

UNREST IN THE MIDDLE EAST AND NORTH
AFRICA: RAMIFICATIONS FOR U.S. HOMELAND
SECURITY

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UNREST IN THE MIDDLE EAST AND NORTH AFRICA: RAMIFICATIONS FOR U.S. HOMELAND SECURITY

Wednesday, April 6, 2011

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON COUNTERTERRORISM AND INTELLIGENCE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:33 a.m., in Room 311, Cannon House Office Building, Hon. Patrick Meehan [Chairman of the subcommittee] presiding.

Present: Representatives Meehan, Cravaack, Walsh, Quayle, Long, Speier, Thompson, Cuellar, and Jackson Lee.

Mr. MEEHAN [presiding]. The Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence will come to order. The subcommittee is meeting today to hear testimony on the unrest in the Middle East and North Africa and the ramifications on homeland security.

As is customary, I want to take a moment to make my own opening statement.

I would like to welcome everybody to today's Subcommittee on Counterterrorism and Intelligence for this hearing.

I would like to begin by taking an opportunity to thank Ranking Member Jackie Speier on her first subcommittee hearing. We will be chairing this together for the first time. I look forward to working with you in a bipartisan manner on these important homeland security issues.

I look forward to hearing from today's witnesses on the on-going unrest in the Middle East and North Africa and its impact on U.S. homeland security. Just about a month ago, on March 2, this subcommittee met to hear testimony of the threat posed by al-Qaeda on the Arabian Peninsula to the U.S. homeland. One of the key takeaways from that hearing was the level of instability in Yemen and the surrounding areas.

A lot has changed in just 1 month. Unfortunately, many of the predictions that we heard from the witnesses have come to fruition in a very short period of time, including a teetering government on the brink of collapse in Yemen and a decrease in counterterrorism cooperation.

In addition to facing an unstable government in Yemen, the United States has engaged in military operations against Libya. The Saudis have sent troops to Bahrain. Protests growing in Syria. The Egyptian military has assumed control of its country.

So overall, the situation in the Middle East and North Africa is changing by the day. All you have to do is pick up the morning's news to see how 24 hours can significantly shape and impact the region.

This has major ramifications for United States homeland security, especially as it relates to counterterrorism and intelligence, the two areas which this subcommittee is responsible for overseeing.

As I mentioned, events in Yemen present challenges for the United States' homeland security. Current unrest there has left the regime of President Saleh on the brink of collapse. Whatever the impression of President Saleh may be—and there are many who will argue that he is a flawed leader—he has been cooperative with the United States on counterterrorism priorities, particularly the fight against AQAP, providing the necessary intelligence to go after the enemy. As we speak, President Saleh struggles against insurrection, defections, and Yemen harbors safe haven for al-Qaeda.

I am very concerned about what the alternatives will be and how that affects the United States' ability to search for and mitigate AQAP's ability to attack this homeland.

In Egypt, the whole world watched peaceful demonstrations demand change and more individual rights. There were also multiple reports that prisons were emptied during the unrest and Islamists who took to violence in opposition to the previous regime had escaped.

Quite simply, hundreds of radicalized Islamists on the loose throughout the Middle East and North Africa is dangerous. I would like to note that it was the 2006 prison break in Yemen that heavily contributed to the creation of AQAP, the terrorist organization that has now come dangerously close to attacking the United States.

Last, events in Libya were completely unforeseen just 1 month ago, and I have concerns about the United States' commitments that we all jointly are engaged in, but most importantly for the United States Homeland Security, there is the possibility that Colonel Gadhafi returning to terrorism, either as a last gasp at saving his regime or as retribution for U.S. military action in Libya.

More than most other individuals in the last 30 years, Colonel Gadhafi has illustrated both his intent and capability to conduct terrorist attacks against the United States interests, most notably the bombing of Pan Am 103 over Lockerbie, Scotland.

Just last week, the NATO supreme allied commander, Jim Stavridis, James Stavridis, Admiral Stavridis, told Members of Congress that there were flickers of involvement of al-Qaeda among Libyan rebels.

This is problematic, and I believe we must exercise due diligence in figuring out who is included among the rebels and who we choose to partner with in support among opposition in Libya. As everyone knows, the United States armed Islamist opposition groups in the 1980s against the Soviet Union, a successful policy in the short term, but the blowback was severe. We must do everything we can to avoid enabling our enemies to attack our homeland.

I look forward to hearing from this distinguished panel, and I now recognize the Ranking Member, Ms. Speier of California, for her 5-minute opening statement.

Ms. SPEIER. Mr. Chairman, thank you for holding this hearing. I, too, look forward to working with you in a very bipartisan fashion that is consistent with this subcommittee in the past. I also want to thank our distinguished panel of witnesses for being here. We know that you will shed great light on this issue.

Over the last few months, we have witnessed an unprecedented wave of unrest and revolutionary fervor—furor in North Africa and the Middle East, including among some of our long-time allies. We have now joined in military action in Libya to prevent a humanitarian crisis.

We know the wave of unrest spreading across the region began with one person's frustration and sense of disenfranchisement, but the underlying symptoms of corruption, alienation, and oppression have long plagued the area. In the blink of an eye, the regimes in Tunisia and Egypt have been toppled, and protest movements have erupted in Jordan, Bahrain, Syria, and others, and their fates remain to be determined.

In this hearing, we are examining important questions about how these events will influence the on-going international terrorist threat and our counterterrorism efforts across the region and the implications for our efforts here at home.

For the first time in decades, relationships that we have relied on in the fight against terrorism are changing. In some cases, we have to work with new partners who will not necessarily respect past security agreements and practices. How do we most effectively bridge the divide between the old and new governments?

Egypt and Tunisia, for example, have reportedly disbanded their long-feared state security forces. How will this affect our long-standing security relationship and joint counterterrorism efforts?

There may also be political vacuums for prolonged periods of time in many of these countries, leaving open the possibility for terrorist groups to exploit the lack of coordinated operations and intelligence sharing.

Of course, any change, and particularly unplanned-for revolutionary changes, present us with challenges, as well as opportunities. It is critical that we work with the new leaders to ensure that they not only have effective counterterrorism policies, but they respect the human rights of their own populations, as well.

For too long, we have supported Middle East regimes with blinders on, fearing the alternatives would be far worse. Unfortunately, these blinders resulted in us being caught by surprise by what was actually happening on the streets, and now we are left scrambling to answer critical questions like: Who is taking power in Egypt, Tunisia, and Yemen? Who is the Muslim Brotherhood? Who are the rebels in Libya?

As we seek to answer these basic questions and define our approach to a reshuffled Middle East and North Africa, we must support the democratic ambitions of the people, while being pragmatic in our assessment of the threats to our homeland.

In Yemen, al-Qaeda and the AQAP is already capitalizing on the unrest by consolidating their power in the tribal regions outside

the capital. We know that President Saleh is too consumed with his own political survival to make AQAP a priority and has even diverted counterterrorism forces to protect the last remnants of his regime. With or without President Saleh, we must continue to work with Yemen to combat AQAP as it attempts to plot against the homeland.

In Libya, we must ensure that the flickers of al-Qaeda activity, as described by Admiral Stavridis, do not grow and subvert the efforts by the rebels to secure greater freedoms.

Similarly, we must keep a close eye on Colonel Gadhafi, an unpredictable dictator with a long history of supporting terrorism, including allowing and supporting terrorist training camps on Libyan soil.

In Egypt, we need more information on the thousands of inmates that were released or escaped from prison during the protests and whether they have ties to terror organizations.

But before we jump to conclusions, we must have the facts to differentiate terrorist groups from other legitimate and indigenous political organizations. In Syria, we have a state sponsor of terrorism that could fall, opening the door for Hamas and Iran-backed Hezbollah to take advantage of the chaos.

While the outlook may appear grim and the uncertainty overwhelming, many still believe that democracy is not a friend to al-Qaeda or its affiliates. Some jihadist propaganda, including the latest edition of AQAP's *Inspire* magazine, is saying otherwise, so we must better understand what we can do to ensure that these democratic movements do not develop into potential recruiting grounds for violent extremism.

Overall, we still know very little about how the terrorist threat may evolve, so we must keep a watchful eye as the events continue to unfold. We cannot afford to be caught off-guard again, as was the case when the protests started. Once we learned that the terrorist threats are changing, so must our counterterrorism efforts. We must take a hard look at our old and new partners in the region and re-evaluate our counterterrorism strategy as necessary.

While protecting the homeland also begins abroad, we must also ensure our Federal, State, and local officials here at home are aware of the change in security environment and have the information and resources they need to keep America safe.

With that, I look forward to hearing from the witnesses about the challenges and opportunities ahead, and I yield back.

Mr. MEEHAN. Thank you, Ms. Speier.

We are also very grateful that we have in attendance today the Ranking Member, Mr. Thompson of Mississippi, and as the tradition of the committee, we will invite Mr. Thompson to make an opening statement, if he would like to do so.

Mr. THOMPSON. I would. Thank you, Mr. Chairman, for holding this timely hearing.

First, I want to welcome the gentlewoman from California, Ms. Speier, the new Ranking Member of the subcommittee. I look forward to working with her.

I would also like to recognize some uniform fire service people from my home State of Mississippi, who are also in attendance at the hearing this morning.

I have no doubt, however, that Ms. Speier will continue the great work on this subcommittee and look forward to working with her in her new role. As I understand, this is your maiden hearing.

Ms. SPEIER. It is my maiden hearing.

Mr. THOMPSON. Absolutely. Okay. So I am also looking forward to our witnesses and their testimony today.

There are many questions about how the events unfolding in the Middle East and North Africa will impact us at home today. The situation is changing every single day, and tyranny is being challenged in all corners of the region.

Two countries have already removed their leaders, and the people have begun the process of rebuilding their countries in a more equitable way. In Yemen, the people are still fighting to change the status quo and gain more economic and political freedoms for all. In Libya, rebels, with the help of NATO, are struggling to end the 42-year rule of a ruthless dictator.

Because of the fragile conditions in the region, however, we have to be smart about how we frame the issues and how we react to developments. We must work to ensure that our words and actions do not inflame an already hostile environment. We also must operate with facts and sound intelligence, not hyperbole and speculation.

While we embrace the spread of democracy across the Middle East and North Africa, we must also be realistic about the challenges ahead. Many countries have suspended their constitutions, dismissed their governments, and replaced their ruling parties. In some cases, we will have a blank slate to work with. In many, we may need to build new alliances to forge effective counterterrorism partnerships.

But with a growing thirst for democracy now on our side, these challenges can be more freely addressed. Nonetheless, the terrorists also seek to take advantage of the chaos. Al-Qaeda and their affiliates have also applauded the unrest just as loudly as we have, but their applause rings hollow.

Like many experts, I believe the uprising represents the people's aspirations for greater political rights and economic opportunities, not for extremism and violence. These terrorists seem to be grasping for relevancy in a mass movement that is largely passing them by.

Still, we must remain vigilant and guard against these small, but vocal strains of evildoers, because while the threat of terrorists exploiting the instability is real, the possibilities for good are endless.

Mr. Chairman, with that, I yield back.

Mr. MEEHAN. Thank you, Mr. Thompson.

I want to remind the other Members of the committee that they may submit opening statements for the record, if they would choose to do so.

Now, we are pleased to have what will ultimately be four distinguished witnesses before us today on this important topic. Mr. Mudd informed us that he would be on his way earlier yesterday, and I am looking forward to the testimony from each of you. Let me remind you that the entire written statement that you give today will appear in the record.

Today's first witness is Mr. Ozzie Nelson. Mr. Nelson is the director of homeland security and counterterrorism program and a senior fellow in the International Security Program at the Center for Strategic and International Studies. Mr. Nelson is a former Navy helicopter pilot with over 20 years of operational and intelligence experience, including assignments on the National Security Council and at the National Counterterrorism Center. His work at CSIS focuses on counterterrorism, homeland security, and defense-related issues.

Mr. Nelson, you are now recognized to summarize your testimony for 5 minutes.

STATEMENT OF RICK "OZZIE" NELSON, DIRECTOR AND SENIOR FELLOW, HOMELAND SECURITY AND COUNTERTERRORISM PROGRAM, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Mr. NELSON. Thank you very much.

Chairman Meehan, Ranking Member Speier, Members of the committee, thank you for the opportunity to testify.

Context is important when considering how unrest in the Middle East and North Africa will influence al-Qaeda specifically and Islamist terrorism generally. It makes little sense to talk in vague terms about recent events signaling the demise or revival of al-Qaeda in the region, because al-Qaeda and its affiliates differ significantly based on the local environments in which they operate and the local grievances that drive their agendas.

Al-Qaeda's senior leadership has proven time and time again to be a creative and adaptive adversary. Where chaos exists, so too does opportunity. Moving forward, I will touch on Libya, Egypt, and Yemen.

In Libya, much remains unknown about the rebels and their political organization. Still, there have been reports that at least some members of the opposition forces are affiliated with al-Qaeda. This raises some important considerations.

First and foremost is the possibility that al-Qaeda elements could seize power in a post-Gadhafi Libyan government. Fortunately, the rebel movement appears diverse enough to forestall this possibility. A far more realistic possibility is that a protracted Libyan civil war may produce sufficient chaos to allow for the development of legitimate terrorist cells in the eastern part of the country.

Al-Qaeda and its affiliates, its allies notoriously exploit territories with weak central governments, carrying out—carving out physical safe havens that facilitate training and operational planning. Nascent terrorist cells in eastern Libya could still further destabilize already turbulent North Africa by creating a new base of support within the larger al-Qaeda movement.

There are also concerns about Gadhafi returning to his rule, and the Chairman and the Ranking Member mentioned that. This gives us few appealing options for U.S. counterterrorism policy as it relates to Libya. Despite his about-face on combating terrorism in Libya, Gadhafi's actions make his long-term presence untenable.

Officials understand that any sort of ground invasion would only serve to fuel al-Qaeda's toxic narrative of a war between West and Islam. Al-Qaeda uses this narrative as a major recruiting tool, so

the Obama administration has been smart to reject outright the idea of large-scale intervention.

In deploying force, the United States and NATO have also wisely resisted calls to immediately arm rebel forces. Officials may eventually decide that this is the right course of action. Until then, the no-fly zone is buying time for authorities to learn more about the goals of the rebel forces.

In Egypt, terrorism-related concerns are focused squarely on the role of the Muslim Brotherhood, which is likely to play a role in a post-Mubarak government and society. The uprisings in Egypt have been met with public concern over the possibility of the Muslim Brotherhood coming to control the affairs in Cairo.

Were the Muslim Brotherhood actually to gain power in Egypt, it would face the burden of governing a society that is demanding jobs and reliable services and openness in government, the same underlying demands that have ignited the revolution. It is reasonable to expect that the burden of governing would temper the Brotherhood's Islamist political ambitions.

