HEARING TO RECEIVE TESTIMONY ON WORLDWIDE THREATS

Thursday, February 26, 2015

U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 9:34 a.m. in Room SD-106, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

Committee Members Present: Senators McCain [presiding], Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Sullivan, Reed, Manchin, Shaheen, Gillibrand, Donnelly, Hirono, Kaine, and King.
OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
FROM ARIZONA

Chairman McCain: Well, good morning. Good morning, everybody.

We have some nominations that, when we get sufficient number of frightened members who couldn't brave the snow today to come in -- and we also have a -- that --

Glad to see the Senator from Maine here, who is used to this kind of weather year-round.

So, anyway, so we'll -- if we get a quorum, we'll talk about the nominations.

And also, I'd like to tell the members here that Senator Reed and I have agreed on a letter to the Budget Committee concerning our views as to what the Budget Committee should do on Defense. And, hopefully, we'll circulate that letter and get as many signatures as possible. Both Senator Reed and I have reached agreement on that letter, and I'd like you to look at it, and as many as possible can sign it.

The committee meets today to receive testimony on the nature and scope of the global threats faced by the United States and our allies.

I want to welcome James Clapper, Director of National Intelligence, and General Vincent Stewart, the newly confirmed Director of the Defense Intelligence Agency.
Thank you for being with us today.

The committee recently conducted several hearings with some of our most respected national security leaders to explore the need for strategic thinking to address the threats we face. In the course of those hearings, these military and foreign policy leaders all agreed that the current international environment is more complex and dangerous than at any time in recent memory.

On the terrorism front, ISIL continues to dominate much of Syria and Iraq while spreading its dark and vicious ideology in its effort to become the dominant Islamic extremist group in the world. At the same time, the risk of attacks by foreign fighters returning from the battlefield, or lone-wolf threats inspired by ISIL's successes, only increases the danger to the West. And Yemen, Afghanistan, Pakistan, Africa, al-Qaeda and its affiliated groups continue to take advantage of ungoverned spaces to plan attacks against the United States and Western interests.

Simply put, we are engaged in a generational fight for civilization against brutal enemies, and defeating these enemies require significant intelligence resources and focus, given the diffuse and constantly evolving nature of the threat.

But, as we continue the fight against Islamic extremists, we must not lose sight of the other strategic
threats we face. As the world ponders how to respond to Russia's invasion and dismemberment of Eastern Ukraine, Russia's provocations are only more worrisome in light of Vladimir Putin's intense focus on building up and modernizing Russia's military forces and doctrine and the geopolitical ambitions that these new Russian capabilities are designed to further.

In Asia, stability and security of a vital and economically significant region is threatened by North Korea's continued aggression, buildup of its nuclear arsenal, and development of long-range ballistic missiles. The far greater challenge is China's dramatic growth and modernization of its own military capabilities, which appear designed to restrict the U.S. military's ability to operate in the western Pacific.

That chart over there is very interesting, in that it shows the expansion by China in areas of the South China Sea. And I hope our witnesses might comment on the fact that, apparently, they are filling in enough of that area to perhaps employ weaponry such as anti-air and other capabilities.

Anyway, Iran continues to exert malign influence throughout the Middle East and Africa, using proxies in Lebanon, Syria, Iraq, Sudan, Yemen, Gaza, and Bahrain, to undermine U.S. strategic interests. In fact, the Iranian
influence and presence in Iraq have become one of the key factors and, it seems, limitations in U.S. policy planning in Iraq and Syria. We must also remain focused on the myriad potential threats of the future and, thus, maintain technological superiority against potential adversaries. Today this is of most concern in the cyber and space domains, where we see increasingly capable and aggressive activities by nation-state adversaries in areas with few established norms.

I'd appreciate our witnesses' thoughts on each of these major issues. As policymakers, we look to the intelligence committee -- community to provide timely and accurate information about the nature of the threats we face, the intentions of our adversaries, and the likely effect of certain actions we could take. In an age of increasing threats and flat defense budgets, the need for accurate intelligence about the plans and intentions of global actors becomes even more paramount.

Again, I want to thank Director Clapper and General Stewart for testifying today. I look forward to your assessments of the nature and scope of the myriad threats we face, how the intelligence community prioritizes and approaches these many threats, and which of these many issues concern you the most.

Senator Reed.
STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE ISLAND

Senator Reed: Well, thank you very much, Mr. Chairman. Let me join you in welcoming our witnesses. As they know very, very well, we currently face an alarming number of complex and varied national security challenges from many corners of the globe. And our witnesses' views on, and assessments of, these challenges are critical to the work of this committee.

Last week, I traveled to Pakistan, Afghanistan, and Iraq, and had the opportunity to meet not only with the leaders in those countries, but also with the U.S. civilians and uniformed personnel who are so ably and courageously serving the United States.

In Iraq, our military commanders stressed that, despite the setbacks that extremist fighters have suffered, ISIS remains capable militarily. It continues to consolidate its power in the region, including through the coercion of local populations. Coalition airstrikes have enabled local security forces, including Kurdish peshmerga and the Iraqi government's newly established militias, many of them Shi'a, to begin to gain ground from ISIS. But, concerns remain about when Iraq Security Forces will be ready to launch a counteroffensive to take Mosul and about Iran's growing influence inside Iraq. I look forward to hearing the
witnesses' views on Iraq and the capabilities of both the 
military and the new government.

In Afghanistan and Pakistan, the Taliban remains 
resilient, despite coming under pressure on both sides of 
the border. The challenge for U.S. forces in Afghanistan 
will be to keep the counterterrorism pressure on the Taliban 
even as we build the capacity of Afghan Special Operations 
Forces to ensure that Afghanistan does not once again become 
a haven for al-Qaeda and other terrorists. We would be 
interested in our witnesses' views on the Taliban threat for 
the 2015 fighting season, the possibility of Pakistan- 
supported reconciliation talks with the Taliban and the 
Government of Afghanistan, and the significance of reports 
of a growing ISIS presence in Afghanistan and Pakistan.

On Iran, the diplomatic effort to prevent Iran's 
acquisition of nuclear weapons are ongoing, and the end of 
March is the next point at which we will assess Iran's 
intent with regard to its nuclear program. I hope the 
witnesses will provide us with an update on the intelligence 
community's thinking with regard to negotiations and our 
assessment of Iran's activities in the region under the two 
possible scenarios: deal or no deal.

In Syria, coalition airstrikes of the naval Kurdish 
fighters to regain control of Khobani and expand outward, 
but ISIS remains a formidable force. General Nagata will
begin training the moderate Syrian opposition in the coming months. And, if successful, these forces could, over time, assist the coalition to promote the conditions for a political settlement. Just last week, at a Regional Chiefs of Defense Conference, the U.S. and Turkey signed a key agreement to allow training of these forces to begin in Turkey once recruits are identified. I am interested in the witnesses' views on the potential of this Syrian training initiative and the challenges we'll face.

In Europe, the post-cold-war international order is under threat from a Russia that seeks to intimidate the Ukraine and other neighboring countries through the creation or perpetuation of conflicts at increasingly aggressive military activities. Your assessment of the size of Russia's military buildup and President Putin's intentions could be of interest to the committee.

