senator, I think the other challenge with a continuing resolution is twofold. One is the inability to plan longer term, and that is incredibly debilitating. We are talking about these longer-term problems, problems for State, DOD, and others. Also, the question of flexibility, how are funds shifted.

Senator SHAHEEN. Right.

Mr. ZARATE. This committee knows, and certainly there have been prominent former Secretaries of Defense who have been very open about the fact that they are more than willing to have funds shifted from their budget to do precisely what we are talking about, which is to deal with issues of governance and to shift funds perhaps to the State Department or others to provide that kind of service, to shape the battlefield. Special Operations forces talk

about that all the time. We have got to get ahead of the curve and shape the battlefield, and we are not able to do that with constricted budgets, frankly.

A final point. I think what we budget and what we are able to demonstrate, whether it is in the context of CVE, governance, or other investments, also spurs others to give. I think one of the things we have talked about in CVE is we have got to begin to plus-up the funding in the private sector to then amplify what is happening in the private sector in terms of funding, as well as what is happening with other international partners. The same thing goes with refugees, et cetera.

So I think there is a demonstration effect to our commitment, and if we do it strategically, you can have a multiplier effect.

Senator SHAHEEN. Thank you. And the other point that you all did not mention but that is very clear is that usually it costs us more money when we do continuing resolutions. It does not save money; it costs more.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Markey?

Senator MARKEY. Thank you, Mr. Chairman, very much.

Ambassador Benjamin, in your testimony you say that working with Russia on Syria's civil war would essentially mean joining Assad's campaign to militarily conquer all of those opposed to Assad. I do agree with you that that scenario would lead to an escalation of the war, but I would be interested in hearing your perspective on how we might best work with Russia and work with our own regional partners to best push parties to give up their maximalist demands and agree to rational compromises.

Thus far, the position the U.S. has taken is that regime change is absolutely necessary, and Assad has said regime survival is absolutely necessary. We are at a stalemate that, to a certain extent, does drive this war. Those are two non-negotiable positions that ultimately lead to ever greater escalation.

So I guess my question to you would be where are the areas where you think that President-elect Trump, for example, could move without compromising the ultimate goal of having protection given to the Sunnis within that country? What from your perspective makes the most sense in terms of a new regime? I do not want to be in a world where President-elect Trump announces that he is giving up on regime change without a strategy simultaneously that there is a plan in place that then gives guarantees to the protection of the rights of the majority within the country.

Could you walk us through that?

Ambassador BENJAMIN. Senator, if it were easy, it would have been done. You are absolutely right, we are at a stalemate. I think we could imagine a deal in which we said that in return for a ceasefire and cantonization that would preserve the security and the rights of the different groups in Syria, that we would be prepared to see Assad stay in power for a certain number of years before leaving the scene, and the Russians I believe have indicated that they are not prepared to accept even that because they want a strong Syrian state. It is one of their few allies. It is now their foothold in the region. So they have been extremely unhelpful and really recalcitrant.

I hope that if there is a warming with Russia, that the new president can leverage his influence with President Putin to move towards that direction. Of course, Secretary Kerry has tried to also find common ground with the Russians in terms of fighting extremists. As we know, right now the Russians are primarily just targeting all regime opponents and not ISIS in particular. So perhaps there is an opportunity for a new start to get towards that diplomatic solution and common cause against extremism that everyone has talked about.

Senator MARKEY. Do you see any possibility of compromise coming from our Gulf partners?

Ambassador BENJAMIN. I think that it is going to be a very, very tricky situation, and I worry that they will view anything that stabilizes the Assad regime as being an unintended signal to them to fund Sunni extremists.

Senator MARKEY. Is there a deal that could be struck that has the Iranians agreeing that they will have no permanent military bases inside of Syria, so that we could kind of back out both external forces in a way that could ultimately lead to some negotiated settlement among Syrians?