Many of the fears—growing protests—moving on to Yemen—growing protests against the rule of President Saleh pose legitimate questions about how AQAP may take advantage of regime change in Yemen. Saleh and the security services have been the lynchpin of U.S. counterterrorism strategy in Yemen. As such, recent commentary on Yemen's political crisis has tended to focus on the risks inherent in a Saleh's resignation, specifically, that al-Qaeda in the Arabian Peninsula would enjoy even more freedom to operate.

I would argue that political upheaval in Yemen is a concern with regard to AQAP irrespective of any damage done by the removal of Saleh. It is not at all clear that the Yemeni president has been an effective partner in combating terrorism. One Middle East observer recently noted that Sana'a's government has failed to capture or kill a single al-Qaeda leader in the last 2 years.

Instead, the regime has directed much of its attention to Yemen's other security challenges, which include an insurgency in the north and the separatist movements in the south.

Yemen's litany of political, social, and economic challenges, combined with AQAP's growing strength, means that there are no easy counterterrorism solutions. To the greatest extent possible, the United States must engage local Yemenis directly affected by AQAP's activities, not just the government in Sana'a, as an attempt—an attempt to isolate AQAP.

Beyond the limited scope of counterterrorism operations, the United States and its partners must address the underlying political, and social, and economic sources of Yemen's instabilities.

Regarding broader considerations for U.S. counterterrorism policy, recent events give us—in discussing how terrorism threats intersect with regional unrest, there has been a tendency to worry about a terrorist takeover of certain governments or states. In reality, this should never be the chief concern.

Despite their potential for major attacks with destabilizing consequences, al-Qaeda and its affiliates remain marginal movements within the Middle East and North Africa. These groups will never

command anything close to the popular support necessary to govern a modern state.

Instead, we should—still, we should not underestimate al-Qaeda’s lethality and maniacal focus on attacking the United States and the West. Al-Qaeda and other terrorist organizations most stand to benefit from the emergence of a chaotic, factious, and ungoverned territories, whereupon these groups seek to establish safe havens for training and operational planning.

I look forward to answering of the committee’s questions, and again, I appreciate your time.

[The statement of Mr. Nelson follows:]

PREPARED STATEMENT OF RICK “OZZIE” NELSON

APRIL 6, 2011

Chairman Meehan, Ranking Member Speier, Members of the committee, thank you for the opportunity to testify today. The past several months have brought extraordinary change to the Middle East and North Africa, and it is most appropriate that we examine how a broad array of political, social, and economic transformations in the region may affect U.S. National interests, particularly as these interests relate to homeland security and counterterrorism.

Context is important when considering how unrest in the Middle East and North Africa will influence al-Qaeda specifically and Islamist terrorism generally. It makes little sense to talk in vague terms about recent events signaling the demise or revival of al-Qaeda in the region, because al-Qaeda and its affiliates differ significantly based on the local environments in which they operate and the local grievances that drive their agendas. I commend the committee for framing today’s hearing in a manner that allows for discussion of specific countries, and in this vein, I will begin my remarks by examining the terrorism dimensions at play in Libya, Egypt, and Yemen, respectively.

As committee members and my fellow witnesses also know, al-Qaeda senior leadership has proven time and again to be a creative and adaptive adversary; where chaos exists, so too does opportunity. Given al-Qaeda’s transnational operations and aspirations, I will conclude my remarks with some broader observations about the implications that today’s unrest have for U.S. counterterrorism strategies in the Middle East and North Africa.

TERRORISM CONCERNS IN LIBYA, EGYPT, AND YEMEN

Concerns over terrorism underpin one of the most pressing questions surrounding U.S. and NATO involvement in Libya: Whether the Obama administration and its European counterparts should more actively support rebel forces in their bid to depose Col. Muammar al-Qaddafi. Much remains unknown about the rebels and their political organization, the Transitional National Council. Still, there have been reports that at least some members of the opposition forces are affiliated with al-Qaeda. This fact raises some important considerations for U.S. and NATO policy in Libya.

First and foremost is the possibility that al-Qaeda elements could seize power in a post-Qaddafi, putatively rebel-led, Libyan government. Fortunately, the rebel movement appears diverse enough to forestall this possibility. A far more realistic possibility is that a protracted Libyan civil war may produce sufficient chaos to allow for the development of legitimate terrorist cells in the eastern part of the country. Al-Qaeda and its allies notoriously exploit territories with weak central governments, carving out physical safe havens that facilitate training and operational planning. A chief concern is that Algerian-based al-Qaeda in the Islamic Maghreb (AQIM), a formal al-Qaeda affiliate, might team up with Libyan rebel factions sympathetic to terrorism. Even absent coordination with an al-Qaeda affiliate like AQIM, nascent terrorist cells in eastern Libya still could further destabilize already turbulent North Africa by creating a new base of support within the larger al-Qaeda movement. Finally, given the recent history of Libyan extremists traveling to Iraq as foreign fighters, the growth of terrorist cells in the eastern part of Libya could mean another influx of foreign fighters into other conflict zones across the region.

As if deciphering rebel intentions were not enough, there are also concerns about whether Qaddafi might return to terrorism should he maintain his rule. In his

lengthy reign, Qaddafi has been implicated in state-sponsored terrorism on multiple occasions, as with the bombing of Pan Am Flight 103. In recent years, he has combatted Islamist terrorism within Libyan borders, often working in harmony with Western goals. But now that hostilities have reignited between Qaddafi and the West, it is entirely conceivable that the Libyan leader may abandon that sort of cooperation should he remain in power.

These facts suggest few appealing options for U.S. counterterrorism policy as it relates to broader Western strategies in Libya. Despite his about-face on combatting terrorism within Libya, Qaddafi's recent actions make his long-term presence in the country untenable. Even though the United States and NATO do not seem to be currently discussing military operations in terms of regime change, we should not be surprised to see Western policy ultimately evolve to include a broader set of options for removing Qaddafi from power. Until then, deliberative action—like that currently being pursued by the United States and NATO—offers the surest course to mitigating terrorism risks in Libya.

Officials understand that any sort of ground invasion would only serve to fuel al-Qaeda's toxic narrative of a war between the West and Islam. Al-Qaeda uses this narrative as a major recruiting tool, so the Obama administration has been smart to reject outright the idea of large-scale intervention. In deploying force, the United States and NATO have also wisely resisted calls to immediately arm rebel forces. Officials may eventually decide that this is the right course of action; until then, the no-fly zone is buying time for authorities to learn more about the makeup and goals of the rebel forces, which is essential to do before arming any group of militants with possible terrorist connections.

Egypt, meanwhile, faces a much different set of issues than does its neighbor to the west. While terrorism-related concerns in Libya center on a largely-unknown threat, those in Egypt are focused squarely on the role that the Muslim Brotherhood is likely to play in a post-Mubarak government and society. The uprisings in Egypt have been met with public concern over the possibility that the Muslim Brotherhood, one of the world's oldest, largest, and most influential Islamist political groups, might come to control political affairs in Cairo. These fears are founded on the Brotherhood's historical ties to terrorism and the organization's belief in Sharia, or Islamic law.

Still, the Muslim Brotherhood long ago renounced violence, and the organization has an antagonistic relationship with al-Qaeda, especially its No. 2 in command, Ayman al-Zawahiri, himself an Egyptian. Were the Muslim Brotherhood to gain actual power in Egypt, it would face the burden of governing in a society that is now demanding jobs, reliable services, and openness in government, the same underlying demands that ignited the revolution. It is reasonable to expect that this burden to govern would temper the Brotherhood's Islamist political ambitions. Finally, the Egyptian military remains firmly entrenched, and is likely to cede power to elected civilians only through a gradual process of reforms. It is hard to imagine a situation in which the Egyptian military would abide a civilian government, especially one controlled by the Muslim Brotherhood, which moved to become a state sponsor of terrorism.

A more serious terrorism threat is posed by the categorical release of thousands of Egyptian prisoners, some of whom have extremist connections, over the past few months. In early March, it was reported that as many as 17,000 prisoners had been freed since Egypt's uprisings began.¹ While there are no reliable statistics on what percentage of these individuals are tied to terrorism, there have been reports of former prisoners associated not just with the Muslim Brotherhood, but also with Hamas and Hezbollah. The impact of categorical prison releases, then, may be felt not just in Egypt but in the larger region, in places like Israel and Lebanon, as recently-freed militants reconstitute connections with known terrorist groups or forge new partnerships.

Many of the fears surrounding prison releases in Egypt stem from the recent experience in Yemen, the third country under consideration at today's hearing. A February 2006 prison break in Sana'a freed a number of jailed militants, injecting key leaders into al-Qaeda's efforts to reconstitute its capabilities on the Arabian Peninsula. The prison break ultimately facilitated the unification of disparate Saudi and Yemeni terrorist cells under the banner of al-Qaeda in the Arabian Peninsula (AQAP) in 2009. Today AQAP is considered one of the most lethal al-Qaeda affiliates; the group's potential for regional and global attacks helps explain why so

¹Michael Scheuer, "Why the Mideast revolts will help al-Qaeda," *Washington Post*, March 4, 2011, <http://www.washingtonpost.com/wp-dyn/content/article/2011/03/04/AR2011030402322.html>.

many counterterrorism experts view political instability in Yemen as one of the most challenging developments in the Middle East and North Africa.

Growing protests against the rule of President Ali Abdullah Saleh pose legitimate questions about how AQAP might take advantage of regime change in Yemen. Saleh and his security services have been the lynchpin of U.S. counterterrorism strategy in Yemen, especially since the 2009 “Christmas day” plot, after which the Obama administration doubled counterterrorism assistance to the government in Sana’a. As such, recent commentary on Yemen’s political crisis has tended to focus on the risks inherent in a Saleh resignation—specifically, that AQAP would enjoy even more freedom to operate.

I would argue that political upheaval in Yemen is a concern with regard to AQAP irrespective of any damage done by the removal of Saleh. It is not at all clear that the Yemeni president has been an effective partner in combatting terrorism. One Middle East observer recently noted that the Sana’a government has “failed to kill or capture a single al-Qaeda leader in the last two years.”² Instead, the regime has directed much of its attention to Yemen’s other security challenges, which include an insurgency in the north and a separatist movement in the south. As Saleh has remained preoccupied with these domestic battles, Yemen’s economy, which already was facing looming natural resource shortages, has continued its nosedive.

Yemen’s litany of political, social, and economic challenges, combined with AQAP’s growing strength, means that there are no easy counterterrorism solutions to be had in the country. To the greatest extent possible, the United States must engage local Yemenis directly affected by AQAP’s activities, and not just the government in Sana’a, in an attempt to isolate AQAP. Beyond the limited scope of counterterrorism operations, the United States and its partners must address the underlying political, social, and economic sources of Yemen’s instability; doing so will have the greatest long-term impact in mitigating extremist violence in the country. Working through entities like “Friends of Yemen,” a collection of Gulf Cooperation Council (GCC) members and Western nations, will be essential to success in this endeavor. For example, Saudi Arabia channels up to \$2 billion per year in development aid to Yemen; the United Arab Emirates contributed just under \$1 billion last year. These countries can prove particularly helpful in implementing political and socioeconomic reforms, given their deep ties to Yemen’s people and institutions.

BROADER CONSIDERATIONS FOR U.S. COUNTERTERRORISM POLICY IN THE MIDDLE EAST AND NORTH AFRICA

While the cases of Libya, Egypt, and Yemen differ in significant ways, recent events in those three countries suggest some broader considerations for U.S. counterterrorism policy in the Middle East and North Africa. In discussing how terrorism threats intersect with regional unrest, there has been a tendency to worry about a terrorist “takeover” of certain governments or states. In reality, this should never have been the chief concern. Despite their potential for major attacks with destabilizing consequences, al-Qaeda and its affiliates remain marginal movements within the Middle East and North Africa. The groups will never command anything close to the popular support necessary to govern a modern state.

Still, we should not underestimate al-Qaeda’s lethality and maniacal focus on attacking the United States and the West. Al-Qaeda and other terrorist organizations most stand to benefit from the emergence of chaotic, factious, or ungoverned territories, whereupon these groups seek to establish safe havens for training and operational planning. This was the case in Iraq in the mid-2000s, and it is the case in Yemen today. Outside the region, al-Qaeda affiliates have taken advantage of political instability to establish training zones in places like northwestern Pakistan and Southeast Asia.

This trend has important implications for U.S. counterterrorism policy in the Middle East and North Africa today. American policy has long leveraged relationships with friendly autocrats in the region; these arrangements were thought to provide the stability necessary to ensure U.S. economic and security interests. Especially since 9/11, these partnerships have often produced tangible counterterrorism successes. At the same time, however, such policies have served as a key component of al-Qaeda’s ideology—that the United States is purportedly complicit in supporting so-called “apostate regimes” and denying freedoms to Muslim peoples. Furthermore, the recent uprisings have demonstrated that an over-reliance on autocrats can actually lead to great instability, just the opposite of what American policymakers seek.

²Ellen Knickmeyer, “So Long, Saleh: Let’s be honest: We don’t need the Yemeni president to fight al-Qaeda,” *Foreign Policy*, February 10, 2011, http://www.foreignpolicy.com/articles/2011/02/09/so_long_saleh?page=full.

We are now faced with a rare historical moment—and a strategic opportunity—in which the political, social, and economic aspirations of Middle East and North African publics are aligned more closely with U.S. interests than ever before. Long-term, the best deterrent to al-Qaeda and other terrorist groups will be the development of stable, prosperous, and free societies in the Middle East and North Africa. That goal is far easier said than done, and how to formulate a comprehensive strategy is beyond the scope of my testimony. Still, I want to close by reflecting on one issue, in particular: the continued importance of U.S. engagement and investment in the region.

It may be tempting to view the recent uprisings, especially those against U.S.-backed authoritarian regimes, as a repudiation of American policy in the Middle East and North Africa. But such an assessment would miss an important part of the story. Here, it is helpful to reconsider Egypt. As mentioned earlier, the Egyptian military remains the one consistent, stabilizing force in the country, and is being relied upon to help implement progressive reforms. The military is in a position to guide the country through its present turmoil largely because of decades of U.S. and international bureaucratic and financial investment in Egypt's security structures. For the United States, the problem in its policies toward Egypt has not been so much the fact of partnership with the ruling powers, but rather the decision not to make American support contingent on the implementation of gradual reforms in Egyptian society.

Libya and Yemen, on the other hand, demonstrate how a lack of long-term U.S. investment can limit American options in times of crisis. After successfully convincing Qaddafi to give up nuclear weapons in 2003, the United States had an opportunity to further cultivate its relationship with Libya around more than just a narrow counterterrorism construct. Enhanced engagement with Tripoli could have included a major push for political, social, and economic reforms. Instead, an opportunity was missed and the United States is now forced to confront a chaotic, war-torn Libya. In Yemen, the United States has stepped up its engagement in recent years, but problems of the magnitude that Yemen faces require a comprehensive, long-term strategy for engagement with meaningful investments in political, social, and economic reforms. To this end, the United States must work with those partners that have a vested interest in regional stability, especially GCC members.