We've faced a different, but no less complex, series of challenge in the Asia-Pacific region. A recent cyber attack on Sony by North Korea illustrates the unpredictable and coercive nature of that regime and demonstrates that even a relatively small and weak rogue nation taking advantage of our unparalleled dependence on electronic networks can reach across the ocean to cause extensive damage to a United States-based economic target through cyberspace. Furthermore, while Chinese cyber attacks are not as public,
they are just as problematic and continue to pose a security challenge to the United States. We would be interested to know whether we can expect more attacks of this nature and what we can do to make our systems and our nations more resilient in the future.

Finally, we have a threat close to home, and that is sequestration. It is a threat that jeopardizes not only our national security, but our public safety, health, transportation, education, and environmental resources, as well. As we receive testimony today on the current and future threats to our national security, we here in Congress must be mindful of the necessity to find a balanced and bipartisan solution that includes a repeal of sequestration.

Thank you again for appearing today, and I look forward to hearing your testimony.

Chairman McCain: Welcome the witnesses.

General Clapper.
STATEMENT OF JAMES R. CLAPPER, DIRECTOR OF NATIONAL INTELLIGENCE

Mr. Clapper: Chairman McCain, Ranking Member Reed, and members of the committee, it's a great pleasure and honor for me to be here with General Vince Stewart. And he and I are here today to update you on some, but certainly not all, of the pressing intelligence and national security issues facing our Nation.

I need to note up front that there were some classified issues we discussed in our closed hearing on Tuesday that we won't be able to discuss as fulsomely in this open televised hearing.

In the interest of time and to allow for questions, I will only cover some of the wave tops on behalf of both of us. Two overall comments at the outset:

One, unpredictable instability is the new normal. The year 2014 saw the highest rate of political instability since 1992, the most deaths as a result of state-sponsored mass killings since the early 1990s, and the highest number of refugees and internally displaced persons, or IDPs, since World War II. Roughly half of the world's currently stable countries are at some risk of instability over the next 2 years.

The second overall comment is, this pervasive uncertainty makes it all the harder to predict the future.
2014 and 2015 saw a number of events that illustrate this difficulty: the North Korean attack on Sony, the most serious and costly cyberattack against U.S. interests to date, the ebola epidemic, and the small-scale but dramatic terrorist attacks in Australia, Belgium, Canada, Denmark, France, and the United States.

Again this year, I'll start with cyber threats. Attacks against us are increasing in frequency, scale, sophistication, and severity of impact. Although we must be prepared for a catastrophic large-scale strike, a so-called "cyber Armageddon," the reality is that we've been living with a constant and expanding barrage of cyberattacks for some time. This insidious trend, I believe, will continue. Cyber poses a very complex set of threats, because profit-motivated criminals, ideologically motivated hackers, or extremists in variously capable nation-states, like Russia, China, North Korea, and Iran, are all potential adversaries, who, if they choose, can do great harm. Additionally, the methods of attack, the systems targeted, and the victims are also expanding in diversity and intensity on a daily basis.

2014 saw, for the first time, destructive cyberattacks carried out on U.S. soil by nation-state entities, marked first by the Iranian attack against the Las Vegas Sands Casino Corporation, a year ago this month, and the North Korean attack against Sony in November. While the both of
these nations have lesser technical capabilities in comparison to Russia and China, these destructive attacks demonstrate that Iran and North Korea are motivated and unpredictable cyber actors.

Russia and China continue to develop very sophisticated cyber programs. While I can't go into detail here, the Russian cyber threat is more severe than we had previously assessed. And Chinese economic espionage against U.S. companies remains a major threat, despite detailed private-sector reports, scathing public indictments, and stern U.S. demarches.

With respect to non-nation-state entities, some ideologically motivated cyber actors expressing support for ISIL have demonstrated their capabilities by hacking several social media accounts. The so-called "Cyber Caliphate" successfully hacked CENTCOM's Twitter account and YouTube page in January, and, 2 weeks ago, hacked Newsweek magazine's Twitter handle.

The most pervasive cyber threat to the U.S. financial sector is from cyber criminals. Criminals were responsible for cyber intrusions in 2014 into JPMorgan, Home Depot, Target, Nieman Marcus, Anthem, and other U.S. companies. And, in the future, we'll probably see cyber operations that change or manipulate electronic information to compromise its integrity instead of simply deleting or disrupting
access to it. In the end, the cyber threat cannot be
completely eliminated. Rather, we must be vigilant in our
efforts to detect, manage, and defend against it.

Moving on to terrorism. In 2013, just over 11,500
terrorist attacks worldwide killed approximately 22,000
people. Preliminary data for the first 9 months of 2014
reflects nearly 13,000 attacks, which killed 31,000 people.
When the final accounting is done, 2014 will have been the
most lethal year for global terrorism in the 45 years such
data has been compiled. About half of all attacks, as well
as fatalities, in 2014 occurred in just three countries:
Iraq, Pakistan, and Afghanistan.

I'm drawing this data -- ISIL conducted more attacks
than any other terrorist group in the first 9 months of
2014, and in -- credit where credit's due, I'm drawing this
data from the National Consortium of the Study of Terrorism
and Responses to Terrorism, or START, at the University of
Maryland.

The recent terrorist attacks in Europe emphasize the
threat posed by small numbers of extremists radicalized by
the conflicts in Syria and Iraq. The global media attention
and widespread support in extremist circles for these
attacks probably will inspire additional extremists to
conduct similar attacks.

And ISIL, al-Qaeda, and al-Qaeda in the Arabian
Peninsula, and, most recently, al-Shabaab, are calling on their supporters to support lone-wolf attacks against the United States and other Western countries. Of the 13 attacks in the West since last May, 12 were conducted by individual extremists.

Since the conflict began, more than 20,000 Sunni foreign fighters have traveled to Syria from more than 90 countries to fight the Assad regime. Of that number, at least 13,600 have extremist ties. More than 3400 Western fighters have gone to Syria and Iraq. Hundreds have returned home to Europe. About 180 Americans or so have been involved in various stages of travel to Syria. I should point out this is those who've attempted to go, didn't get there, those who got there and were killed, those who got there, fought, and went to another country, and some number who have come back. A relatively small number have returned, and we've not identified any of them engaged in attack plotting. Nevertheless, the homegrown violent extremists continue to pose the most likely threat to the homeland. Lone actors or insular groups who act autonomously will likely gravitate to simpler plots that don't require advanced skills, outside training, or communication with others. A small, but persistent, number of Sunni terrorist groups remain intent on striking the U.S. and the West, some of whom still see commercial aviation as
an appealing target.

Moving to the Mideast, ISIL is increasing its influence outside of Iraq and Syria, seeking to expand its self-declared caliphate into the Arabian Peninsula, North Africa, and South Asia, and planning terrorist attacks against Western and Shi'a interests. ISIL's rise represents the greatest shift in the Sunni violent extremist landscape since al-Qaeda affiliates first began forming, and it is the first to assume at least some characteristics of a nation-state.

Spillover from the Syrian conflict is raising the prospect of instability in Lebanon, Jordan, and Saudi Arabia. In Iraq, sectarian conflict in mixed Shi'a/Sunni areas is growing, and, if not blunted, will undermine progress against ISIL. While Prime Minister Abadi has begun to alter the ethno-sectarian tone in Iraq, resistance from his Shi'a political allies and persistent distrust among Iraqi leaders will limit progress toward a stable, inclusive political environment.