Ambassador BENJAMIN. The Iranians have always depicted their relationship with Syria and then ultimately with the Shia community in Lebanon as a matter of the utmost national security for them. So I find it hard to imagine that they would agree to that, and if they did agree, whether they would abide by such an agreement. So we are playing chess in seven dimensions right now.

Senator MARKEY. I appreciate that.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Cardin?

Senator CARDIN. I just wanted to take this time both to thank our witnesses and also to make an observation, and I am going to ask a couple of questions for the record that I would ask you to respond to.

We just yesterday got the National Defense Authorization Act that was filed. It is 3,000-plus pages. I asked the staff to go through it, Mr. Chairman, to just give me an idea about what is in that bill that would normally come under the jurisdiction of the Senate Foreign Relations Committee. They just gave me the bullets and a one-line summary that took 12 single-spaced pages on matters that should be of interest to us.

I want to compliment the Chairman because we did get a lot of our input into the National Defense Authorization Act, and I think we were successful in keeping a lot of stuff out of it, but also a lot of important issues that our committee needs to move forward on were included in the bill. So I am not complaining but just observing. Regardless of what hat you wear, Mr. Chairman, in the next Congress, we need to pass a State Department authorization bill. So I look forward to working with you as either Chairman or in a different capacity to get a State Department authorization bill done.

But as was pointed out, we have the authority over the Authorization of the Use of Military Force, and we have not talked much about the military aspects of fighting extremists and violent extre-

mism. So I am going to have some questions for the record as to how effective you believe our military operations have been. It is changed. We are now using drones a lot more. Is that working the way it should? We are using Special Forces. Should we be doing more Special Forces? Should we be doing more ground troops? Because if this committee is going to be called upon to look at an Authorization for the Use of Military Force, I think we have to get the best advice we can as to how the military can, in fact, deal with violent extremism.

I am also going to ask you a question for the record dealing with Senator Menendez' point on the financial sanction issues as to whether our laws are strong enough and whether our partner laws are strong enough to have a coordinated effort to try to dry up the financial support for terrorist organizations.

So again, I thank you very much for your testimony.

Mr. Chairman, I look forward to continuing this discussion.

The CHAIRMAN. Thank you.

I am going to ask a couple of questions that were not asked. Do not feel like anyone has to stay. These are more just organizational in nature.

I know we have a State Department Office of the Coordinator for Counter-Terrorism to the Bureau of Counter-Terrorism, which in itself sounds very bureaucratic, just the name. I am sure that it is not, of course. But could you tell us a little bit about how you feel the effectiveness of that has been, and just to speed things along so we can get to Senator Shaheen's additional questions?

There has also been established the Global Engagement Center to Coordinate Counter-Terror Messaging that many of our Gulf allies have created on their own, counter-messaging organizations. How are those in effect working together?

If both of you could respond, I would appreciate it.

Mr. ZARATE. Senator, on the matter of State bureaucracy, your recitation of my former title, there is now, and I think it is appropriate that there is a counter-terrorism bureau. Bureaus are where the central business of the State Department is done, and I believe that Secretary Clinton did the right thing in creating that bureau.

I believe the legislation that created originally the Office of the Coordinator for Counter-Terrorism, I am told that it was Secretary Schultz who insisted that that person have the rank of ambassador-at-large so that partner nations would take that seriously.

At the time that the bureau was upgraded from an office within the Office of the Secretary to being a bureau, I believe that the State Department had a list of different bureaus that needed assistant secretaries, and some of them were more controversial than others, and therefore the CT Bureau, which I guess everyone thought I had an august enough title, was not put on the list to become an AS, to become an assistant secretary. I am agnostic as to which title is a better one for achieving the goals that Secretary Schultz I think wisely sought out.

The CHAIRMAN. But has it been effective?

Mr. ZARATE. I think it has made a big difference. I think that creating the bureau has made a big difference. The problems that I think dog our civilian-side engagement have much more to do with overall funding of the State Department than with the bu-

reaucracy of the Department itself. So I support that, and I think it has also put the Department on a trajectory towards building really the kind of personnel, the kind of size and staff that is required. So I think it was a wise move.