Right now, the Obama administration has a narrow window in which to better align U.S. counterterrorism goals with the aspirations of millions of Muslims in the Middle East and North Africa. The key to doing this will be in understanding that security assistance and liberalization are not mutually exclusive, but rather complementary. I want to thank the committee for inviting me to testify today, and look forward to taking your questions.

Mr. MEEHAN. Thank you, Mr. Nelson.

Our next witness is Mr. Thomas Joscelyn, a senior fellow and executive director for the Center for Law and Counterterrorism at the Foundation for Defense of Democracies. Mr. Joscelyn is a senior fellow and executive director of the Center for Law and Counterterrorism at the foundation. He is a terrorism analyst and a writer living in New York.

Most of his research and writing is focused on how al-Qaeda and its affiliates operate around the world. He is a regular contributor to the *Weekly Standard* and is a senior editor of the *Long War Journal*. His work has also been published by the *National Review Online* and the *New York Post*, and a variety of other publications.

Mr. Joscelyn is an author of "Iran's Proxy War Against America," a short book published by the Claremont Institute that details Iran's decade-long sponsorship of America's terrorist enemies. He makes regular appearances on radio programs around the country, as well as on MSNBC.

Mr. Joscelyn, thank you for being here today, and we will now recognize you to summarize your testimony.

STATEMENT OF THOMAS JOSCELYN, SENIOR FELLOW AND EXECUTIVE DIRECTOR, CENTER FOR LAW AND COUNTER TERRORISM, FOUNDATION FOR THE DEFENSE OF DEMOCRACIES

Mr. JOSCELYN. Well, thank you, Chairman Meehan, and thank you, Ranking Member Speier, for having me here today. I am not going to read from my written testimony. I am just going to talk a little bit about your opening statements, because I find a lot of room for agreement, actually, with what you had brought up, particularly Ms. Speier, when it comes to the long-term blinders that you see in our society in terms of dealing with these regimes in the Middle East.

Really what we are seeing here is really the tension between long-term strategic interests and short-term National security concerns. I would say in the long term, dealing and backing a lot of these dictatorships has not produced the type of stability or produced the type of security that we would want.

As we can see, you know, Hosni Mubarak was a decades-long dictator in Egypt. He was toppled by some protestors in Tahrir Square in a matter of weeks. That is not stability.

So looking at our strategy going forward, I think America and the United States has to stand for something beyond just the short-term approach to dictatorships and backing them and sort of giving them sort of carte blanche to deal with their—the way they deal with the internal dynamics of their societies.

That said, looking at the short-term National security concerns—and this is why I think this is a homeland security issue—each one of these revolutions, each one of these protests does raise legitimate National security concerns in the short term.

I would say—let's start with Libya, where I think the Obama administration has rightly intervened to prevent a humanitarian crisis. As my colleague here said and noted correctly, I would say, there is a lot unknown about the rebels in Libya, but I would say this. The Transitional National Council—and if you look at the senior leadership there—they are not al-Qaeda, obviously. You can look at who they are and what they stand for. They are not, you know, the types of people we should be worried about, in my opinion.

If you look, however, at the Darnah crowd in eastern Libya, who is increasing—to press reports have noted are providing the muscle, basically, for the opposition in fighting against Gadhafi's forces, there are legitimate concerns about who those people are. I can talk a little bit further about that, if we get into it.

But if you look at the leadership there in Darnah, which is a long-term hotbed for Islamists and jihadist beliefs, if you look at the leadership of who is running Darnah, who is training the rebels in Darnah, there are legitimate concerns about these people. Going forward, I would say that the United States has to take an approach of, we have to be concerned about what we do with this crowd. You know, do we arm them? Do we do any of the types of things that have been discussed? You have to be very careful in dealing with these people and who we are actually backing.

All that said, Libyan dictator Gadhafi is not exactly a partner in the war on terror. You know, he has sort of been portrayed this

way in the on-going politicized debate over this, but I want to provide one quick note in the—my written testimony that I would like to bring to the fore on this.

Colonel Gadhafi, in fact, back in 2003, got into a shouting match on international television with Crown Prince Abdullah of Saudi Arabia, after which Gadhafi turned to al-Qaeda and hired al-Qaeda for \$2 million to try and kill Crown Prince Abdullah. This is all documented by the U.S. Treasury Department, court records, various press accounts.

That is the type of dictator you are dealing with in Libya, okay? This is not a guy who is a valid partner, I would say, against al-Qaeda. Even though al-Qaeda would love to, I am sure, off Gadhafi tomorrow, this is not the type of guy who you can count on to be a real partner in the war on terror.

Going to Yemen, it is an incredibly complicated situation. President Saleh is an uneven and duplicitous character, I would say. His cooperation has been incredibly problematic.

I understand why there is this real tentativeness about dealing with Saleh and calling for his ouster or calling for the end of his regime, but I would say there, if you look at his whole history and the people who back him and his power, his power—his political—the political people who back him are in many ways the people we are concerned about anyway. In other words, if he were to fall, if he were to—if his regime were to come to an end tomorrow, if he were no longer the president of Yemen, basically the people who were backing him are probably the people who would orchestrate the guy who would supplant him.

It is his dealings with those people that are really the problem in Yemen anyway. We can get into that a little further.

In Egypt, I would say, my big concern with Egypt is, is this: I think in the short term and in the long term, obviously, the Muslim Brotherhood is going to acquire some representation in whatever new form of government comes to power. I think that is understandable.

The problems I have there are two-fold. One, I think that we have to worry about the military, and the Muslim Brotherhood basically co-opting and putting an end to all the other types of dissidents and opposition and legitimate political interests that we have to—that should achieve representation in Egypt.

On the second hand, we should—as Bernard Lewis recently said in a *Wall Street Journal* column, during an interview, we should have no delusions about what the Muslim Brotherhood is or what it represents or what it wants. You are talking about one of the institutions that is one of the foremost advocates of suicide bombings on the planet.

So in the short run, I think we are going to have real problems in terms of how Egypt pans out, in terms of our counterterrorism cooperation there. But, again, going back to the long-term interests that I think Ranking Member Speier has rightly addressed, it doesn't mean that you look the other way or don't stand for something else in Egypt or any of these other countries.

With that, I will conclude my testimony.

[The statement of Mr. Joscelyn follows:]

PREPARED STATEMENT OF THOMAS JOSCELYN

APRIL 6, 2011

Mr. Chairman and Members of the subcommittee, I want to thank you for asking me to testify today.

Understandably, there is widespread trepidation about the events unfolding in the Middle East. Many fear that the removal of the region's longstanding leaders will lead to something worse—that is, the rise of al-Qaeda or like-minded organizations. However, while there is always potential for al-Qaeda to take advantage of political instability, we should not view recent developments as purely a contest between dictators (or autocrats) and jihadists. From Yemen to Tunisia, there are other political actors struggling for a say in how their country is run. It is important that America and the West embrace these people and lend them support where appropriate.

After all, the current unrest was not started by al-Qaeda, or any other malevolent actor. It began when a Tunisian street merchant set himself on fire to protest harassment by the local police. The mass protests that followed have exposed a fundamental truth about the Middle East that is often missed: The region's regimes were not stable because there are millions of Muslims who do not wish to live under an autocracy.

This is an important observation to keep in mind when discussing America's counterterrorism efforts. For too long, policymakers have assumed that unequivocal support for men such as Hosni Mubarak is our only option. But it is obvious now that relying on such leaders is not a viable long-term solution. The faux stability of Mubarak's regime was, for instance, swept away in just a few short weeks after decades of rule.

With that perspective in mind, there certainly are bad actors who seek to capitalize on the unrest. Below, I will briefly outline some of the issues that may arise, from a counterterrorism perspective.

LIBYA

The Libyan opposition is comprised of various interests and personalities, many of whom are secular-minded and no friend to al-Qaeda.

The most worrisome rebels, however, are located in eastern Libya. The city of Derna, in particular, is a known jihadist hotspot and contributed a large number of fighters to the Iraqi insurgency. Derna's rebel forces are currently led by three former members of the Libyan Islamic Fighting Group (LIFG), a known al-Qaeda affiliate.¹ And the man who is reportedly training Derna's rebels, Sufyan Ben Qumu, was formerly held at Guantanamo.² In declassified memos prepared at Guantanamo, U.S. officials alleged that Qumu joined al-Qaeda in the early 1990s, after leaving the Libyan Army, and spent the next decade serving the jihadist terror network in various capacities.³

As the United States and NATO move forward, extreme caution should be exercised when dealing with the Derna faction of the Libyan rebellion. Every effort should be made to minimize their role in shaping Libya's political future. And that is assuming the rebels can even overtake Col. Muammar Qaddafi, which is far from a certainty at this point.

A wounded Qaddafi could easily turn to terrorism to punish those who opposed him, both at home and abroad. During the 1980s, Qaddafi was one of the world's foremost sponsors of terrorism. After the September 11, 2001 terrorist attacks, some have looked upon Qaddafi as a partner against al-Qaeda because the LIFG targeted his regime. It is true that Qaddafi and al-Qaeda are not friends. But I would inject a note of caution here.

In 2003, Qaddafi successfully hired al-Qaeda terrorists to kill Saudi Crown Prince Abdullah. Qaddafi and Abdullah had a televised shouting match concerning the war against Saddam Hussein's Iraq. During the course of that argument, Abdullah insulted Qaddafi, which the Libyan dictator did not take lightly. His intelligence operatives reached out to a contact living in the United States who successfully bro-

¹ Charles Levinson, "Ex-Mujahedeen Help Lead Libyan Rebels," *The Wall Street Journal*, April 2, 2001. The article is available on-line here: <http://online.wsj.com/article/SB10001424052748703712504576237042432212406.html>.

² Thomas Joscelyn, "Ex-Gitmo detainee training Libyan rebels in Derna," *The Long War Journal*, April 2, 2011. The article is available on-line here: http://www.longwarjournal.org/archives/2011/04/ex-gitmo_detainee_tr.php.

³ A copy of the declassified memos can be found on-line here: <http://projects.nytimes.com/guantanamo/detainees/557-abu-sufian-ibrahim-ahmed-hamuda-bin-qumu/documents/5/pages/480>.

kered a deal with al-Qaeda operatives living in the United Kingdom to kill Abdullah. Libyan intelligence officers and an al-Qaeda cell were caught in Saudi Arabia as they planned the operation.⁴

This example is an important reminder that Qaddafi is willing and able to use terrorism to punish his perceived enemies. We should expect nothing less from a dictator who ordered the downing of Pan-Am 103 in 1988.

YEMEN

Of all the countries currently in turmoil, al-Qaeda is strongest in Yemen. As Obama administration officials have rightly noted, al-Qaeda in the Arabian Peninsula (AQAP) is the most dangerous al-Qaeda affiliate outside of South Asia. The failed Christmas day 2009 terrorist attack and a host of other plots have demonstrated the group's capability and intent.

In order to counter AQAP's growing threat, America has partnered with Yemeni President Ali Abdullah Saleh, who came into power in 1978 and has led a united Yemen since 1990. But President Saleh is an uneven and duplicitous partner in the fight against terrorism.

On the one hand: Saleh's regime provides some valuable intelligence against al-Qaeda; provides cover for unpopular American airstrikes; and Yemeni government forces have fought against al-Qaeda operatives. On the other hand: Saleh refused to take action against Sheikh Abdul Majeed al Zindani after Zindani was designated an al-Qaeda supporter by the United States and United Nations in 2004; al-Qaeda operatives have repeatedly been let out of prison or "escaped"; Saleh's government vocally supported the Iraqi insurgency and, at a minimum, looked the other way as Yemenis went off to fight American forces; and Saleh has allowed terrorist organizations such as Hamas to operate in the open.

Thus, President Saleh is far from an ideal partner in the fight against terrorism. And in the nearly 10 years since the September 11 terrorist attacks, al-Qaeda has grown only stronger in Saleh's Yemen, not weaker.

Regardless, the U.S. Government has partnered with Saleh because it fears that his replacement may be even worse. This is, in part, understandable. Jihadist organizations, including al-Qaeda, have longstanding ties to Yemen's military establishment. For instance, General Ali Mohsen al Ahmar, who helped bring Saleh to power, backed Osama bin Laden for years and has been known to use jihadists in the fight against southern secessionists and Houthi rebels.⁵ If General al Ahmar, or someone like him, were to come to power, it is likely that the Yemeni government would be even less helpful. Similarly, if a member of Yemen's Islamist establishment were to assume Saleh's mantle, American interests would undoubtedly suffer in the near-term.

However, President Saleh's political power has always rested on his alliances with actors such as General al Ahmar and Sheikh Zindani, who is one of the heads of Yemen's Islah party, the main opposition party. As a matter of straightforward logic, Saleh could never be a true partner against such men, who have extensive terrorist ties, because they ensured his continued rule. Now that al Ahmar, Zindani, and other powerbrokers have repudiated Saleh, it remains to be seen what political capital Saleh has left. It may be the case that Saleh's days as Yemen's ruler are numbered in any event, in which case the U.S. Government will find itself scrambling for a new partner.

EGYPT

President Hosni Mubarak was a partner against al-Qaeda and affiliated organizations. And the Egyptian military, which continues to play a large role in defining Egypt's politics, has no interest in seeing jihadist organizations take over the country. However, American counterterrorism efforts will likely be complicated should the Muslim Brotherhood assume a greater share of political power.

Muslim Brotherhood leaders openly advocate jihad, and have endorsed terrorist violence in Iraq and Afghanistan. Hamas, which was designated a terrorist organization in the mid-1990s, is a branch of the Muslim Brotherhood. The Brotherhood's founding father, Hassan al Banna, called on Muslims to embrace what he called the "Art of Death." He believed that Muslims should love death more than they love life. It is no surprise, then, that we find Muslim Brotherhood leaders justifying sui-

⁴Thomas Joscelyn, "The Libyan Terrorist: Muammar Qaddafi," *WeeklyStandard.com*, February 24, 2011. http://www.weeklystandard.com/blogs/libyan-terrorist-muammar-qaddafi_552474.html.

⁵See, for example: John F. Burns, "Yemen Links to bin Laden Gnaw at F.B.I. in Cole Inquiry," *The New York Times*, November 26, 2000.

cide bombings to this day. And, of course, Hamas regularly employs suicide bombings as a weapon.

Should the Egyptian military and Muslim Brotherhood enter some sort of power-sharing arrangement, it will undoubtedly complicate American counterterrorism efforts.

I look forward to discussing all of these topics, and more, during the hearing.

Mr. MEEHAN. Thank you, Mr. Joscelyn.

I would like to turn now to Mr. Brian—is it “Katulis”? Is that—

Mr. KATULIS. Yes, sir, “Katulis.”