ISIL's ability to conduct large-scale offensive operations in Iraq has been degraded by coalition airstrikes, the provision of weapons and munitions by the U.S. and other allies, and stiffened defenses by the Iraqi Security Forces, Kurdish peshmerga, Shi'a militants, and tribal allies, not to mention the Iranians. However, ISIL
remains, as we've seen, a formidable and brutal threat.

Moving to Syria and parts of western Syria, the Syrian regime made consistent gains in 2014, but it will require years for it to reassert significant control of the country as a whole. The regime has a clear advantage over the opposition, which is plagued by disunity as well as firepower, manpower, and logistical shortfalls. Right now, they're incapable of militarily ousting Assad, and will probably remain so in 2015.

Assad is confident. He thinks the war is winnable. The conflict, with over 202,000 people killed -- estimated to have been killed -- will continue to threaten the stability of its regional neighbors and foster the rise of regional sectarianism and extremism. As well, it will strain the region's fragile economic balance as millions of refugees continue to flee the conflict. Over 52 percent of Syria's prewar population, or about 11.4 million people, has been displaced.

Iran is exerting its influence in Syria, Iraq, and Yemen. Tehran has provided robust military support to Damascus and Baghdad in the form of arms, advisors, funding, intelligence collection, electronic warfare, and cyber support, and combat support. More broadly, Iran will face many of the same decision points in 2015 as it did in 2014. Foremost is whether the Supreme Leader will agree to a
nuclear deal. He wants sanctions relief, but, at the same
time, to preserve his options on nuclear capabilities.

In Libya, two rival governments emerged, so the country
has no clear legitimate political authority and is embroiled
in a civil war. External support to both sides by countries
in the region has further stoked the violence. Extremists
and terrorist groups affiliated with al-Qaeda and ISIL are
exploiting Libya's permissive security environment. They're
using the country to train and to plot. ISIL's beheadings
of the Coptic Christians highlight the growing threat posed
by ISIL and affiliated groups in Libya.

Moving to Yemen, the evacuation of our Embassy in
Sana'a has, for now, reduced the effectiveness of our
counterterrorism efforts. After President Hadi's attempted
resignation and the Huthi's unilateral dissolution of the
government, Yemen's political future and stability are, at
best, uncertain, particularly with Hadi's apparent escape to
Aden and perhaps his reassertion of his presidential
authorities. Iran has provided support to the Huthis for
years, and there ascendancy is increasing Iran's influence.

Let me move briefly to Russia. The crisis in Ukraine
is entering its second year and is achieving -- and
achieving a lasting solution that allows Kiev to pursue
Western integration will be difficult, to say the least.

Moscow sees itself in direct confrontation with the West
over Ukraine, and will be very prone to overreact to U.S. actions. Putin's goals are to keep Ukraine out of NATO and to ensure separatist control and autonomous entity within Ukraine. He wants Moscow to retain leverage over Kiev. And Crimea, in his view, is simply not negotiable.

Russian dominance over the former Soviet space is Russia's highest foreign policy goal. Falling oil prices, Ukraine-related costs, and Western sanctions have spurred double-digit inflation and have tipped Russia's economy towards recession. Russia will continue to possess the largest, most capable foreign nuclear ballistic missile force. Russia's weapons modernization plans will focus on strategic warfare and ways to mitigate what they think are our advantages, like prompt global strike.

China. China's leaders are primarily concerned with domestic issues: the Communist Party's hold on power, internal stability, and economic growth. Although China is looking for stable ties with the United States, it's more willing to accept bilateral and regional tensions in pursuit of its interests, especially on maritime sovereignty issues. And, as you noted, Chairman McCain, China is expanding and accelerating the buildup of outposts in the South China Sea, to include stationing for their ships and potential airfields. More broadly, they continue an aggressive military modernization program directly aimed at what they
consider to be our strengths. Their military training program last year included exercises unprecedented in scope, scale, and complexity to both test modernization progress and to improve their theater warfare capabilities.

President Xi Jinping is pursuing an ambitious reform agenda that risks both leadership tensions and domestic unrest. The slowdown of the Chinese economy is reinforcing the leader's neuralgia about internal stability and reinforcing a harsh crackdown on internal dissent.

Needless to say, there are many more threats to U.S. interests worldwide that we can address, many of which are covered in detail in our statement for the record -- notably, the classified version -- such as Afghanistan, North Korea, and weapons of mass destruction.

But, I think, with that grim litany, will -- I will stop and will open to your questions.

[The prepared statement of Mr. Clapper follows:]
STATEMENT OF LT. GEN VINCENT STEWART, DIRECTOR OF THE
DEFENSE INTELLIGENCE AGENCY

General Stewart: Mr. Chairman, in the interest of
time, we have the statement for the record and just one oral
statement from Director Clapper.

[The prepared statement of General Stewart follows:]
Chairman McCain: Thank you.

Director Clapper, on the issue of defensive weaponry to Ukraine, do you believe that, if we give that assistance, that it would escalate -- provoke Putin to escalate his assistance to the, quote, "separatists" and his aggression against Ukraine?

Mr. Clapper: Well, General Breedlove discussed this recently, and he did make, I think, a very apt comment, and, you know, predicting exactly what Putin will do or what his behavior will be is something of an unknown. I think the intelligence community view is that, if we were to provide lethal assistance to Ukraine, that this would evoke a negative reaction from Putin and the Russians. It could potentially further remove the very thin figleaf of their position that they're not -- have not been involved in Ukraine, and could lead to accelerating or promoting more weaponry and higher sophistication into the separatist areas to support the separatists. But, I hasten to add, this is an intelligence community assessment, and this is not necessarily to suggest opposition to provision of lethal aid.

Chairman McCain: Well, I'm glad you added that, because my next question is, What more do you think that Putin would do -- could do? Go to Kiev?

Mr. Clapper: Sir, we don't --
Chairman McCain: They certainly -- the weaponry he's using now is his most sophisticated weaponry.

Mr. Clapper: We don't -- well, he could bring in a lot more if he wanted to, and --

Chairman McCain: He could bring in more --

Mr. Clapper: -- certainly more volumes of it.

Chairman McCain: To do what?

Mr. Clapper: Well, for example, armed helicopters --

Chairman McCain: Yeah, to do -- to achieve what goal?

Mr. Clapper: Well, it is not our assessment that he is bent on capturing or conquering all of Ukraine. He certainly wants --

Chairman McCain: Absolutely.

Mr. Clapper: -- I believe he wants a whole -- from an infrastructure standpoint -- entity, I believe, composed of the two oblasts in eastern Ukraine --

Chairman McCain: Which he's already --

Mr. Clapper: -- to include, perhaps --

Chairman McCain: -- achieving.

Mr. Clapper: -- a land bridge to Crimea and perhaps a port -- specifically, Mariupol. We do not believe that an attack on Mariupol is imminent. Think they're in the mode now of reconstituting and regrouping after the major confrontation in Debaltseve.

Chairman McCain: Well, I have to tell you that I
disagree with you. They're already increasing activities around Mariupol, and I will predict to you now he will put additional pressure on Mariupol, because he wants to establish the land bridge there. Just as some of us predicted exactly what he's doing now.

And to say that we're worried about provoking him, he's not going to go to Kiev. He's going to establish the land bridge to Crimea, and then he's going to figure out whether he should go to Moldova, or not. He's already putting intense pressure on the Baltics. We all know that. We don't have to have intelligence reports to get that.