The CHAIRMAN. And the global messaging?

Mr. ZARATE. I will just sort of underscore my initial concern that was in the testimony. When I was at the State Department, we created the Center for Strategic Counter-Terrorism Communications that was supposed to be an interagency body, was an interagency body. I thought it was doing interesting work, very difficult again to find metrics to know whether or not it was effective. It ran afoul of all kinds of bureaucratic infighting. It has since been subsumed into the GEC.

I am simply skeptical, having been involved in this issue now for as long as it has been an issue, that spending as much time and effort on messaging as we do is the right way to go. I am not persuaded that an Emirati messaging hub is going to be received by people who are at risk of radicalization any more effectively necessarily than our messaging, for the simple reason that they consider those governments to be apostate, much as they view us to be infidel.

So I strongly believe that the future in CVE is in community-based efforts that intervene with people who are at risk. Again, we cannot cede the entire field, but we should recognize that we are going to have a hard time getting through to a lot of these people. There is a kind of cognitive closed-ness, especially as we see recruitment ages go down and down and down. Kids are not going to be listening to the kinds of messaging we put out, more often than not. That is my view after way too many years of having thought about this one.

Ambassador BENJAMIN. You are not too jaded, though.

Just very quickly, Mr. Chairman, on the question about internal State Department bureaucracies, I think the biggest question is how these issues get ultimately integrated, right? And I think the challenge of the bureaucracy within the State Department is how do the issues of counter-terrorism get integrated with the funding and capacity building from the INL shop, which has the vast bulk of those resources in terms of partner capacity building. How does it relate to post-conflict reconstruction in that office? How does this fit into regional strategies?

I think we did great work here, and the former ambassadors with whom I have had the honor to work did their best, no doubt. But the question is how does this all get integrated in a way that then is effective as a state department and then as a country? I do not think any titles or work charts will necessarily solve that other than top-level focus on that integration. You can have all the work charts you want, but if the leadership of the State Department is not focused on integrating these issues in a strategic way, it does not matter.

On the Global Engagement Center, I agree and disagree a bit. I think we were in a mode where we had to flood the zone. We have to flood the zone in terms of messaging. We have got to figure out ways of countering various manifestations of the threat. We have not talked about this much, but the fact that liberal bloggers

are getting attacked viciously in Bangladesh is a manifestation of this threat. The fact that sacred sites have been desecrated and populations extracted from those areas, from Afghanistan to the Middle East, Syria, Iraq, that is a manifestation of ideology.

What the Global Engagement Center does not do is think imaginatively about how we counter the ideology as it manifests in all its forms, not just in the latest tweet but in how it is manifesting in ways that are affecting societies and communities. That is really lacking in the center.

The other thing that is lacking, and this is where I agree, this cannot be a government-centric-heavy model, and that is kind of where we have gone with the Global Engagement Center. I think we have got to find ways of empowering all of those organic dimensions in the environment, and they are there: ex-jihadis that are trying to counter the message; the women without borders efforts that are trying to counter the recruitment of women and families; all sorts of efforts. You have some staff here working in East Africa trying to work with the Kenyans on some of these organic issues.

There is a lot out there that could be funded and scaled. The Global Engagement Center I think is trying to do some of that, but it is very state-centric, and I think we have got to move away from that model if we are going to be effective.

The CHAIRMAN. Thank you.

Senator Shaheen?

Senator SHAHEEN. Well, thank you for asking that question because that was one of my questions. I think we have heard people testify before this committee exactly to the points that both of you were making, that messaging is a critical part of countering violent extremism, but it is more effective when it is done not by the U.S. Government in the way that we did during the Cold War but more as a grassroots initiative to fund and support networks that are responding in ways that are effective. I think the challenge is how do we do that better.