Mr. MEEHAN. Thank you. Mr. Brian Katulis, a senior fellow for the Center for American Progress. Mr. Katulis is a senior fellow there, where he focuses on United States National security policy in the Middle East and South Asia. He served as a consultant to numerous U.S. Government agencies, private corporations, and nongovernmental organizations on projects in more than two dozen countries, including Iraq, Pakistan, Afghanistan, Yemen, Egypt, and Colombia.

From 1995 to 1998, Mr. Katulis lived in the West Bank, the Gaza Strip, and Egypt and worked for the National Democratic Institute for International Affairs.

Mr. Katulis received a master’s degree from Princeton University’s Woodrow Wilson School of Public and International Affairs and a B.A. in history in Arab Islamic studies from a little school in the 7th Congressional District in Pennsylvania called Villanova, which I would like to note is where I am. Mr. Katulis was a Fulbright scholar in Jordan, and he co-authored “The Prosperity Agenda,” a book on U.S. National security.

We are very grateful to have you here today, Mr. Katulis, and look forward to you summarizing your testimony.

**STATEMENT OF BRIAN KATULIS, SENIOR FELLOW, CENTER
FOR AMERICAN PROGRESS**

Mr. KATULIS. Great. Thank you, Mr. Chairman.

I want to thank you and all of the Members of the committee for taking the time for this hearing, because I think it is extremely important for you to do this today, but then to repeat it again and again, because 3 months into the uprisings in the Mideast, I see the U.S. Government slipping into a tactical crisis management emergency mode. I think it is important to use these hearings to take a step back periodically, assess the situation strategically, and not get caught up on each of the individual countries, which I think is what we are trying to do today.

At the start of this year, I would say that the Middle East is in the beginning of a transition that I think will take years and perhaps the rest of this decade to unfold. I characterized the current uprisings as the start of a strategic shock akin to what we saw in the 1979 Islamic revolution in Iran, the 1991 Gulf War, and the start of the 2001 global war on terror.

Each has had security implications for the Middle East on the whole, and they have had implications on the fight against terrorist networks. There are a lot of risks, which I will turn to.

But the greatest opportunity, which I think there is strong unanimity here, is that these popular uprisings give us the chance to help move beyond the autocratic governments that have permitted

terrorist threats to fester alongside endemic poverty, weak governance, and corruption.

The opportunity here is what I sometimes call as moving beyond our addiction to dictators. For decades, we have been addicted to dictators, and it is like our addiction to foreign oil that a lot of people talk about. We know it is bad for us. We know we need to move beyond it. We simply haven't yet figured out how to move beyond it.

I don't want to repeat what other witnesses have said today, but I think there are four leading terrorist challenges that we should focus on. People have talked about Yemen, and I think we need to continue to focus on this day to day, for all of the reasons that other witnesses have highlighted.

I would also highlight the fact—the worrisome trend in Yemen for years now of senior figures in the current government, actually, having ties to the al-Qaeda movement. I will point to the May 2010 air strike last year that killed a number of AQAP fighters. It also killed a deputy governor of the Marib government, Jabir al-Shabwani.

There are also worrisome links between some of the political parties, Islamist political parties, and terrorist movements in Yemen, and we need to, I think, discuss that and probe that more clearly.

I think the second leading threat, which has been discussed already, are the threats posed by the Libyan civil war, which is ongoing.

The third I would highlight, which we haven't discussed, but I think is important for the United States and its allies, are the terrorist threats in states and territories bordering Israel. The prison breaks in Egypt and in Libya, I think, have some implications for our ally, Israel, and we are seeing signs already of possible renewed conflict along Israel's southern and northern borders driven by not only Hamas and Hezbollah, but also challenging Islamist groups, Salafi jihadist groups that are challenging groups like Hamas and Hezbollah and trying to push them towards more aggressive action.

Finally, we should not forget about Iraq, which had been the focus for so many years. Just last week, al-Qaeda in Iraq claimed credit for a horrific attack in Tikrit, which killed nearly 60 people in the provincial council headquarters.

I outline in my testimony integrated strategies for dealing with this threat and certain advantages, four key advantages. No. 1, al-Qaeda to date has been irrelevant in the popular uprisings and has been left behind. No. 2, there are sharp divisions between and within the radical and violent Islamist terrorist groups, and we can discuss that. No. 3, Islamist political organizations and political parties in particular that play by the rules of the road could further marginalize these extremist fringes. The fourth strategic advantage I think we have in this fight is that key countries, including Jordan, Saudi Arabia, the emirates and many gulf countries, are in this fight with us today.

In conclusion—and I think we have a tough policy challenge ahead. Based on my own experience, living and working in the Middle East for more than 5 years in the 1990s, one of the key challenges is having an integrated approach, marrying our mili-

tary-to-military and intelligence-to-intelligence partnerships with efforts to increase better governance, democratic oversight, and a range of issues that fight corruption in these societies.

Having that integrated approach requires full funding of organizations like the State Department and USAID. We can't move into this fight without them being fully equipped.

Then, second, I think we need to actually learn to live with political Islam. They will become an increasing voice in societies that open up. There is a variety and diversity of views among these groups, and we need to learn to deal with those that abide by the rules of the democratic game and are nonviolent.

I will close my testimony here, and I look forward to your questions. Thank you.

[The statement of Mr. Katulis follows:]

PREPARED STATEMENT OF BRIAN KATULIS

Mr. Chairman and Members of the subcommittee: More than 3 months into the Middle East uprisings, the United States faces dangerous threats on a daily basis from that region of the world. Fast-moving events in the Middle East risk pulling our country deeper into the tactical, reactive, and crisis management mode that has frequently characterized U.S. foreign policymaking in the Middle East for decades.

That is why it is important to take opportunities like today's hearing to step back from the daily events and assess the security implications of the recent changes in the Middle East.

At the start of this year, the Middle East entered a transition period that will likely take years to unfold. There may not be full clarity about the full implications of the changes underway until the latter part of this decade. The changes underway represent the fourth major strategic shock to the Middle East experienced at a regional level since 1979—the 1979 Islamic revolution in Iran, the 1991 Gulf War, and the 2001 start of the global war on terrorism. Each had their own ripple effects on the region. But the current uprisings and battles underway could do more to change the daily lives of people in the region for the better than those previous events.

A major regional transformation appears inevitable given the overwhelming economic, political, and social problems many countries in the region face. The United States has a choice: Attempt to preserve an unsustainable status quo that started crumbling years ago, or use its considerable powers to shape outcomes in ways that make Americans safer while increasing security and prosperity for the people of the Middle East.

The risks in this transition are considerable—civil wars, prolonged insurgencies, and new regional wars could open the space for terrorist networks to operate more freely. In addition, all of the problems that existed before these uprisings—Iran's nuclear program and support for terrorism, the unresolved Arab-Israeli conflict, and Iraq's reintegration into the region—remain major challenges and more complicated in light of recent events in the region.

But the opportunities in this transition are also great—the greatest opportunity presented by the popular uprisings is to help key countries transition from the autocratic governments that permitted terrorist threats to fester alongside endemic poverty, weak governance, and corruption towards a more democratic system. The pathway ahead in the coming months and years is fraught with considerable risks that should not be downplayed, but standing by the autocratic regimes is no longer a viable option in many parts of the Middle East.

LEADING TERRORIST THREATS AT THE START OF THE MIDDLE EAST'S TRANSITION

The top threat that the United States faces as a result of the uprisings and turmoil is the possibility that various terrorist networks could exploit the political unrest to sow wider chaos in the region or to plot new terror attacks against the United States or other U.S. allies. If regional intelligence and law enforcement agencies are distracted or weakened by internal political fights, this could present an operational opportunity for terrorist networks.

The United States needs to keep focused on four key fronts in the coming weeks:

1. *Unrest in Yemen.*—Prior to the Middle East uprisings, the threat posed to the United States by al-Qaeda in the Arabian Peninsula, or AQAP, surpassed threats from al-Qaeda affiliates operating in Pakistan and Afghanistan. The on-going polit-

ical instability in Yemen over the past several months has diverted the Yemeni security establishment's attention and resources away from the efforts to deal with AQAP. Following the attempted bombing of a U.S. plane in Detroit in December 2009, the United States more than doubled its military assistance to Yemen in an effort to help government security agencies to deal with the increased threats.

At the time of this prepared written testimony, events in Yemen are very fluid, with a great deal of uncertainty about the likely outcome of a possible leadership transition in the Yemeni government. The central challenge facing U.S. policymakers is maintaining and building counterterrorism and security cooperation with officials in key Yemeni security agencies while assisting in quiet efforts to help Yemen develop a roadmap for political and economic reforms that respond to the people's concerns.

2. Libya's civil war.—A protracted internal conflict in Libya presents two possible distinct threats to U.S. National security. The risk that the Qaddafi regime may remain in power and return to global terrorist attacks as it has in previous decades, and risks associated with supporting rebel groups that contain terrorist elements. In previous Middle East civil wars—Iraq last decade, Algeria in the 1990s, and Lebanon in the 1980s—terrorist networks contributed to prolonged instability that led to the deaths of more than 100,000 people in each of these conflicts. On balance, the violence associated with these terrorist groups in these past conflicts was focused on internal battles with these countries, but the instability presented an opportunity for terror networks to build their operational and ideological capacities.

3. Terrorist threats in States and territories bordering Israel.—In the Gaza Strip and Lebanon during the past few weeks, there have been increased signals that terrorist groups such as the Palestinian Hamas, the Lebanese Hezbollah, and more radical Islamist groups may be preparing for another conflict with Israel. Iran appears to continue its effort to ship weapons and offer financial support to terrorist organizations operating along Israel's border.

In addition, recent prison breaks in Egypt and Libya during the unrest in both countries present an additional terrorism risk—estimates of the number of terrorist suspects who escaped during the unrest in both countries range from several hundred to several thousand. Sami Chehab, a member of the Lebanese Hezbollah who escaped from an Egyptian prison, is reportedly back in Lebanon—Chehab had been arrested on suspicions that he was helping supply weapons to militants in the Gaza Strip. In February, Ayman Nofal, a senior Hamas commander, escaped from an Egyptian jail and made his way back to the Gaza Strip. These high-profile escapes may be just the tip of the iceberg of a larger number of terrorist suspects who are no longer in detention and may seek to upset a fragile security situation in the region.

4. On-going terrorist threats linked to the turmoil in Iraq.—Although Iraq has faded from U.S. policy and political debates, the on-going violence in Iraq as U.S. troops continue to withdraw from the country represents a fourth threat. Al-Qaeda in Iraq, or AQI, claimed responsibility for last week's raid and hostage situation that killed nearly 60 people in the provincial council headquarters in Tikrit—and this was just the latest in a series of high-profile targeted attacks by AQI. In addition to the threats AQI poses to stability in Iraq, the continued threat posed by foreign terrorists who fought in Iraq and returned to their home countries remains a major challenge for countries such as Saudi Arabia, Yemen, and Libya.

DEVELOPING INTEGRATED U.S. STRATEGIES TO DEAL WITH TERRORIST THREATS AT A TIME OF CHANGE IN THE REGION

Executing political and economic reforms in this combustible regional security environment will be no easy task.

The current situation presents four main advantages that will make the tasks of dealing with these terrorist threats outlined above while marginalizing radical Islamist groups and advancing pragmatic political reforms manageable yet still difficult:

1. Al-Qaeda's irrelevance in uprisings.—For nearly the past 20 years, al-Qaeda, or AQ, has tried to build its ideological platform on two core pillars—tapping into popular discontent with the region's autocratic and corrupt governments and fomenting anti-American and anti-Western attitudes. The fact that AQ and its affiliates had virtually nothing to do with the removal of leaders in places like Egypt and Tunisia and the widespread calls for political reform has further weakened its credibility.

Looking ahead, it seems that AQ's popular appeal will remain low given that most of the protesters in key countries support democratic political reforms, something that AQ leadership opposes. The most radical Islamists view democracy as anathema to their agenda, yet the people of the region widely support democratic political

reforms according to public opinion polls. If al-Qaeda continues to be opposed to democracy and uses violence to oppose democratic change, they will likely further marginalize themselves and be viewed as a threat to newly democratic states in the Middle East as much as they are in the United States.

2. Sharp divisions within radical and violent Islamist terrorist groups.—The leading Islamist extremist groups lack a common strategy and remain sharply at odds with one another over matters of strategy, tactics, and operations. Although al-Qaeda central and its affiliates such as al-Qaeda in the Arabian Peninsula and al-Qaeda in the Islamic Maghreb have worked to enhance their coordination, the movements lack a common military and political agenda and are facing challenges from fringe Salafist groups.

3. Islamist political organizations like the Muslim Brotherhood could further marginalize extremist fringes.—The third opportunity presented by the political openings in key countries of the Middle East is that democratic reforms could further lead to internal debates within more mainstream Islamist groups like the Muslim Brotherhood that contribute to further marginalizing fringe Islamist groups. Although the Muslim Brotherhood and groups like al-Qaeda share a common intellectual and political lineage, the ties between the different strands of today's Islamist groups have frayed considerably and they disagree on core foundational principles. For example, Ayman Al-Zawahiri, AQ's second in command, wrote a book attacking the Muslim Brotherhood for its willingness to participate in democratic politics.

4. Strategic security and counterterrorism cooperation continues with key partners in the region and will likely continue in the coming years.—Despite the additional threats presented by the distractions and diversion of resources away from counterterrorism efforts in certain places like Yemen and Egypt, the United States still maintains strong coordination and partnerships with key countries in the region and it continues to work with leaders in the security establishments of most Middle East countries. In particular, bilateral security and counterterrorism cooperation between the United States and Jordan, Saudi Arabia, the Emirates, and most countries of the Gulf region remains strong. For decades, the United States has invested resources and efforts at enhancing coordination, and democratic political openings won't lead to quick and fast erosions of cooperation with most countries.

Even as key countries open up to political reforms in the coming years, it will likely remain in the strategic self-interest of the countries and people of the region to protect themselves from violent extremism and terrorism. Countries such as Egypt, Saudi Arabia, Iraq, and Yemen share a common interest with the United States and other global powers to make sure that radical nonstate actors don't further undermine stability in their countries and weaken an already fragile regional security environment.

Weighing these advantages against the risks, the United States should seek to adapt a new regional security approach that encourages pragmatic political and economic reforms while working to maintain security cooperation with existing institutions. In managing its interests in what is likely to be an extended period of transition, the United States will need to tailor its approaches to the unique circumstances of each country and our own security interests involved. Egypt and Tunisia have not been models for how we deal with Yemen or Bahrain, nor should they be. Each country has different internal dynamics and features, and our security interests vary from country to country. Here are two common principles and approaches that could be applied across the region and tailored to the circumstances of each country:

1. Work for political and economic reform within existing institutional frameworks.—The leaders and people of the region are the ones who need to shape the reform agendas—and the United States should prepare to adapt the way it has done business in the region for decades. The transition in most Middle East countries will likely be gradual, and so will the changes in U.S. policy. The United States should leverage its existing relationships—particularly the military-to-military contacts and the strong ties it has with key countries in addressing common security challenges like terrorism—to support efforts to reform in systems so they can address the long list of problems.