So, this idea that somehow we will provoke Vladimir Putin -- he's done everything he wanted to do, General. You tell me what he didn't want to do that would have -- that he would have done if we had provided these people with the ability to defend themselves rather than be slaughtered by the most modern equipment that the Russians have.

Mr. Clapper: Well, I don't think he will view it happily if we provide -- if the United States provides lethal support. That's --

Chairman McCain: Because more Russians might be killed who are now in Crimea killing Ukrainians.

Mr. Clapper: That's right. And it will be harder for him to hide that fact to the home audience.

Chairman McCain: What difference does it make whether
he hides it? There's no hiding what he's done. Everybody
knows what he's done.

Mr. Clapper: Well, everyone in Russia --
Chairman McCain: General Breedlove has made it -- laid
it out very clearly.
Well, I'm not in an open dispute with you. I'd --
we've got to move on. But, it is just incredible to believe
that he would be, quote, "provoked" to further action, when
he has achieved every goal that he sought along the way.
And we'll see who's right about Mariupol, Director Clapper.

Mr. Clapper: Sir, I'm not arguing about Mariupol. The
only issue there is timing. I believe they will not --
they'll wait --
Chairman McCain: He's got plenty of time.

Mr. Clapper: -- they'll wait til the spring before
they attack. That's --

Chairman McCain: Sure.
Mr. Clapper: That will be a formal undertaking for the
Russians and the separatists.

Chairman McCain: I agree with you.
Mr. Clapper: It's much better defended.

Chairman McCain: I totally agree with you. Why not
pull back? He's not getting any increasing in sanctions,
he's not getting weapons -- or the Ukrainians aren't
receiving defensive weapons from us. If I were him, I would
do exactly that, too. He's got plenty of time.

Yesterday, the Secretary of State said, "Our citizens, our world today, is actually -- despite ISIL, despite the visible killings that you see and how horrific they are, we're actually living in a period of less daily threat to Americans and to people in the world than normally. Less deaths, less violent deaths today than through the last century." And yet, just today, the Director of the FBI and others have said that there are threats to 30 nations -- excuse me -- 30 States in this Nation. What is your view of the threat to the United States of America, Director Clapper?

Mr. Clapper: Well, first, sir, I will say, as I've said every year -- this'll be the fifth year that -- in my 50-plus years in the intelligence business, I don't know of a time that has been more beset by challenges and crises around the world. I worry a lot about the safety and security of this country, for a lot of reasons, not the least of which, which Senator Reed alluded to, is the impacts that sequestration is having on the intelligence community. We didn't get a pass. So, the same rules that apply to, say, the Department of Defense apply to us, as well. So, the combination of the challenges that we have around the world and the declining resource base that we have to monitor them is of concern to me.
Chairman McCain: So, could I just --

Mr. Clapper: Director Comey was referring to the fact that he now has some form of investigation -- and, of course, the FBI has a tiered system for intensity of investigation -- and they now have some form of investigation on homegrown violent extremists, not necessarily direct sympathizers or supporters of ISIL, but in all 50 of our States.

Chairman McCain: Thank you, Director. And I could just ask, again, because you made reference to it, if we don't -- if we stick to sequestration, as it is planned, it will impair our ability for you to do your job and defend this Nation. Is that a correct statement?

Mr. Clapper: Yes, sir. And I've said that in the past. A little harder for intelligence to make that case as concretely as, say, the Navy and how many ships it builds, or the Air Force and how many aircraft it's able to fly. In our case, the impacts -- I hate to use the word, but I will -- are more insidious, in that predicting when we have a lesser capability will eventuate in a failure is hard to quantify. But, just based on my best professional judgment from having served in this business for a long time, I'm very concerned about it. And if we revert to sequestration in 2016, the damage to the intelligence community will be quite profound.
Chairman McCain: I thank you very much, Director.
Thank you, General.
Jack?
Senator Reed: General, thank you. And, both generals, thank you.
The Chairman has covered very well some of the issues arising out of the Russian activities in Ukraine and Crimea. Is your assessment that Putin is carrying out a strategic plan, or is some of this opportunistic? He's just seizing the moment? Or it's a combination of both?
Mr. Clapper: I'm sorry, sir, I didn't --
Senator Reed: Or is it a combination of both.
Mr. Clapper: Both --
Senator Reed: He has a strategy --
Mr. Clapper: -- a strategic plan and --
Senator Reed: -- and opportunistic --
Mr. Clapper: Well, yes. I think it became a strategic plan when Yanukovych upped and left very suddenly last -- almost a year ago, 22nd of February. And then I think he saw an opportunity, particularly with the seizure of Crimea, which I think has always been in his craw. And, given Putin's approach and the way he looks at greater Russia and what a disaster the breakup of the Soviet Union was, and his -- as I said in my statement, that his highest foreign policy objective is controlling the former Soviet space.
So, I think, on the heels of the seizure of Crimea and the establishment of some sort of an arrangement in eastern Ukraine, and what I believe will be more of a softer approach, maybe not direct military action, but, as the Chairman alluded to, Transnistria and Moldova, and certainly there'll be pressure brought to bear in the Baltics, particularly where there are high levels of Russian minorities. A little different situation with the Baltics, since they are NATO members, which, of course, Moldova, Ukraine, et cetera, are not.

Senator Reed: We have conducted recently some very small military demonstrations in the Baltics. Company of the 173rd Airborne went in. I think just a day or two ago there was a parade of U.S. military vehicles. What's the reaction to the Russians to those?

Mr. Clapper: Well, they, I think, watch that. I mean, that's -- it's an -- it's symbolically important. There's a messaging there. And I think it is -- and they're sensitive to that. They're mindful of the fact that the Baltic nations are NATO members. And I do think they distinguish that.

Senator Reed: We have elaborate sanctions in place. You've indicated in your comments that they have not had, in my interpretation, an appreciable effect yet on his strategy. They might be affecting the economy, but they
haven't affected his strategy.

Mr. Clapper: That's exactly right, Senator Reed. So far, that has not changed his approach. And, of course, what's had the greater impact, frankly, on the economy has been the --

Senator Reed: Oil.

Mr. Clapper: -- precipitous drop in oil prices.

Senator Reed: Do you have any sort of indication that this is -- as this situation deteriorates further, there will be an impact on his strategy?

Mr. Clapper: There could. And there -- and, of course, what we see is, they're very sensitive to opposition, you know, demonstrations in the street. They're very, very sensitive about a color revolution occurring in Russia, itself. And, of course, that's another reason why Putin reacted to the situation in Ukraine, because he believes we instigated that as another color revolution in Ukraine right on his doorstep, and that, in turn, posed a -- in his mind, an existential threat to -- in Russia.

Senator Reed: Just changing gears, the Iranians have a explicit presence in Iraq today, and we have forces there, too. And in the next several days or weeks, there's two possible triggering events. One would be much more aggressive action against the Assad regime in Syria or the resolution of the negotiations with the Iranians on their
nuclear program. Do you have any views with respect to what might happen to -- within Iraq with respect to their Iranian forces, which are now sort of not cooperating with us, but --

Mr. Clapper: Is your question, sir, Is there a connection between the nuclear negotiations and agreement --

Senator Reed: Will there be a reaction in Iraq to either the activities that we undertake, or proceed to undertake, in Syria or the conclusion of the negotiations?