But I want to ask a question about what is happening in Syria right now because, as I have listened to the news reports over the last couple of days, it appears that Aleppo is about to fall to the Assad forces, and that that will then have some effect on all of those rebel groups that have been fighting. Some of the reports that I have seen suggest that they are not interested in reconciling with the regime. They do not trust it, and so they are looking at other extremist organizations that they can join.

So if that happens, if Aleppo falls and the Assad forces, along with Russia, continue to make gains, what does that do to the terrorist groups that are currently operating in Syria? What does it do to ISIL? How does that affect what we have been seeing in Syria and the Middle East with respect to terrorist organizations?

Mr. ZARATE. I think, frankly, it strengthens the hand of these extremist organizations for a couple of reasons, Senator. One, they become the groups of last resort to fight against the Syrians, the Iranians, the Russians. We have seen this with al Qaeda already, rebranding itself in a way, as I mentioned earlier, to serve in that function, to be a very local shock troop to continue to defend territory and populations.

The second thing is I think we have to recognize that the question of regime change in Syria has a real impact on counter-terrorism. Assad is a driver for radicalization. We talk a lot about, for example, Guantanamo, or words in campaigns serving as drivers. There is no more important driver for radicalization in the Middle East or the complications that Dan was mentioning earlier in terms of Sunni Arab states being willing to support extremist groups than Assad being in power. So we cannot divorce those two issues, and I think there has been a sense that the U.S. has actually given up on that idea, despite what our policy has been in rhetoric, that we really have not done much to do that and, in fact, have restricted the hands of our allies on the ground to effectuate that change.

I think, finally, what it does is it disempowers the United States to shape the environment.

The other troubling news, if the news is correct, we heard today, the Russians and the Turks are negotiating with the rebels absent any U.S. aide and absent any U.S. input. That is exactly what we do not want. We do not want the U.S. denuded of its power, its ability to shape the environment. Frankly, then our partners on the ground who have sacrificed and fought on our behalf who are with us, take real lessons as to who they can rely on as an ally. We want our allies on the ground to know they can rely on us. We want our enemies to fear us. And I am afraid what is happening in Syria is going in all the wrong directions.

Ambassador BENJAMIN. I agree with Juan's assessment, and I do think that this will have a powerful impact on the attractiveness of any Sunni groups that are fighting in that region.

But to take it one step further, I just want to underscore how the sectarian divide in the region—sectarian on the one hand and great power rivalry or regional power rivalry between Iran and Saudi Arabia and the Gulf Arabs more broadly on the other hand. It is the defining feature of the region now, and it will continue to feed the flames of extremism for a long time to come. I do not believe that the West has had a serious conversation about whether or not there is an off-ramp. I do not think we have had a serious conversation with any of these partners. I think it is taking the United States in directions that we should be very, very wary about—for example, our role in Yemen right now.

This is, again, one of those big historical forces that we need to think very hard about how we grapple with it.

Senator SHAHEEN. I could not agree more. Let me just say that one of the reasons that Assad has been able to be successful is because of the atrocities that he and the Russians and the Iranians have committed against the Syrian people, and that the West has been far too quiet about those atrocities. We should have acted before now. It is heart-breaking to see what has happened in Syria.

Thank you, Mr. Chairman.

The CHAIRMAN. I could not agree more.

Thank you both. We were talking earlier about what great witnesses you all are. We usually like to have controversial hearings, but you all agree so much that it has been difficult. But it is something that I think our country agrees, generally speaking, about, and that is countering terror, and we thank you both for your ex-

pertise and the experiences you have had and the knowledge you have shared with us today.

We are going to leave the record open, if we could, until the close of business Monday. You all have done this before. People will send in written questions, and if you could respond fairly quickly, knowing you have other jobs to do, we would appreciate it.

But you all have been great witnesses. We thank you both for your service to our country.

And with that, the meeting is adjourned.

[Whereupon, at 12:30 p.m., the hearing was adjourned.]