For decades, the United States has made substantial investments in security sector reform and support in a range of Middle Eastern countries—Iraq is just one example. It also has had long-standing programs of security sector support throughout the region, working to build the capacity of military and intelligence agencies throughout the Middle East. The challenge now facing the United States is adapting this decades-long policy approach in the face of future democratic openings. Instead of attempts at wholesale replacement of institutions like we saw in Iraq in 2003 with the disbanding of the military, the United States should develop policies that

work to connect security systems to executive, judicial, and legislative authorities that can provide oversight and accountability.

By adopting an integrated approach, the United States could help countries establish stronger foundations for better governance and anticorruption through governing. Security sector reform can promote better practices within governing systems—including fair and balanced oversight from democratic legislative branches and better working relationships with judicial authorities. This requires developing incentives to advance reform in implementing the rule of law. This will also require making investments in other types of U.S. power—diplomatic, development, and economic efforts—in order to have a more integrated approach that avoids the “stovepiping”—U.S. agencies not coordinating efforts with other U.S. agencies. In essence, the United States will need to develop a more comprehensive and integrated approach that links efforts by our military and intelligence agencies with efforts by the State Department and USAID.

2. *Prepare for the role of political Islam to increase in the Middle East.*—Second, the United States will need to learn to live and deal with political Islam, which is likely to see its influence grow as societies open up to reform. The recent U.S. experience in Iraq demonstrates that the United States can learn to work closely with a range of Islamist political groups to enhance stability and advance U.S. strategic interests. The leading political parties in the current Iraqi government are Islamist. During the civil war in Iraq, the U.S. military and intelligence agencies exploited cleavages among Islamist groups and used these divisions to reduce the threat of groups like AQI and make them marginal and tactical threats, as opposed to strategic threats.

Similarly, in other parts of the Middle East already experiencing reforms like Egypt or other countries likely to experience political change such as Jordan, Islamist parties and forces have become better organized and garnered stronger popular support. The United States should develop two bright red lines when it comes to offering support to a country in which Islamist political parties and forces play a role in the government. First, it should seek guarantees that Islamist movements would respect a broad range of universal democratic values as outlined in the U.N. Declaration of Human Rights. The notion that Islamism and democracy are fundamentally incompatible is outdated and needs to be tested as does the idea that Islamism represents an ideological challenge akin to that of communism during the Cold War. Seeking to isolate Islamist political parties before they have had a chance to prove themselves in political systems that are opening would be counterproductive.

Second, the U.S. Government should maintain its policy of not working with Islamist groups currently on its foreign terrorist organization list. It must continue to make a distinction between those groups that have explicitly renounced violence and groups that have not. For those that have not renounced violence, it should press regional allies and other interlocutors to encourage those movements that espouse violence as a means for bringing about political change to update their views to reflect universal principles of respecting human rights and supporting non-violent means.

CONCLUSION

The popular uprisings of the Middle East have brought the region across a new threshold, and the changes underway will likely take years to unfold. The unrest has presented the United States with some new and pressing terrorist threats but the old way of doing business in the Middle East is no longer sustainable. America's security need not come at the cost of supporting dictatorships and authoritarian governments that are corrupt and do not respect the rights of their people. The United States can enhance counterterrorism cooperation in the long run if it works with a wider range of institutions and accepts the reality that Islamist political groups could be among the most important allies in marginalizing and defeating Islamist extremists and terrorist groups.

Mr. MEEHAN. Thank you, Mr. Katulis.

Since we began, I am very pleased—Mr. Mudd, thank you for taking the time to make it out to us today. We are very pleased to have you here today.

Mr. Mudd is a senior research fellow at the New America Foundation. Mr. Mudd joined the Central Intelligence Agency in 1985 as an analyst specializing in South Asia and then the Middle East. He began working at the CIA counterterrorism center in 1992 and

served on the National Intelligence Council and as the deputy national intelligence officer for the Near East and South Asia. In 2001, Mr. Mudd served as director of gulf affairs on the White House National Security Council.

After 9/11, he served in Afghanistan and became deputy director of the CTC from 2003 to 2005. In 2005, Mr. Mudd was appointed to serve as the first-ever deputy director of the FBI National Security Branch. Mr. Mudd resigned from Government service in 2010. He is the recipient of numerous CIA awards and commendations, including the Director's Award. Mr. Mudd also graduated from a place in the 7th Congressional District—there must be some kind of pattern here—called Villanova University, with a B.A. in English literature and an M.A. in English literature from the University of Virginia.

So, Mr. Mudd, you are now recognized to summarize your testimony for 5 minutes.

**STATEMENT OF PHILIP MUDD, SENIOR RESEARCH FELLOW,
NEW AMERICA FOUNDATION**

Mr. MUDD. Thank you for having me, and thanks for being patient for me getting here. The traffic out there—I wish this were the Transportation Subcommittee—is horrible.

A couple of thoughts. You can read the testimony if you would like, but I will give you some thoughts that are maybe in addition to it.

I remember when I was deputy director of the counterterrorism program at CIA when we still had our own facilities and were questioning people like Khalid Sheikh Mohammed and talking to the interrogators, as I often did. They talked about people like Khalid Sheikh Mohammed. He is not a terrorist. That is too small. He is a revolutionary. These guys were committed and smart and far longer in vision than many of us Americans are. They looked at the world in terms of decades and centuries and never anticipated that the revolution they started would end in their lifetimes.

So as we assess this, I think we have to look at it with a long view, because these guys are persistent and they will be around for a while. I don't think their view right now is terribly positive. I have seen what the North African militants have said about what is happening in Libya. I have seen what al-Qaeda in the Arabian Peninsula has said out of Yemen. They are supportive of these revolutions publicly. I think they suffered a significant setback, not just to terrorism, but to the revolution.

Let me tell you why, and let me close with a few thoughts on things that I would be thinking about if I were in your hot seat.

When al-Qaeda set out on September 11 to stoke the revolution, they intended not just to do everything themselves, they intended to get other people to act as they acted. We started to see that after 9/11. Affiliated groups in places like Indonesia started to attack Western targets in ways that they had never attacked these targets in the past.

The Indonesian militants had been around for decades. They had local targets earlier. They wanted to oust the local government in Jakarta. Al-Qaeda convinced them that the real problem was the

head of the snake. So as al-Qaeda succeeded in 9/11, after 9/11, affiliated groups started to succeed.

Then as I sat at the threat meetings for 4½ years with Director Mueller and three attorneys general, I saw the movement shifting to this country, and it shifted not necessarily with al-Qaeda core, although we had that problem there, or with affiliated movements. It also shifted with like-minded kids, New York, Dallas. We had them here.

So in a way, the revolution was metastasizing, but it suffered a few setbacks, two in particular. One is they killed too many innocents. If you look at polling data out of the Middle East, it is mixed over the past years. Pew does it; Gallup does it. But polling data shows you that all these countries that had people who might have said, "Hooray for al-Qaeda," on September 12, 9½ years ago started to say, "No," not because they love us, but because al-Qaeda made the same mistake militants made in Algeria and Egypt in the 1990s. They killed too many innocents, Saudi Arabia, Iraq, Jordan. We can go on and on.

So the first setback they have suffered—and they are still reeling from this; I don't believe they will ever recover from it—is they lost recruiting pools and financiers because they killed too many innocents.

The second thing they have lost in the last 3 months is the opportunity to tell recruits that they can be recruited to go back into a place like Egypt and oppose a corrupt regime. Pretty tough to do that now, except—and this is significant—in the gulf sheikdoms. I wonder—this is a bit of an aside—whether the gulf sheikdoms are going to face more focus from al-Qaeda, because they are not going to focus obviously on Tunisia, Egypt, hopefully not on Libya soon.

But they also faced the potential rise in political groups—Islamists, the Muslim Brotherhood—whom they despise. I know there is a lot of commentary about the Muslim Brotherhood in this country. If you look at the statements between—publicly between al-Qaeda leadership and the Muslim Brotherhood, they hate each other.

So al-Qaeda is sitting here saying, "We love this. We have got to be with the people." I don't think they have much option but to say it. What are you supposed to say, if you are trying to recruit a Libyan kid today?

But I think the dynamic of the loss of popular support between the killing of innocents and the loss of the prospect of having and influencing these governments, they are sitting back saying, "I don't like this so much."

A couple of things to worry about. These countries have endemic economic problems, and too many people out there in these countries are too optimistic about the prospect that political reform automatically means jobs. I think that is—short term, I think we will be okay on terrorism. Yemen is a significant problem; we ought to come back to that. But North Africa I think will be okay, because kids now potentially have a voice and al-Qaeda doesn't.

Mid-term—I am talking 2, 3, 5 years—I am worried some of these kids are going to say, "Shoot, this democracy thing didn't work out so well, either."

So to close, in your seat, we have got to think about aid and we have got to think about support for U.S. industry. They are going to be asking for free trade agreements in an agreement that is going to make us politically comfortable, because guaranteed these governments with an Islamist influence are going to come out saying things like, “We don’t like Israel.”

So you are going to have a choice. The choice is to say, do we look long-term and understand the political processes lead to—people we don’t like? Because we have got to create economic environments where these kids don’t become a recruiting pool again.

We have made terrific progress in the last 10 years. This organization, this revolutionary movement is slowly dying out in a way when I was deputy director of counterterrorism I didn’t think was happening. It is today. Let’s not lose it.

[The statement of Mr. Mudd follows:]

PREPARED STATEMENT OF PHILIP MUDD

6 APRIL 2011

The threat from North Africa and the broader Middle East has evolved profoundly during the past 20 years, with multiple stages of violence over decades that illustrate how susceptible this region has been to unrest and the call of violent jihadists, including al-Qaeda. The series of events include:

- The concentration of North African extremists who went to Afghanistan in the 1980s to fight the Soviets, and then the Soviet-backed Afghan regime, and who absorbed al-Qaeda ideology during their time there;
- The return of these extremists to fuel anti-government violence, particularly in Algeria and Egypt, during the 1990s, with a parallel rise in networks that attacked in Western Europe, particularly France;
- The migration of extremists from North Africa to Iraq, where jihadists of North African origin were overrepresented among foreign fighters;
- The shift of local North African groups from local motivations and linkages to affiliation with al-Qaeda, and its focus on Western targets, during the past decade; and
- The prospect that the extremists who come from this highly violent history will find a way to use the more recent unrest as a springboard to regain momentum they have lost during the past few years.

With this backdrop, there is no disputing that North Africa has been one of the hotbeds of violent jihad, but experts differ over whether the recent unrest will offer jihadists an opportunity or a setback. In general, I would judge that these developments are a net negative for al-Qaeda and other jihadists who view the United States and its allies as legitimate targets for attack. To start, some of the key justifications for recruits to turn to an al-Qaedaist message have disappeared: Leaders viewed as un-Islamic and corrupt are gone, and Islamists will have some sway with in new governments. Youth who previously looked at bleak prospects and unresponsive regimes might see a reason to participate in this new change, and violent extremists would have little sympathy now in attacks that local populations would see as an assault on their revolutions.

Al-Qaeda and its affiliates have come out publicly in support of these rebellious populations, but there is little doubt that they are uncomfortable with these changes. First, they have a history of well-documented animosity toward the Muslim Brotherhood and its offshoots, such as Hamas, and the Brotherhood most likely will have significant influence in elections and new governments. Second, al-Qaeda is no fan of democracy. The statements of support are simply signs that the leadership of the last few decades of violent jihad cannot be seen as opposing what are so clearly popular revolutions. So they will pretend to ally with the will of the people, and bide their time.

This is not to say that violence will subside. The disarray among security services might provide an opening for a spike in criminal activity. And the history of elections in the Middle East—Algeria, Iraq, and Lebanon—is rife with examples of political parties defined by religion and ethnicity. Similar fissures in the new, hopeful democracies may lead to the same, almost guaranteeing political violence.

Over the longer term, economics will help decide whether these countries provide opportunities resulting in growth and job creation that might mitigate the threat of restive youth. For now, the picture is not good: Investment will slow with the unrest, and this slowdown might accelerate if foreign investors shy away longer term as a result of the uncertain climate. In general, these countries have high youth unemployment, low GDP growth rates, and large percentages of their populations under the age of 15. These youth probably see democracy as a rapid route to economic reform, and they may have mistaken expectations that new governments can quickly spark economic growth. If they are disappointed—and particularly if new governments are seen as corrupt—they may again be vulnerable to calls from extremists who will target the United States.

Western actions might influence whether these violent extremists can ever take advantage of what emerges from these revolutions. New governments will see continuation of foreign aid as a sign that the United States respects the will of voters, even as it questions the ultimate aims of some Islamists. Meanwhile, in their push for rapid job creation, new governments will look for trade benefits from Washington, again as a way to placate populations who see democracy as a panacea for profound economic problems.

We may well witness statements from some of these Islamists—during an Egyptian electoral process—that make us uncomfortable, such as questions about peace agreements with Israel. The emerging local, non-al-Qaeda Islamists are unlikely, however, to contribute to the jihadist threat to the United States, at least in the short term. They are going to have to deliver at home, and quickly, on the expectations of youth. They abhor al-Qaeda, and they will not countenance al-Qaeda statements of support. And, as is the case with many parties when they take power, they will immediately face practical questions—such as ensuring that they can attract foreign investment—that prod them toward pragmatism.

Unrest in the Gulf has different dimensions. The Gulf leaders have more legitimacy than the presidents-for-life in countries such as Syria, Yemen, Egypt, Tunisia, and Libya, and they have economic advantages as well. They are not immune to the wave of unrest—Bahrain is the prime example, but Morocco, Oman, and others have also witnessed protests—but these protests often call for reform, not revolution.

This is not to say that this year's picture is the same as next year's. These countries too have an unusually high percentage of teenagers, and these youth, like their counterparts elsewhere, are not finding jobs they think are suitable to their degrees. Over time, job creation, foreign investment, and diversification may be as important in the Gulf as in the countries that have already gone through revolts. For now, though, the characterization of an "Arab Spring" across the Middle East is misleading: This unrest is far more focused on autocrats than on monarchs. In addition to providing opportunities, some of the future will hinge as well on how governments react to violence: The Moroccan king's subtle approach has worked well, but in other areas, the quick resort to force by security services has alienated protesters. If there are more protests, one key indicator of their longevity will be not only the legitimacy of their demands but the question of whether the Moroccan approach becomes the norm.