Mr. Clapper: I really don't think that the negotiations, one way or the other, will have much bearing on what they do in Iraq or anyplace they are trying to exert their influence, meaning Syria or now Yemen. As best we can tell, the Iranians have kind of segmented the nuclear negotiations and potential nuclear agreement from their regional aspirations.

Senator Reed: Thank you, General.

Chairman McCain: Senator Inhofe.

Senator Inhofe: Thank you, Mr. Chairman.

I have three questions -- two short ones; the other one may require going on the record.

Director Clapper, I know what your answer is, after hearing your opening statement, but, when you said, "Looking back over my now more than half century of intelligence, I've not experienced a time when we've been beset by more
crisis and threats around the globe." And you still stand
by that. And -- correct?

Mr. Clapper: Yes, sir. And if I'm hear next year,
I'll probably say it again.

Senator Inhofe: Yeah. Well, I appreciate that.
You've been straightforward and honest about these things.

General Stewart, you stated, and this -- that we face a
more diverse and complex problem than we have experienced in
our lifetimes. Still stand by that?

General Stewart: Absolutely, Senator.

Senator Inhofe: Yes. Well, now, there's an
assumption, when we're out in the public, out talking to
real people and away from Washington, that we, who are on
this committee, know a lot of answers that we don't know.
And one of them that should be a very easy answer -- and I
want to get something from you guys that I can stand on --
when we talk about the power, in terms of the strength and
number of bodies in this -- in ISIL or ISIS -- in September
of '14, we talked about that it's been an additional some-
20,000 since this all started. I think we all agree on
that. But, they said it was somewhere between 20- and 31,5-
fighters that were in Iraq and Syria. Now we know, since
that time, it's gone beyond that. Then, in August, they
talked about from 80- to 100,000. Then, in November, one of
the Kurdish leaders stated that the -- ISIL's military had
increased to 200,000 fighters. Can you kind of give us an idea -- and, number one, why it's so difficult to do, and, number two, something that we can use and quote you two as the sources?

Mr. Clapper: It's -- from my vantage, it's unfortunate these numbers get out. For one, we don't have what I would call Census Bureau door-to-door survey accuracy or fidelity over these numbers. They're very hard to come by. We have to derive them inferentially from a number of different sources. Ergo, even when we do come out with numbers, they're -- you'll have a wide range. So, the current estimate is -- that we're standing on, here, is somewhere in the range between 20- and 32,000 fighters. Now, the difficulty here is assessing who's a core fighter who does this full-time, who may be a facilitator or supporter and do it part time, and all that sort of thing.

I will say that the -- this is one effect of the airstrikes, has been substantial attrition. They lost at least 3,000 fighters in Khobani. For whatever reason, they wanted to do that. And, as well, what that's driving them to -- now we're seeing evidence of conscription. So, the estimate that we're going with --

Senator Inhofe: But, that's --

Mr. Clapper: -- right now, but this is very dynamic, is 20- to 32,000.
Senator Inhofe: Yeah. We're -- gosh, I -- well, anyway.

It may take a while to get into this, but I am -- I'm very much -- I was over in the Ukraine when they had their elections. And that's when they had the elections, and it was Yatsenyuk as much as Poroshenko. They were just elated. Both of them from different political parties, but the political parties are very pro-Western, and they were rejoicing in the fact that, for the first time in 96 years, the Communists don't have one seat in Parliament. To me, I thought, when that happened, there's not going to be any problem with us going in with weapons. And obviously, the Democrats and Republicans up here agreed with that. We have language in our last defense authorization bill that we had $75 million, where we were encouraging the President to use, through the European Reassurance Initiative, for weapons going in to be of assist to our best friend in that area.

Now, I can't figure out why we don't do it. Let me just ask the two of you. Would you recommend it?

Mr. Clapper: Sir, I think I have to answer two ways, here. One, institutionally, this is a policy issue. And --

Senator Inhofe: Yeah, now --

Mr. Clapper: -- the intelligence community doesn't --

Senator Inhofe: -- let me make sure. I'm not talking about sending troops, I'm talking about sending lethal
Mr. Clapper: I understand. I understand --

Senator Inhofe: All right.

Mr. Clapper: -- what you're asking, and that's what I'm answering, I think. So, from an intelligence community perspective, that is a policy issue. We're down in the engine room, shoveling intelligence coal, and the people up on the bridge, to use a Navy metaphor, drive the ship and rearrange the deck chairs.

I have a personal view. And it is only that --

Senator Inhofe: All right.

Mr. Clapper: -- that I would favor it. But, that's a personal perspective, and --

Senator Inhofe: That's what --

Mr. Clapper: -- it does not --

Senator Inhofe: And I appreciate your --

Mr. Clapper: -- represent an official company policy of the intelligence community.

Senator Inhofe: I appreciate that very much.

And General Stewart?

General Stewart: Sir, I'm trying to stay out of the personal --

Senator Inhofe: I know you're trying to stay out, but --

General Stewart: So --
Senator Inhofe: -- it's time that we -- we've got to get this done.

General Stewart: -- we stand by the assessment, that lethal aid couldn't be delivered quickly enough or change the military balance of power on the ground.

Senator Inhofe: So, you're for lethal, right?

General Stewart: It would not change the military balance of power, and it couldn't get there quickly enough to make a difference, and that Russia will up that --

Senator Inhofe: As a military guy, do you buy this argument that we might be provoking negative reaction from Putin? You know, I listen to -- I see what our -- what the President is doing on -- every once in a while. And they talk about, "Well, we don't want to make the terrorists mad at us, they might hurt us." And, you know -- so, what's your opinion about this statement on provoking a negative reaction from Putin?

General Stewart: I think as important as Moscow placed on Ukraine to keep it in their near abroad, to keep it out of the EU, to keep it out of NATO, I think they will up the ante if we do any lethal aid or take any actions to bolster the Ukrainians. Whether that provokes the President or not, it's hard for me to say. The realities are, they see this as central to their foreign policy, they see it as critical that they keep Ukraine out of NATO, to keep it out of the
Western sphere of influence --

Senator Inhofe: Yeah, and --

General Stewart: -- and exert influence. And they'll react accordingly, I suspect.

Senator Inhofe: Thank you, General.

Chairman McCain: Well, I'm sure that Hitler felt the same way, General Stewart, about the Sudetenland, about German-speaking people. I'm sure he felt exactly the same way that Vladimir Putin does. And, for you to say that we can't get lethal weapons there quickly enough, that defies logic, General. I know how we can transport weapons. We can put 'em on aircraft and fly 'em over there.

General Stewart: But, you --

Chairman McCain: How do you justify a statement like that?

General Stewart: Senator, I believe the answer was, "We couldn't deliver lethal aid sufficiently -- quickly enough to change the military balance of power on the ground." And I think I stand --

Chairman McCain: Quickly enough? What does that mean? I -- it's --

General Stewart: Russia and the separatists have significant interior lines that they can resupply a lot faster with a lot heavier weapons than we could deliver in -- so, it would be a race to see who could arm. And I
think, with their interior lines, they would have a
significant advantage on the ground.

Chairman McCain: I'm sure that the Russians had a
significant advantage when they invaded Afghanistan. I'm
sure that, throughout history, when we've helped people who
have been invaded and oppressed, and when we haven't, what
is -- the consequences have been. Very disappointing,

General.

Senator Shaheen.

Senator Shaheen: Thank you, Mr. Chairman.

And thank you both for your testimony.

I want to go back to the Middle East and to what's
happening in Syria. To what extent is Assad's continued --
I don't want to say "control over Syria," because I
appreciate that he doesn't have control over the entire
country -- but, to what extent is his position there an
obstacle to our fight against ISIL? And is there -- what's
the thinking about how to change that dynamic?

Mr. Clapper: Well, I -- that -- the last part of your
question is a tough one. I -- he maintains the control
because of his control of the economic levers, to the extent
that they have them. His focus is on the -- what I would
call the "Western spine," say from Aleppo to Damascus.
That's where most of the population is, and the major
commercial entities, to include the ports. So, he has
surrounded by people who are committed to preserving that, because they benefit from it. They are the minority. The Alawites are, you know, only 10 percent. So, for them, this is an existential struggle. And, of course, the irony is that we actually are in common in -- both Assad and his regime are opposed to and fighting ISIL, as we are. And so, it's a very, you know, complex array of factors there.

Senator Shaheen: And to what extent have -- has that affected other Arab countries in the Middle East and their willingness to engage with us?

Mr. Clapper: Well, there's been, you know, I think, somewhat of a change. It's gradual. But, the fact that many of these countries aren't participating in the coalition that General John Allen has been organizing. I do think the brutal savagery of the ISIL, and the beheadings and then the emulation of the Jordanian pilot, have had a galvanizing effect on opinion in the Mideast region. So, I think there is more of a willingness to cooperate. There certainly is, from the standpoint of intelligence sharing and our partnering with our counterparts in that part of the world.

Senator Shaheen: And are you optimistic that Turkey will become more engaged than they have been?

Mr. Clapper: No, I'm not. I think Turkey has other priorities and other interests. They are more focused on
what they consider to be the threat: the KGK, the Kurdish resistance, if you will, in Turkey. Public opinion polls show, in Turkey, they don't see ISIL as a primary threat. They're more focused internally on their economy and this sort of thing. And, of course, the consequence of that is a permissive environment, in terms of -- because of their laws, and the ability of people to travel through Turkey en route to Syria. So, somewhere in the neighborhood of 60 percent of those foreign fighters find their way to Syria through Turkey.

Senator Shaheen: And to move to Iraq, to what extent is Iran's presence in Iraq an obstacle to Abadi's ability to make the kinds of overtures and engage the Sunnis in the way that he needs to in --

Mr. Clapper: Well, he -- he's in a very --

Senator Shaheen: -- order to keep the country unified?

Mr. Clapper: -- very difficult position, having to balance these competing constituencies. And clearly the Iranians have influence. They're there. They're helping, as well, in the fight against ISIL. He's got issues with his own Shi'a power base, since they're competitors to him. There's still great reluctance to fully include the Sunnis, which must happen. There are two laws in their Council of Representatives that are extremely important to Sunnis: de- Ba'athification and --
Senator Shaheen: Right.

Mr. Clapper: -- anti-terrorism laws. So, he's in a very, very difficult position.

Senator Shaheen: What I'm trying to ask you to respond to, and I haven't been as articulate as I should, I guess, is, To what extent does -- is Iran weighing their efforts to under -- to take on ISIL versus the Sunni's role in Iraq? I mean, are they balancing that? Are they just --

Mr. Clapper: Well, the fundamental interest of the Iranians, of course, is to preserve a Shi'a or Shi'a-friendly government in Baghdad. So, that is kind of their underlying policy objective. And, of course, ISIL poses a threat to the Iranians, as well. And so, they have an interest there in sustaining their aggressive combat, if you will, and assistance in opposing ISIL.

Senator Shaheen: My time is up. Thank you both.

Chairman McCain: Senator Ernst.

Senator Ernst: Thank you, Mr. Chairman.

Thank you, gentlemen, for appearing before us today. I do appreciate your service.

I'd like to go into the discussion with Iran a little bit more. Their Iranian military is arguably one of the most deployed forces in the Middle East from -- in probably more than a generation. But, they have been into areas, such as Syria, Iraq, Lebanon, Bahrain, Yemen. So, Iran is
effectively reinforcing and increasing its sphere of influence in the region. And it is also defending its allies in ways which afford Iran the ability to decisively engage its adversaries and immediately alter any battlefield momentum. So, we have seen a progression of expert witnesses in front of this very panel, and many of my colleagues and these witnesses have stated that they do believe the President is failing in this area of setting a national strategy. And his failure to construct a comprehensive strategy against Iran has led to Iran's expanded influence in the Middle East.

So, I would like to hear your assessment, Director Clapper, on, of course, the tools that Iran has in its pocket, and whether we are effectively engaging Iran, what we need to do to gain a national security strategy. I'd like to see all the pieces put together, please.

Mr. Clapper: Well, I can -- Senator, I can comment on the intelligence aspects of this. National security strategy, again, is not my compartment.

But, the way that Iran is exerting its influence, I think, most prominently in the region is through the -- their organization called the Iranian Republican Guard Corps, Quds Force, which is a combination of intelligence and special ops, has extensive commercial enterprise businesses, and this sort of thing. And so, they use that
as their instrumentality, as they are now in Iraq, for extending their influence, as one of their proxies. And, of course, another one of their proxies is the Hezbollah, which they have had a long client-subordinate relationship with. And so, they use those as sort of the physical manifestation of their spreading their influence in the region. And, certainly from an intelligence perspective, we -- you know, we try hard to keep tabs on those entities as we can from intelligence.

Senator Ernst: And is there a way, Director, that we can more effectively engage our neighbors in the Middle East to push back on Iran's influence?

Mr. Clapper: Well, we -- from an intelligence perspective, which is all I can speak to, we do engage with our intelligence counterparts in all of these countries, those who are willing to engage with us, particularly the Sunni countries, who also -- who do harbor great reservations about Iranians -- Iranian objectives.

Senator Ernst: Thank you very much.

I'll yield back my time.

Chairman McCain: Senator Donnelly.

Senator Donnelly: Thank you, Mr. Chairman.

And thank you both for being here.

In regards to Iraq, what do you think are the biggest challenges that the Iraqi forces face right now in pushing
ISIS back from Mosul and Tikrit?

Mr. Clapper: Well, a first thing, I think -- and General Stewart can speak to this as well, since he's --

Senator Donnelly: Right.

Mr. Clapper: -- served there -- but, obviously, the Iraqi Security Forces, particularly the army, need to reconstitute, after the precipitate losses in northern Iraq last June, where about four-and-a-half divisions or so of Iraqi forces just kind of melted away. So, that is -- first order of business, I think, is to reconstitute them, which includes training and, hopefully, instantiation of a will to fight. They have challenges, clearly, with command and control, with leadership, with logistics. So, they've got a whole range of issues there that need to be attended to before they'd be in a position to, certainly unilaterally, retake a -- you know, a place like --

Senator Donnelly: General, how long do you think that'll take, to try to get them back up to speed?

General Stewart: So, if I could put it in context, last fall they had about 185,000 in the Iraqi Security Force, about three divisions -- the 6th, the 9th, and the 7th Division. All three of those divisions are engaged today, so they're not getting that continuous training. They're engaged in operations. They're building three additional divisions. Those three divisions, you're talking
about building from the ground up. So, to build from the
ground up individual soldiers --

Senator Donnelly: When are they ready?