Our time horizons are shorter than those of al-Qaeda and its affiliates. They think of time in terms of decades and centuries, while we tend to look at weeks, months, or a few years as significant. Our annual threat assessments in this country during the past decade, for example, have at times characterized al-Qaeda as resurgent or on the ropes, rapid turnarounds in assessment that mask how the group views itself. A few years' pressure is not a lifetime, and the jihadists we face are both smart and resilient. So while we watch the emergence of new democracies, and inevitably turn our attention elsewhere—a new nuclear crisis, humanitarian disasters, debates on immigration, health care reform—we can bet that our adversaries are waiting to see if they can seize an advantage.

If we are to match the patience of jihadists, then, our reaction to this upheaval in the Middle East will require patience, and the art of the long view: Supporting nascent democracies but then recoiling when elections result in political posturing that makes us uncomfortable will risk losing an opportunity with the new democrats. And withdrawing economic support might accelerate a decline that will persuade possible jihadists to lose hope. As it stands, al-Qaeda is off-guard: So far, so good. But "so far" is just a few months at most: Years of engagement, patience, and a willingness to understand that our form of democracy is not universally viewed as successful will help us ensure that, years from now, we still see these revolutions as having a positive effect on mitigating threat to the U.S. homeland.

Mr. MEEHAN. Thank you, Mr. Mudd.

Thank you to each of the Members of the panel for your testimony. So at this moment, I will recognize myself for 5 minutes of questioning.

I am sort of encouraged by the approach that each of you has taken and the recognition that we need to monitor this in the immediate, but look simultaneously in the long term.

But one of the challenges that we have—particularly sitting on a committee like this—that this isn't foreign affairs. This is in intelligence. We are looking at the impacts on our homeland.

One of the concerns that I think we all share is trying to interpret this changing environment, not just in one place, but in multiple locations, and then try to project back how it will have an impact on us.

Mr. Mudd, you know, in your written testimony, you—in your comment right now—you talked about al-Qaeda is off-guard. You know, it is not doing so good. That was sort of an encouraging observation. But we also know that al-Qaeda likes to—in the words of one of the panelists—it will navigate to areas where there is a vacuum.

So we know there are vacuums in many of these locations. My question for you is, as we are looking at the long-term picture, we simultaneously have to deal with—you know, the increasing threat to our security. May we may be concerned—and what ought we be watching for as these events change to see if we are doing the right things to protect ourselves from acts of terrorism?

Mr. MUDD. I think there are a couple things that I would look at if I were you. I can tell you, I will be looking at myself, and a lot of these you can find in the open source. The first is what the popular attitudes are towards the new governments in these countries and whether people believe they are being given jobs, which I think is the bottom line here. Some 23-year-old with three kids who has got a college degree and no job, that is a problem.

The second is their perceptions of us. As you know, they view us now—or they viewed us in the past as the head of the snake. You have got kids from the—from the LIFG, the Libyan group now, saying, well, maybe these guys aren't so bad, because they went and bombed Gadhafi. I think that is a short-term issue if they don't see us as continuing to invest, assuming they take over Tripoli. So it is attitudes toward their own governments, economic performance, in light of huge population change.

Mubarak comes in 30 years ago. In 1980, Egypt had 42 million—roughly 42 million citizens. In 2000, 30 years later, 85 million. A lot of people earn less than \$2 a day.

So we can talk about al-Qaeda ideology, but a lot of what my friends in the security business say is, increasingly kids who are joining these movements aren't ideologues. They are angry kids who don't feel like they have an opportunity.

So economic performance is—a couple minor things, not minor, but more tactical. You look at problems that I saw when I was at CIA in terms of al-Qaeda and its affiliates can operate in, you have got two characteristics. One is safe haven, that is, places governments can't go, and one—and the second is where you have some Islamist influence, Sahel, Horn of Africa, in the past, you had places maybe like southern Indonesia, southern Philippines. Yemen

has that prospect with a group that has shown itself willing and capable of reaching the United States.

So I think that is the most intriguing place to watch. I am not sure al-Qaeda will do well there, for reasons we can talk about—I won't go on too long.

The final thing I would watch out for is remembering that Europe is visa waiver territory. The European countries have a much greater presence of people from—emigrants from the countries that we are concerned about in North Africa, in particular, I am talking about partly Libya, but also Tunisia, if you go into Italy, Morocco, and Algeria, if you go into France.

If we go ugly, over the course of the next 1, 2, 3 years in North Africa, I would be concerned in working with my European security services to say, is anybody going to catch a flight from Paris to the United States, a Moroccan or Algerian, because he is ticked off about what the United States just did in Algiers?

Mr. MEEHAN. Thank you.

Mr. Nelson, in your testimony, you had talked a little bit about al-Qaeda being a marginal movement, sort of similar to what Mr. Mudd said right now, but in some ways, might that inability to affect things directly within their own country make them in some ways a greater threat to us in the form of their desire to find a way to be relevant by acting out and carrying out acts against the United States and its interests?

Mr. NELSON. Thank you, Chairman, for the question. Absolutely. Again, and that is where they thrive. Al-Qaeda thrives in the margins. They thrive, as Phil said, in these safe havens. I think this is the chaos which they are going to try to exploit.

One of the many things that are problematic with safe havens is the idea of training, as well. Phil mentioned the visa waiver countries. One of the reasons that al-Qaeda has not been successful in its affiliates in attacking the United States have been, you know, tactical ineptitude, the inability to execute operations effectively.

With a safe haven where they can get training and conduct operations and become more tactically proficient, we could see a greater threat in the United States, with more successful attacks, if those training grounds are allowed to manifest in these countries.

Mr. MUDD. If I could correct the record, I didn't say marginal. I said they are hurt. I think these guys are still—I believe—and if I had to bet in Vegas, I would say there will be an attack in this country. I don't think it will be al-Qaeda; I think it will be some kid inspired by al-Qaeda. But they are not down. They are just hurt.

Mr. MEEHAN. Well, thank you for that clarification.

Let me just—before I move to Ms. Speier, I would like to ask unanimous consent that the gentlelady from Texas, Ms. Jackson Lee, a Member of the full committee, we are very pleased that she has joined us today and that she be allowed to sit in the dais for the purpose of this hearing. Without objection, so ordered.

Thank you, Ms. Lee. Ms. Jackson Lee, I appreciate your being here.

At this point, let me turn it over to Ms. Speier for her questions.

Ms. SPEIER. Thank you, Mr. Chairman.

Stunning testimony from all of you. I am trying to synthesize it all, so I am going to ask a series of short questions and ask you each to confirm or deny what I have heard from you.

I think it was Mr. Katulis who referenced that al-Qaeda is really irrelevant at this point. Is that a fair comment about something—

Mr. KATULIS. Yes, I would say ideologically they are irrelevant, they are on the ropes, yes.

Ms. SPEIER. Okay. Is that something that is agreed to by all of you?

Mr. MUDD. No.

Ms. SPEIER. Okay.

Mr. Joscelyn.

Mr. JOSCELYN. No, although I understand where Mr. Katulis is coming from, and I agree that they are not the prime mover behind the revolutions. They are not the prime actor that started this off. However, they are relevant. They do have cards to play in this, and that is what I am concerned about.

Ms. SPEIER. Mr. Nelson.

Mr. NELSON. That is correct. The al-Qaeda ideology is still very toxic and still very much a threat.

Ms. SPEIER. The reference made to—excuse me—living with political Islam was kind of a startling thought that I hadn't really considered before. I think that was you, Mr. Mudd, who made that statement?

Mr. KATULIS. It was me.

Ms. SPEIER. That was you, Mr. Katulis, okay. How do the rest of you feel about that?

Mr. MUDD. I would just say sort of. We are going into elections. If you look at polling data again—and I try to draw as much as I can from facts as opposed to supposition—in many of these countries, polling data will tell you that more than 90 percent of the population supports a significant role of religion in government.

So my point would be not just that we have to handle political Islam—I think that is right—we have to handle who people elect. In the Gaza Strip, they are going to elect Hamas. We didn't like that too much. Now expand that to Libya, Tunisia, Egypt, and elsewhere. They are going to elect people we don't like.

Ms. SPEIER. Mr. Joscelyn.

Mr. JOSCELYN. Yes, I would say that that is—political Islam encompasses a number of different belief systems within it. I would say that there—if you are talking about the hard-line Islamists who, you know, have an extremist ideology, then I would say, we should be very uncomfortable in some of these areas if political Islam comes to rule.

There are, you know, differences from country to country. It gets very complicated, unfortunately. But I will give you one quick example.

The Obama administration's ambassador to Yemen, Mr. Feierstein, recently said, you know, that one of the concerns that he had would be if somebody like Sheikh Zindani, Abd Majid Zindani, who is a very prominent sheikh in Yemen, were to come to power somehow through the process. He said, correctly I would say, that the Obama administration would have a problem with

that. That is an area where that would be “political Islam” coming to power, which would be very problematic.

Ms. SPEIER. Mr. Nelson.

Mr. NELSON. It is the old adage, “Be careful what you ask for, you just might get it.” If we want democracy, then we have to let the countries vote the people they want into power.

You can use the Turkey example from 2003, a democratic Turkey. The parliament voted not allow U.S. forces through Turkey into northern Iraq. We didn’t like that answer at the time for the purposes, but that is what the democracy decided.

So going forward, if you want democracy, which I believe is the key to stability over the long term in these nations, in the near term, it might be slightly more dangerous than we would like it to be.

Ms. SPEIER. We have spent billions and billions of dollars in that region supporting dictators. With the internet and the ability to access information, I worry that you have got a very youthful population looking at us and thinking that we have unclean hands.

So a number of you have spoken about economic aid. How do you think we should fashion aid that will actually get to the people that will generate the jobs that will then create the kind of environment that a democracy would flourish in?

Mr. KATULIS. First, if I could start, I would start with trade and economic development through the private sector, because I think we have done a lot of assistance to the Middle East and to some of the most impoverished countries. We are not very good at it, at this stage. I think the things that create jobs, I have noticed, in places from Pakistan all the way to Morocco, have been when the private sector can flourish.

I think aid should be viewed as a bridge to helping these societies stand on their own, deal with the immediate crises. But if it is not viewed—if it is viewed as something more than a bridge, then we have got a problem. We will potentially perpetuate the cycles that we have lived through for the last 30 or 40 years. So it has to be an integrated approach.

If I could clarify, on the political Islam point, my point is this, is that as these societies open up—and I have seen this in my work on democracy promotion throughout the Middle East in the 1990s—you will have more parties that will participate that have an Islamist flavor.

The notion that we can simply select and hand-pick secular democratic opposition is foolish, because Islam informs a lot of the political culture and, in fact, some of our best allies in the fight against terrorists have been rather Islamic.

If you look at Turkey, if you look at Saudi Arabia, it is a country that is ruled by the Koran, and it has had different problems with terrorism, but to this day, I think most people would agree that on most issues, the United States and Saudi Arabia have been working closely on counterterrorism—it is not perfect—but they are a key ally.

But back to your aid question. I think it is essential that we invest more in helping these societies stand on their own, but it needs to be connected to a long-term strategy that involves the free market and creating jobs that way.

Ms. SPEIER. My time is up, but if you have some quick response, I would appreciate it.

Mr. JOSCELYN. Well, I would just say in Yemen, which I think you have highlighted very appropriately, is this great case where a lot of our aid has been tied to counterterrorism. We have seen that counterterrorism aid misused.

Yemen is a country—it is a Kalashnikov country, where there are two to three guns for every man, woman, and child. You know, the average person earns \$1 to \$2 a day. They are running out of water. They are running out of oil. This is one of the most dire situations on the planet, I would say.

The idea that you can just throw some money around for counterterrorism and ignore the greater long-term picture of what is going on there, I think, is foolish. That is basically what we are dealing with right now in Yemen.

Keep this in mind, that President Saleh is growing more and more unpopular. As a friend of mine who lives in Yemen says, for the United States of America, President Saleh is the face of America in Yemen. So as all the problems are blamed on President Saleh for what is going on there, they see that we have not proposed anything in the longer term to really sort of address the real concerns that the average Yemeni has. That, I think is a big problem.

That is where al-Qaeda and affiliated ideological groups can take advantage of the situation to basically say that America doesn't stand for anything beyond just these narrow interests of Saleh.

Mr. NELSON. If I could, Ranking Member, one thing that is important, look at the comparison between Egypt and Yemen and Libya. We have invested hundreds of millions—billions of dollars in Egypt. We are seeing a return on that investment now, in that Egypt is relatively stable. We have an army that is maintaining stability. We are seeing that return on investment.

Where we haven't invested, in Yemen and Libya, we are not seeing a return on investment. We haven't, but we are seeing very unstable areas.

Mr. MUDD. A couple comments. I think the comment about trade is dead-on. If I were you, I would be thinking about aid in terms of trade policy. How do you allow people to export clothes to the United States, for example?

The second—I am not a huge believer in aiding a country that has 85 million people, but if you are going to provide aid, let me be blunt, since I am out of government. A lot of the people who most effectively deliver services in these societies are Islamists. They deliver better medicine and better health care, better food sometimes, better emergency response.

So one of the things I would be thinking about is, they are very efficient and they don't want to waste money. It is going to make people uncomfortable. I talk to them. So, you know, like I say, but the kind of aid you are talking about with the population sizes here, I think the much more significant issue is jobs, and you are not going to get jobs from aid.

Mr. MEEHAN. Thank you. The Chairman now recognizes the gentleman from Minnesota, Mr. Cravaack.

Mr. CRAVAACK. Thank you, Mr. Chairman.

Thank you for the panel. This has been a very insightful conversation, and I thank you very much.

Mr. Nelson, being a fellow rotor head, if you don't mind, I will pick on you first and pick your brain a little bit. You are the chairman of the Joint Chiefs of Staff. How do you advise the President right now in the current situation with Libya in how we are to engage?

Mr. NELSON. I won't be so bold as to put myself in that position, as I retired as a commander, but—and I don't have all the operational intelligence to make that. But I would say what we need to do right now is we need to—the international community, not just the United States, needs to buy time in order to determine what exactly is transpiring on the ground. We need to understand who these rebel forces are before we commit resources further than what we already have.

I guess we also have to make sure that there is not a humanitarian disaster, like a massacre or something like that, as well. So I think that the no-fly zone, I think some of the limited activities that have been mentioned in the media, to give us that—what is important.

Mr. CRAVAACK. After analyzing that data, would you recommend a boots-on-the-ground strategy?

Mr. NELSON. Absolutely not. I think that we have—what the last 10 years have shown us is that a large-scale military intervention regarding counterterrorism is not a politically feasible option or an economically feasible option these days.

Mr. CRAVAACK. Okay. Thank you, sir.

Mr. Mudd, that was a very insightful testimony. Thank you very much, really practical, down to Earth—

Mr. MUDD. You made my day. My dad is watching.

Mr. CRAVAACK [continuing]. Common sense. I am on T&I Committee, so I will take your mention for action here.