General Stewart: We're talking probably 6 to 9 months,
at a best estimate.

Senator Donnelly: Director Clapper, here at home, when
I look at what's going on with ISIS and see the threats that
occur here, and the threat levels that we had last year --
if you had to put it in perspective -- this time last year,
this time now -- and it's an inexact art, percentagewise --
significantly increased threats now than we were having last
year at this same time, about the same?

Mr. Clapper: It's probably about the same, sir.

Senator Donnelly: Okay. And in regards to ISIS -- so,
our push is to get 'em out of Iraq, then to remove them from
Syria -- when we get to that point where ISIS is gone, does
that threat level come down, here at home?

Mr. Clapper: It would -- I -- yeah, absolutely it
would, I think, but -- at least that would reduce the threat
some. But, again, as -- if the caliphate is extended to
other locations, which is what ISIL is trying to do --
Libya, Egypt, et cetera -- then we'll have that to contend
with. So, yes, there would be some reduction of threat
because -- if ISIL were defeated in both Iraq and Syria, at
least you are -- have done away with a substantial safe
haven, which would serve to reduce the threat some.

Senator Donnelly: When you look over to Libya, is that
the next place, or one of the key places, they look now as,
"Here's open space that's failed. Here's a place where we
can try to grow"?

Mr. Clapper: It is probably the most troublesome, from
that standpoint, just because of the conditions in Libya --
you know, two competing governments fighting with each
other. There are, in addition to ISIL, probably six or
eight other terrorist groups that have gathered in Libya.
So, it's a magnet because of -- essentially, it's
ungoverned.

Senator Donnelly: And when you look at a place that's
ungoverned, you know, not too far from the Mediterranean,
right there, what do you see -- like you said, you don't set
all the strategy; you review all the intelligence -- but,
what do you see as the best steps we can take in that region
right now -- and, General Stewart, you, too -- in Libya, to
try to change the course of what's going on?

Mr. Clapper: Well, from an intelligence perspective
we, I think, clearly need to step up our game from an ISR
perspective, where we can operate. I think there's a lot of
merit to partnering with the French, who have sort of staked
out their claim in the Sahel region of North Africa. So, we
have worked with the French, particularly from an
intelligence perspective, to share with them. They have
history and heritage there, access, and have committed to
deploying troops in that area -- boots on the ground, which
we can supplement. So, those are things, from an
intelligence perspective, that we -- so, as we get a better
handle on just what is going on in that part of the world.

Senator Donnelly: And I see my time is up, but I just
want to ask one very quick question that you can just --

How are we doing on cooperation, interagency, here at
home? Better than ever before?

Mr. Clapper: Well, that's, frankly, the reason my job
was created, after 9/11, is -- promote integration here in
this country. I'd like to think it's better. I was around
for a long time before 9/11, so I -- it is better, but it's
-- there was always improvement. We're not as mature in the
-- on the domestic side, in coordinating with State, local,
tribal, et cetera, but I think we've made a lot of progress
there, and we'll continue. And it's something I push very
hard.

Senator Donnelly: Thank you, Mr. Chairman.

Chairman McCain: Senator Fischer.

Senator Fischer: Thank you, Mr. Chairman.

Director Clapper, what do you assess is Assad's likely
response to the introduction of our U.S.-trained Syrians to
move in against ISIL in Syria? And do you assess that Assad
will attack them?

Mr. Clapper: Well, if the -- as long as Assad is -- believes somehow that this -- once it gets up sufficient center of mass, you know, enough force -- as long as he felt as though this were something to be used only against ISIL, he'd probably be okay with it. But, I think he'd have a hard time determining whether it's a threat to ISIL or a threat to him. So, I could see a circumstance where, depending on what information he's getting -- and we wonder about that sometimes -- that he could easily consider that force as a threat to him.

Senator Fischer: Do you believe that you're receiving good intelligence from that -- from Syria, from that area, in regards to this?

Mr. Clapper: No, we have a lot of gaps for -- intelligence gaps in Syria, principally because we're not there. So, no, I'm not satisfied with that. We're working at it, obviously, to come up with more intelligence from Syria. But, that's a tough problem for us.

Senator Fischer: Have you received any intelligence that would, I guess, give you comfort, in that the moderates that would be trained by us would, in fact, be fighting ISIL and not Assad?

Mr. Clapper: I think a more fulsome response to that would be best in a classified environment. But, I guess the
short answer would be yes.

Senator Fischer: Okay. And how do you -- how would you assess Russia and Iran will be looking at these trained forces?

Mr. Clapper: Well, probably wouldn't like it. I think, at this point, you know, Russia looks at Syria as a client, as an ally, someone that they provide support to. So, again, it would be almost the same perception problem with the Russians as it would be with Assad. If -- they could probably rationalize, if it's focused on ISIL, but if it be -- it's perceived as a threat to the regime, then I think that they would react negatively to it.

Senator Fischer: And if they would perceive it as a threat, what type of force would they employ, then? You said they'd react negatively.

Mr. Clapper: The Russians?

Senator Fischer: Yes.

Mr. Clapper: I'd -- well, I -- this is really speculative, hypothetical. I don't think they would necessarily deploy combat forces to Syria. They would probably step up military equipment support, which they've been doing, intelligence support, if, in fact, they, too, perceive that what we were doing was a direct threat to Assad.

Senator Fischer: Okay. And if I could shift gears,
here, I'd like to ask you something about cybersecurity. As you know, the Senate is looking at a bill to authorize greater information sharing. There are some concerns out there about the entities that the -- that we might be sharing that information with. I'd like to ask you, How do we balance that? How do we balance the risks between really valuable information sharing and the need not to provide information either to private individuals, hackers that are out there, or to a foreign government that may be able to pick up information that we give our colleagues, in trying to work with this, that they could then, in turn, use against us?

Mr. Clapper: Well, that's exactly the issue. In fact, that's a general dilemma that we have across the board, whether it's cyber or any other dimension. You know, the -- sharing versus security. And that's the same issue here. There is no silver-bullet answer here.

I do think there, though, needs to be some form of legislation that would protect, from a liability standpoint, commercial concerns so that they would more freely -- they'd be in a position to share with the government. This is not something government can do all by itself. There has to be -- given the pervasiveness of cyber in our society, we must have the partnering of the civilian sector, which means promoting sharing, both ways.
But, you're right, there's always this concern, there's always a tradeoff between security and sharing.

Senator Fischer: Thank you, sir.

Chairman McCain: Senator King.

Senator King: Thank you, Mr. Chairman.

To follow up on that, I believe that it's critically important that we move legislation that provides for that sharing so that we have more vigorous defense. And, indeed, the Intelligence Committee reported out a bill last summer. I understand that that bill has been somewhat renegotiated, reworked, and it will be moving forward reasonably soon. I hope that that's one of the Congress's highest priorities. I don't know how many warnings we have to have.

Turning to ISIS, what are the chances that it will wear out its welcome within the areas where it is now trying to govern, because of the weight of its brutal and harsh ideology? And I guess the followup question is, Do we have any intelligence about what's going on inside Mosul, inside Raqqa, in terms of the citizens and how they feel about the -- this new regime?