One of the things that—the complexity of this problem is just overwhelming to me. So when it starts getting into the weeds, such as it is, I like to take a look at a 30,000-foot level and kind of look down. You kind of expanded on it.

If you are the Secretary—and I know we are usurping privileges here—but if you are the Secretary of State, how would advise the President right now in dealing with the complexity of this region, rather than the individual countries?

Mr. MUDD. I would say we have to engage. We have to make choices about who we are as a country. There are American values issues here at stake. The value is—and this comes partly as an American citizen, but partly as a counterterrorism professional. I don't want any more environments where kids are vulnerable to recruitment.

So they are going to speak with a voice. First, we have to give them support to do that when they are in environments they are going to vote for people we don't like. Once they vote for people that we don't like, we are going to have to bite the bullet and say, look, we support elections. Sometimes that leads to discomfort. Pick your choice. If it is an autocrat who provides security versus a democrat who provides an election, pick your choice.

The last thing I would say is, we have got to engage economically with people we don't like. So squeeze them with that money, but nonetheless talk to them.

Mr. CRAVAACK. Do you think those lines of communications will remain open? Or do you think it will be such a situation like in Iran? That is what I am afraid of.

Mr. MUDD. No, I don't think so. I mean, I think the revolutionary government in 1979 is different than the kinds of people you are looking at in North Africa. Let's not forget: They need investment badly. I mean, I spend part of my new professional career as a private citizen talking to companies that invest out there. They are all nervous.

So that, on the one hand, you are talking about already—look at Egypt—a decline in investment and a decline in economic performance, when you have people coming to power who are going to be elected to provide jobs. So what are those people coming to power going to say? They are going to say, "We need investment." Even if they are just uncomfortable with us sometimes, they need us.

Mr. CRAVAACK. That kind of dovetails on my next point. We all know that a revolution has passion and has focus, but it is the mundane-ness of peace that is tough to keep. What you said, Dr. Katulis—if I pronounced it correctly—one of the things I—you made a, Ms. Speier said, a startling statement in regards to that we must start to consider political Islam.

I have a question how you define political Islam. Do you consider it Sharia law as political Islam? If so, how would that—that is a theocracy. It is really not any type of democracy that I know of. How would that dovetail with the democracies of the United States?

Mr. KATULIS. Sharia law, no, if it means the repression of religious minorities, of women. In my testimony, my written testimony, I was very clear that there should be two bright, red lines. No. 1, any political Islamist movement that respects the Universal Declaration of Human Rights, the full range of political rights and civil liberties that you and I enjoy in this country, and, No. 2, non-violence, strict adherence to non-violence.

You have many of these Islamist groups in countries like Turkey, Indonesia, Bangladesh, and the vast majority I think of the Muslim world, you have these actors. What I would hesitate to do is lump all of these trends together, which I think we did a couple of years into the global war on terror, and I actually think it was counter-productive, because some of our best allies in defeating the radical Salafists, the ones who turn to violence, will be those who are battling this in the Islamic world, and some of those will be Islamist parties.

Mr. CRAVAACK. Just a real quick yes-or-no, does the Muslim Brotherhood embrace those democratic values?

Mr. KATULIS. It depends on who you are talking to. It really does. If I could—because you can't answer it as a yes-or-no.

Mr. CRAVAACK. Okay.

Mr. KATULIS. The Muslim Brotherhood is a diverse organization that spreads not only from Egypt to Tunisia, but in places like Jordan. I met with some of the leadership a couple of weeks ago in Doha, Qatar, and what struck me is that they are out of touch with

their own base and out of touch with this new generation that could care less—this is my own impression—about some of their harangues of Israel and their statements about Sharia law.

You have a new generation of Islamists potentially who represent demographically the majority of the populations in these countries. We don't know enough about these people who were involved in the Facebook revolutions. Many of them are Islamists and they don't like the old-line Muslim Brotherhood.

So why I won't say yes or no is that I think all of these organizations, like all political organizations, are dynamic and are open to the possibilities of change. My view is, the more our nongovernmental organizations, the more, you know, groups like the National Democratic Institute, the International Republican Institute are able to engage them, you know, in unofficial contact, but to shape their agendas and push them to become more democratic, the better off we will be and these societies will be.

Mr. CRAVAACK. Thank you, sir.

Mr. Chairman, I will yield back.

Mr. MEEHAN. Thank you, Mr. Cravaack.

The Chairman now recognizes the gentlelady from Texas, Ms. Jackson Lee.

Ms. JACKSON LEE. Mr. Chairman, let me thank you again for your courtesy. I, too, want to add my appreciation for this hearing, along with the Ranking Member. I am just excited about your partnership with Ranking Member Speier. This is a very important committee.

I am in between the Judiciary Committee, and I want to thank the witnesses, as well, and just begin on a note that reflects some of the testimony that I was able to hear. I simply want to say that I have had the privilege—I co-chair the Algerian Caucus and have the privilege of being in most of the Mideast countries that have been mentioned or engaged in the revolution that we now see, just came back from Israel and was, frankly, in Israel the day of the bus bombing that was the first bombing of that kind for about 7 years, although they are repeatedly receiving rocket fire now more than they have ever done before. So we live in different times.

I happen to believe that there is something to this whole issue of engagement and negotiation. I want to raise my questions around that, particularly as it relates to Yemen and particularly as it relates to Libya.

Egypt, for example, I think turned out differently for the very reason of their connectedness to the United States and, more importantly, when Mubarak had a chance to reflect this constant interaction with the West, training of his children in the West, had to have some impact on, do I really want to end this way? And he left. He made one commitment, is he didn't want to leave the country, and I understand that he is protected by the military, but he is on Egyptian soil. And we wish for them the best, but there will have to be a lot of investment in Egypt, as well, as they reconstruct their government.

Yemen, I walked the streets of Yemen and have seen the throngs of unemployed young men who are boxed in on the border by Saudi Arabia, who will not allow them to cross anymore. The economy is in shambles, and they spend their time smoking khat. And I think

that it is important that we try to understand the culture, because culture impacts, if you will, the National security of the United States and how we negotiate.

So I would ask these questions, first, on Libya. Do we—I supported, as a progressive, if I might say, the cease-fire on humanitarian grounds. When I say the cease-fire, the no-fly zone. The question is: Do we have something to negotiate with now?

Former Congressman Curt Weldon is in Libya as we speak. The Libyan government, Gadhafi was secular. Do we have the ability to have any level of negotiation? Will that be a value to us?

I do think al-Qaeda has life. I think terrorism is franchised, and I don't think you need thousands to do damage. You can have one person who is either inspired or either calling themselves al-Qaeda.

So let me start with you, Mr. Mudd. Negotiations with Gadhafi or his agents at this present state, is there any value? Does that have an impact on National security in the United States?

Mr. MUDD. Yes, it does. I can't see a future with Gadhafi. We don't like to talk about regime change because it goes back to Iraq, but that is what we are up against. There is no way we are going to be sitting around in 2 years saying, "Well, we negotiated a cease-fire, and the long-term solution is Gadhafi."

So if negotiation is to get him out of there, I think that is fine. If it is about continuation in power, I would say, heck no.

Ms. JACKSON LEE. Let me just—can I get quick answers like that? Because my time is running.

Mr. KATULIS. I agree.

Ms. JACKSON LEE. Okay.

Mr. JOSCELYN. Yes, no, I am in total agreement with that. I would also add that, in terms of negotiation, which I think you have rightly pointed out is very important, we should reach out to the Transitional National Council and the members there. Part of the point is, you talked about al-Qaeda having life in Libya and elsewhere. Part of the reason why we need to do that is work with the parties that are not al-Qaeda in order to bolster their hands in Libya and elsewhere.

Ms. JACKSON LEE. Sir.

Mr. NELSON. Yes, I agree with Phil, just ensure that it is international involvement.

Ms. JACKSON LEE. Right. My point to the negotiations is, the negotiations can result in departure, but there needs to be—let's get in here and get this dialogue going so that we can reason our way out on either departure from government, allowed to stay somewhere. We understand aging despots who may want to be in the country.

So I do think we have to find an endgame. I think that impacts our National security.

Let me go straight to Yemen. I think it was you, Mr. Joscelyn, who mentioned—or someone mentioned the ugly face of the present leadership of Yemen, and that being in the United States. I truly agree.

But there is a point about the idea of investing in a country and doing something constructive, meaning creating jobs, providing medical care. Are those elements of a face that provides us with an

opportunity to improve our plight as it relates to our National security?

Let me ask a follow-up question that is quite as strange. We have a gentleman who has the rights under the First Amendment who considers it his challenge and duty to burn the Koran. One of the ideas would be to completely ignore him, and most people were ignoring him and going about their daily business. It is difficult to ignore when you have the murder of seven U.N. officials, innocent officials, and mass confusion in Afghanistan.

What do actions like that, in the face of our First Amendment rights—and as a lawyer, I know the Supreme Court decision that says you can't holler "Fire" in a crowded theater—I, frankly, believe statements are important about whether or not we value or accept the actions on that side of it.

But what do those kind of actions do, as well, as we are trying to haul in a new image, but also haul in all these revolutions to make them at least geared toward the cultural democracy that would be best for them?

Let me start at this end, which I think is—it is not in order, and I cannot see. Mr. Nelson, I am sorry.

Mr. NELSON. Okay. Thank you very much for the opportunity to respond.

As far as Yemen is concerned, it is important that they get a democratically elected government in place, that the people have to get ownership of their country back. The country has to go back to the point where they could have some semblance of stable government that goes out beyond the city of Sana'a.

With that said, the solution in Yemen is going to be international, and particularly at GCC, a Gulf Coast there, Arabian Peninsula problem, where they need to continue to be encouraged to invest. Saudi Arabia gives \$2 billion about a year and the UAE \$1 billion. That is the kind of investment it is going to take over the long term to ensure that we can solve or at least help address some of the economic problems that drive this instability in Yemen.

Again, as we see, when we don't invest in a country, the international community and the United States, we get instability. When we invest, we get stability.

As per your second question, the Koran burnings are just not helpful. I am not a lawyer, so I can't, you know, just, you know, comment on the legality of it. I just think, again, as an American perspective, it is just not helpful.

Ms. JACKSON LEE. Not helpful.

Mr. NELSON. It is not helpful at all, and it drives—it plays right into al-Qaeda's narrative. Al-Qaeda needs the narrative that the United States and the West are at war with Islam to survive, and every time a Koran is burned or something like that happens, we play into their narratives and we help al-Qaeda's message.

Thank you.

Ms. JACKSON LEE. Can anybody just be quick? I thank the Chairman for his indulgence.

Mr. MEEHAN. Yes, from the Chair, let me say, I think we are fortunate to have your opportunity here, and I would—I am pleased to indulge the gentlelady from Texas the time to allow you to elaborate on her question.

Ms. JACKSON LEE. You are very kind, Mr. Chairman, very kind. Thank you.

Mr. JOSCELYN. Let me just say, with respect to Yemen, you know, one of the issues that was brought up was trade and encouraging trade. The problem I have there—and I totally agree that we need to encourage free trade amongst all these countries and engage in trade with them—the problem I have with Yemen, which is what makes it such a dire situation, is I am not sure what Yemen's going to trade. You know, I mean, this is a nation that is really bankrupt in every way you can imagine.

So—and there are problems, obviously, we know with dumping aid into Yemen or any country. There are all sorts of issues. But we have to do it in order to try and build something there that is beyond what we have today.

Ms. JACKSON LEE. Okay.

Mr. JOSCELYN. With respect to the Koran burning incident, obviously, this is not helpful. You know, basically a nut job pastor in Florida has, you know, set off an international controversy.

You know, the idea there is, as he can exercise his First Amendment right to do that, I think we can exercise our First Amendment right to condemn him, you know, for doing that.

But by the same token, I would highlight one thing real quick. Notice how our enemies were able to take this incident—

Ms. JACKSON LEE. Right.

Mr. JOSCELYN [continuing]. Which was by one guy who does not represent any sizable percentage of the American population and seize on that to justify mass murder. I think that is something in the communications war and the propaganda war that really has to be highlighted here. They were able to take this guy, who doesn't represent anybody, you know, besides himself and a few, you know, whatever in Florida, and, you know, basically turn that into a justification for mass murder.

Mr. KATULIS. Really quickly on the jobs and economic development, the one point I would like to stress is the need to have an integrated political and economic reform approach. In many countries I have worked, like Egypt, Pakistan, and other places, these are stovepiped in the U.S. Government and we kind of look at economic reform in one box and then political reform, largely tied to an electoral calendar, and the election in another box.

Forcing the agencies—and I know this is not the purview of this committee, but I know you, ma'am, also focused on this in Pakistan and other places—really having an integrated approach, because oftentimes we don't look at how our economic assistance might benefit certain structures and centers of power and how that relates to the possibilities for political reform of their democratic system.

That is a hard thing to do. We have never gotten it right. But where I first started in the Palestinian territories, in that small microcosm, I saw what I call our addiction to dictators. Yasser Arafat, we shoveled cash to him and his security services while there was a democratic opening, with the legislative council, and we were never really able to bring the two together in an integrated way.

I don't want to speak too much on this fool who burned the Koran, but I would say it is notable that the most and sharpest reactions come in the places where you have weak and failing states,

where there is this sense of a lack of strong national identity. We have seen this repeatedly in Afghanistan. It is astounding to me that nearly 10 years into Afghanistan, we still, after the hundreds of billions of dollars we have poured into there, we don't have state structures that are existent in there to help deal with these lawless areas, which I think relate to people's sense of who they are.

When they see an incident like this, I think we have seen this in our own political culture, where the radical fringes play off each other. I agree with what Thomas has said here, is that we need to actually condemn it as strongly in as possible terms.

Mr. MUDD. Quick thoughts on the Florida thing. I hate to even talk about it, but—

Ms. JACKSON LEE. I agree.

Mr. MUDD [continuing]. I think that is—to me, as a non-lawyer, it is a question of incitement and whether the law covers incitement. Free speech I believe in. Doing things that purposely lead to the killing of innocents, not so good.

Second, on Yemen, there has been enough said about economics, but I agree with. A quick political comment that we haven't made, that country was divided until relatively recently and faced multiple international security challenges. I am not an expert on Yemeni tribes here, but I would be thinking about ensuring, if we go down the road as we are of ousting him and going to elections, of ensuring that we think about what happened in Sudan, because I have got to believe there are people who are going to be saying we don't want to live together anymore and how do we deal with that?

Last, since I have the mike for a moment, somebody was asking earlier about things we could do and things this committee might do. For all these places that are transitioning, it is a small issue, but in my view significant for the future, I would be looking at how many slots we provide incoming military officers in U.S. training programs here in the United States, you know, lieutenant colonels, colonels. Those folks come and get trained on how democratic societies work and, furthermore, down the road, they become very good interlocutors for the United States.

It is a small issue, but those schools are tough to get into. That would be a great program for us.

Ms. JACKSON LEE. Thank you so very much. That is a very good point. Those are very effective schools.

I yield back. Thank you.

Mr. MEEHAN. Thank you.

At this point in time, I would like to recognize the gentleman from Missouri—or “Missouri,” depending on which part of the State you are from—Mr. Long.

Mr. LONG. Thank you, Mr. Chairman. I am from “Missouri,” for the record.

I want to thank you all very much for your testimony here today and taking time to be here with us. Start with Mr. Nelson and just work down, if I can, with kind of the same question for all of you. How legitimate do you think that the worries are about al-Qaeda opportunistically inserting themselves in the Libyan civil war? Is our involvement there going to exacerbate that?

Mr. NELSON. Again, I think that—thank you very much for your questions—I think that al-Qaeda will insert itself in the civil war,

to the extent it will try to recruit and the extent that it will try to carve out some sort of area of operation for training and operations and planning. Again, I do not think that al-Qaeda will once or will put itself in a position to take any sort of governance role in Libya.

Your second question was on the—

Mr. LONG. I just said that, if they—our involvement there, does that—I can't pronounce it—exacerbate the problem?

Mr. NELSON. Well, that is a very—

Mr. LONG. Or is our involvement in Libya, is that just going to be another reason—of course, they are going to be taking advantage everywhere they can—but do you think that our involvement there is going to help that effort for al-Qaeda?

Mr. NELSON. It is a great point, and I think we have to balance that. It cannot be a U.S. heavy-handed presence in Libya. It needs to be international, encouraged the Europeans want to take lead on this, support the Europeans taking lead or at least the international community taking the lead. A heavy U.S. presence in Libya could serve to undermine our strategic goals, as some of the other panelists and Members have stated.

Mr. LONG. Okay, thank you.

Mr. Joscelyn.

Mr. JOSCELYN. I would agree with what Mr. Nelson said. I would say that, you know, if you look at—for example, I would say al-Qaeda already is there in Libya. They are already players. They are not the dominant players, but in terms of the muscle of the opposition, there are worries some reports that they are, in fact, training and heavily involved.

In fact, I was reporting on this former Guantanamo detainee who had—allegedly started serving Osama bin Laden in the 1990s who, in fact, is training some of the rebels in Darnah, 300-strong crew. That is very worrisome.

Mr. LONG. That is the people we are helping?

Mr. JOSCELYN. Well, I would be careful, because, see, the thing is that there are multiple parties in the opposition, okay? In the National Transitional Council, for example, you can look at the leadership there, they are not al-Qaeda. They are the types of people that we should be engaging, negotiating with, encouraging, trying to help as we can.

The problem is, if you were to talk about U.S. involvement to the extent to where we are going to have, you know, boots on the ground, for example, I think you would very quickly find that we would exacerbate the problem. You would have places like Darnah where we would be fighting a counterinsurgency, which would be very problematic.

So I think it depends on how America moves forward, how the United States actually looks to approach the opposition. We have to be very careful in terms of, you know, what we are calling for to do. I think that the terms of—you know, there our leaders in the opposition that are worth engaging, worth working with, but others we have to try and ostracize or minimize.

Mr. LONG. Okay. Thank you.

Mr. KATULIS. Yes, I mean, clearly, al-Qaeda in some presence is part of the rebel group. I had the leader or the representative of

the Libyan opposition at my center on Monday for discussion. He is the former ambassador of Libya to the United States. It was clear to me that he didn't know what the command-and-control structures were among the military. There is a lot of lack of clarity.

That is why I am glad at these reports that we have CIA agents on the ground, people representative from the CIA. I hope they were there for a long time, because we don't know what we don't know in eastern Libya at this point. I would strongly oppose boots on the ground. I think it would help become a rallying cry—Libya become a rallying cry for al-Qaeda. I would oppose arming the rebels at this point, because we just don't know who they are.

Mr. LONG. Thank you.

Mr. MUDD. Quick comment. I think al-Qaeda is probably a chump change player in the opposition right now and wouldn't be top on my list of things to worry about. I think that would change if there was a presence on the ground as opposed to in the air, and I think it would change significantly.

What we haven't mentioned here is that, especially eastern Libya, but North Africa in general was overrepresented with foreign fighters going into Iraq a few years ago. So folks right now are saying, "We like this air cover." Remember, a few years ago, they were saying, "Let me go to Iraq and kill a bunch of Americans," so that is a tenuous level of support we have out there.

But I think there would be popular opposition to an American presence. It is not just the al-Qaeda guys. You would be facing a serious problem on the ground.

Mr. LONG. Okay, thank you. I appreciate your comments very much, and I yield back, Mr. Chairman.

Mr. MEEHAN. Thank you, Mr. Long.

With the unanimous consent of the committee, at this point, I am asking indulgence as the Chairman just to ask one more very limited amount of questions myself, because of some of the issues that you have raised up, and then we will close down the hearing.

But I am very intrigued by the idea of us—of your proposals to look as one of the ways we address us developing the economies in those regions, and particularly the concern that, Mr. Mudd, you have pointed out about the disparity that we have, where there are so many sort of youths that are in those areas that don't have any kind of long-term prospect.

But look at the most flourishing not just democracy, but economy we have in that region as being tied to Israel. How do we reconcile the fact that we have got to be concerned about, you know, the growing tension that exists with numbers of these—especially, you know, Hezbollah, Hamas, others that may actually be more encouraged if we see some of this expansion of room for them to move, while simultaneously they threaten Israel?

Mr. Mudd, do you have a thought, or anybody else, on that particular issue?

Mr. MUDD. Yes, quickly, you know—this is going to be painful—but groups that take power sometimes feel accountability in ways that constrains them from acting—what am I saying? When groups come to power, sometimes they get to be realistic.

These guys may not like Israel, they may not like us, they may have indifferent attitudes toward us. Their primarily responsibility

is they just sparked a revolution where people are saying, “Hey, great. Now we have political change. Where is my job?”

So I wonder whether—you know, as you look at Hamas, I would say they are more realistic than they were 10 years ago, still not people we like, but, heck, they got voted in, and they are—the guys firing rockets off into Israel now aren’t Hamas. This is Islamic Jihad.

So I think one of the answers is, people are going to vote them in. Get over it, until they prove otherwise. The alternative is to say, well, yet again, we supported autocrats, but when the democrats vote, we don’t like them. We can’t be there.

Mr. KATULIS. I was in Israel the week Hosni Mubarak stepped down as president of Egypt, and there is serious concern about the loss of strategic partnerships there. But I think there is a recognition that the changes are coming in the Middle East purely because of demographic, economic, and political pressures, and that we need—Israel needs to change its view to a certain extent.

I would—I am glad you mentioned Hamas and Hezbollah. I would dig a little bit deeper. I think there are some immediate threats coming from some of the Salafist jihadist groups that are in the Gaza Strip right now, including Jaysh al-Islam and Jund Ansar Allah. These are groups that actually are challenging Hamas’ grip in the Gaza Strip. I think they are, you know, affiliated with Islamic Jihad.

Mr. MEEHAN. Do you think that they could serve as a counter-balance, be sufficient to be able to not only deal as a political voice, but to be able to back off what we are seeing, and we are seeing rockets from Gaza right now?

Mr. KATULIS. No, these are the guys that are responsible for the rockets. What I am saying is that Hamas, they are more pragmatic, building on what Mr. Mudd said. There are some voices in Hamas that are much more pragmatic, because they are feeling pressure. You know, there is internecine violence among these Islamists.

My worry today—and my top worry is Yemen. We have all talked about that, for the U.S. homeland security. My second leading worry in the Middle East right now is not necessarily Libya, because I think that will play itself out in a certain way, and it is still unclear. I think there are real clear signs that there could be another regional war or some sort of conflict of the sort that we saw in 2006 on multiple borders of Israel. This could spark in many different ways.

In some ways, we have already seen it in the last couple of weeks with some of these rockets into Israel and a response from Israel. That is a spark that I think could lead to a wider conflagration in the Middle East at a time where I think the Obama administration is doing the best that it can, but, again, it is in a tactical reactive crisis management mode.

The last thing I would say—somebody asked, if Phil was Secretary of State, what would you do? I think the one thing that is missing from this Presidency—and I support him on many issues—is the lack of broader long-term vision, what we are talking about in this committee here, of where do we see the Middle East in about 10 or 15 years?

We, I think, lack concrete long-term goals for the region. We have interests we talk about. We talk about reacting to situations in the Middle East. But what I think we need to hear from this President is, how do all of these pieces fit together in a broader strategy that will help this region move through a transition in its own way?

He tried to do that a bit in his Libya speech a week ago or so, on Monday, but he didn't succeed, in my view. We should press this administration on how it is going to deal with this region strategically.

Mr. JOSCELYN. Your question actually raises an interesting thought. In the last several weeks, I have been talking to people I trust, analysts who follow these things very closely, inside government, who I—and they send me things that they say are—they are in open source they say I should read.

One of the things they sent me was an account in the *Asia Times* by a Pakistani journalist named Syed Shahzad, who is very piped in to sort of what is going on, on the ground in northern Pakistan, I would say much more so than most journalists.

His account I would encourage every Member of this committee to read, and I can forward it to you to read. It, in fact, raises the possibility—and I have seen some evidence of this myself in al-Qaeda's public writings—that they are currently undergoing a transition in terms of debate internally of how they are going to position themselves for the long term.

What is happening is there are some people in al-Qaeda, including leadership members who just returned from Iran in the last couple years, who are arguing that al-Qaeda needs to be more like Hamas, more like Hezbollah, more patient, more cagey, in terms of how they come to acquire power and consolidate their power.

This is worrisome in a variety of ways, because I think that, you know, while the nihilistic brand of al-Qaeda, the dead-ender brand of al-Qaeda certainly had mass appeal to a certain extent in the Muslim world, although not nearly anywhere close to a majority—you know, there was a significant minority that supported it—that tactical shift that al-Qaeda could go through could, in fact, allow it to consolidate power and become an even more worrisome enemy.

That is who I think you have to worry about here. You could see this in—you know, I think it was Ranking Member Speier who brought up al-Qaeda in the Arabian Peninsula's most recent edition of *Inspire*. You can actually see traces of this debate there in *Inspire*, where Anwar Awlaki is basically arguing that, you know, we need to do things a little bit differently, but at the same time try and take credit for what is going on and say, you know, al-Qaeda does have some cards here to play.

I would take a look at that very carefully if I were in your shoes, in terms of how al-Qaeda adjusts its strategy going forward.

Mr. MEEHAN. Thank you, Mr. Joscelyn.

Mr. Nelson, my time is up, unless you have a very quick observation. Just with unanimous consent, I will turn it to Mr. Cravaack for one last, quick question.

Mr. Cravaack.

Mr. CRAVAACK. Only one? This has been a great, great dialogue. Once again, I really appreciate it.

We touched a little bit about Israel. Can we ever have a developing relationship with some of these different factions? Because we are always going to support Israel. Can we ever have an open dialogue with these different factions? You kind of stole some of my thunder of what the Middle East is going to look like in about 4 or 5 years. Can we have a dialogue with them and be able to support Israel at the same time?

So I was wondering if you could comment on that.

Mr. KATULIS. Well, I think the simple fact of the matter is, we already do have a dialogue with them, not the governments, but the non-government to non-government dialogue. Understanding them and understanding the motivations of the variety of Islamist groups I think is important to do. I am not so keen on, you know, sending our ambassadors to—particularly when I talked about those red lines.

Those groups that don't support a non-violent agenda and that don't support the full basic human rights, I don't think our Government should be in any business of dealing with them in any official capacity, as much as possible.

What I do think we need to do is get smarter, particularly with this under-30 crowd, because we don't know anything about the Facebook revolutionaries in Tahrir Square. Some of them are Islamist, some of them aren't.

I lived and worked in Egypt in 1997–1998, and this is the generation that is coming to power, and I think, at the end of the day, we are already engaging them in some sort of way, best to be done by nongovernmental organizations that understand and appreciate freedom and democracy as ideals and push them into a political context where they actually—those that are most extremist drop that, drop the violent kind of agendas.

We can engage in that sort of way, and it need not be just the U.S. Government.

Mr. CRAVAACK. I think I agree with Mr. Mudd. In some of the travels I had in the Navy, the majority of people in this world—90 percent of us—just want to have a safe place to raise our kids, have a halfway decent job, have clean water to be able to drink, and be able to just have a halfway decent life.

I think by promoting that, I think it will be great inroads. But the question I have is, the Middle East that you see in about 4 or 5 years, can we have direct dialogues with these—whoever is going to emerge—and still, you know, be supporters of Israel, as well, and hopefully be able to squelch what is going in the Middle East right now?

Mr. KATULIS. I think we can, but we have to be realistic about how easy it is going to be, because it is not going to be very easy. You are increasingly going to see countries that I think are like the Turkish government, which I think is a strong ally on some issues, but actually is quite difficult to deal with on other issues, like Iran, like Israel, and other things.

This will require a different way of thinking about statecraft and diplomacy in the Middle East. Rather than black and white, we are going to have to engage in shades of grey and align our policies with new types of governments and try to shape and influence them.

I think the notion that we can just simply isolate countries for a long period of time, I think the strategic thrust of what we do in the Middle East over the next 5 years should be trying to connect this region with the rest of the world. This region has been largely left behind by the waves of globalization, and also trying to deal with the internal divisions within the region, up to and including the Arab-Israeli conflict.

As difficult as that is today—you know, Shimon Peres, the president of Israel, is in town—I think we need to keep the notion of a comprehensive Arab-Israeli peace alive, as grim as it looks today, because you won't have that integration of the Middle East with the broader part of the world. You will see a different face of leadership, and my answer to you is that we can shape and change that leadership through smart engagement with those who come to power.

Mr. CRAVAACK. Yes, my hope is that we can all agree to disagree, but live in peace. That is my hope for the region.

Mr. Mudd, real quick, Mr. Gadhafi, last gasp of trying to maintain power, do you see him using weapons of mass destruction as a tool?

Mr. MUDD. No, I do not, unless you are talking about things like tear gas and chemicals to keep people off the streets. But I don't think so. I think, actually, he is doing all right, right now, and it is going to take a heck of a move to get him out of there.

Mr. CRAVAACK. Okay. Thank you, sir.

I will yield back, Mr. Chairman.

Mr. MEEHAN. Well, thank you, Mr. Cravaack. Thanks to each of our panelists for very, very valuable testimony. I appreciate not just the work that you put into preparing testimony for here, but for each of you, the work that you put in to your study of this very important region. It has been a great value to those of us on the committee.

Members of the committee may have some additional questions, and if they do, they will ask you to be responsive in writing if they do. The hearing record will be open for 10 days.

Thank you for being here today. Without objection, the committee stands adjourned.

[Whereupon, at 12:01 p.m., the subcommittee was adjourned.]