Mr. Clapper: Senator King, to answer the question, I think that is a very important point, and we are seeing anecdotal evidence of resentment, and even resistance, in those areas that are controlled by ISIL, because of their brutal approach to enforcing Sharia.
I think the challenge -- and we're already seeing indications of this -- that ISIL has -- as I mentioned in my oral statement, assuming some of the accouterments are some of the characteristics of a nation-state, and now they've having challenges with governance -- they do not have enough financial wherewithal to provide the services -- municipal services that are required to run a city of a million people. So, we're --

Senator King: You mean they're running --

Mr. Clapper: -- electricity --

Senator King: You mean they're running a deficit? Maybe we could ship them the sequester in a sealed railroad car.

[Laughter.]

Mr. Clapper: That'd be good.

We're seeing signs of electrical -- electricity outages, shortages of food and commodities. The airstrikes against their -- the refining capability has forced them to go to a lot of individual mom-and-pop refining stills. So, they're going to have trouble generating the revenue that would be needed to actually run the areas they have captured. And that -- and we're seeing anecdotal evidence of the strains and the stresses that's putting particularly on the city of Mosul and its citizens.

Senator King: Does that suggest that perhaps a
containment strategy instead of a reinvasion strategy --

General Stewart, you've testified recently about the proportion of troops it takes to root somebody out of an urban setting. Could you articulate that for us?

   General Stewart: If I recall, we talked about the ratio of offensive forces to --
   Senator King: Correct.
   General Stewart: -- take a urban environment, something in an order of 10 to 1, offense versus a defense. That requires a very skilled, determined force to take that kind of action.

There is something to be said about ISIL wearing out its welcome. It's precisely what turned al-Qaeda in Iraq before -- the brutality, the inability to govern -- that convinced the tribes that there may be a better option.

   Senator King: And ISIS is much more brutal than -- and difficult than al-Qaeda, as I understand.
   General Stewart: The question is, Where is the tipping point? And it's very hard to determine where that tipping point where, where the Sunnis in Anbar will go, "This is enough. There's a different option, and we ought to counter ISIS." So, I think there will be a tipping point at some point. We just don't know where that will be.
   Senator King: But, a -- as you just testified, a 10-to-1 ratio of offense to defense going into a city like
Mosul means you're going to have a large, well-trained force. And it's just a question of whether that's going to be necessary, rather than let it fall of its own weight. And I guess that's a question of timing.

General Stewart: It's a question of timing, yes, sir.

Senator King: Quick question on cyber. It concerns me that all of our discussions about cyber are essentially defensive. We're talking about legislation to share information, we're talking about greater rebutting of these kinds of intrusions. Should we think, Mr. Director, about developing an offensive capability to provide a deterrent? It concerns me that now a -- particularly a state actor can act essentially without fear of consequences. Whereas, the theory of deterrence in our nuclear field stood the test of time for 75 years. Should we think about a deterrent capacity so that people know that if they attack us in any kind of critical way, they're going to suffer in return?

Mr. Clapper: Yes, we -- I agree with you, Senator King. We -- and we do -- you know, we do have offensive capabilities that I can't go into here. I think the issue, though, is, What is the policy? What is it that would achieve cyber deterrence? And that is an issue that, at the policy level, we're still, frankly, wrestling with.

Senator King: But, it is one that -- I'm delighted to hear that it is being wrestled with, and I think I heard you
say that this is something that we need to consider. And, of course, to go back to Dr. Strangelove, if you have a deterrent and don't tell people about it, it's not a deterrent.

Mr. Clapper: Well, that's true.

Senator King: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: Senator Ayotte.

Senator Ayotte: I want to thank the Chairman, thank both of you for what you do to protect the country.

And I wanted to ask about Iran. And I know that in, your written testimony, you have said -- and you previously testified, Director Clapper, before this committee, that Iran was on track, by this year, in terms of its ICBM program. So, since the negotiations have been ongoing on the nuclear program, has Iran continued to develop its ICBM program? And can you tell me what the status and the goal of that program would be from Iran?

Mr. Clapper: The Iranians have continued on their space launch vehicle program, and recently put into orbit a satellite. And obviously, that -- any work they do on missile -- missiles could conceivably go towards work on an intercontinental ballistic missile. And it's going to be hard to determine whether a given missile is launched for the purposes of a space launch vehicle, a satellite they
want to put into space. Because if they do that, they also acquire proficiency, expertise, and experience in what could be a -- an ICBM. And so, it's a hard question to answer, because it has a lot to do with intent. But, there's no question they have the technical competence.

Senator Ayotte: Do you think they have good intent, in terms of what they're doing with their missile program?

Mr. Clapper: Well, it's -- no. I mean, I think the huge medium-range ballistic missile force they have today that's operational is -- you know, I think poses a threat to the region now. So --

Senator Ayotte: And if they --

Mr. Clapper: -- no, it's not.

Senator Ayotte: And if they were to get ICBM capability, that obviously poses a threat, in terms of our country, and the East Coast in particular.

Mr. Clapper: Well, it could. I mean, it, again, depends on what they actually do. If they actually are able to -- you know, it's theoretically possible they could attempt to launch one this year. So, this is something we just have to watch. But, again, the challenge for us is going to be, you know, determining just what their intent is.

Senator Ayotte: Could you help me understand also, as we think about Iran's activities, what types of other
activities they're engaging in to establish regional
hegemony?

Mr. Clapper: Well, they are certainly trying to, where
they can, reach out diplomatically. The organization that
we watch a lot is the IRGC Quds Force that I mentioned
previously, their intelligence activities throughout the
region. But, they will look to establish their influence by
whatever mechanism they can.

Senator Ayotte: So, as I understand it, obviously they
continue to support Assad, they have continued to support
groups in the region, including Hezbollah. What other
activities -- are they still -- would you still characterize
them as one of the largest state sponsors of terrorism in
the world?

Mr. Clapper: They are still classified that way, yes.

Senator Ayotte: Thank you.

I would like to follow up on an issue that is hitting
us at home, but I think has international implications, and
that is of the international drug trafficking that's
occurring. And, in particular, my home State of New
Hampshire, we've had a devastating number of people who are
dying from heroin overdoses. And so, I would certainly like
to hear your opinion, General Stewart, about what is
happening, in terms of drug trafficking -- in particular,
heroin -- and how is -- are the networks that are being used
for drug trafficking, are they also being used to fuel terrorism?

So, General Stewart, if you could share that with me. And I'd be curious, Does Southern Command and Northern Command -- what do they need, in terms of fighting heroin and also the drug trafficking that can be used to fuel terrorism, as well?

General Stewart: I'll have to look at the numbers again, but I don't think drug trafficking is on the increase from our -- through our southern borders. I think Pakistan and Afghanistan heroin production continues about at the norm that we've seen over the last several years. We've seen no indications that the drug trafficking routes are being used for terrorist activities or hostile actions. And I spoke recently to the folks down in Southern Command, and I don't recall any request for additional capability to help them with the problem in the south.

Mr. Clapper: If I can add, Senator.

Senator Ayotte: Yes.

Mr. Clapper: I well recall, I think it was last year, when General Kelly, Commander of SOUTHCOM, testified with then-General Jacoby, who was the NORTHCOM Commander -- they testified together. And one of the challenges with drug trafficking is not so much a lack of intelligence -- we have a lot of intelligence on it -- is the lack of resource,
particularly in the case of the ability to interdict, by the Coast Guard and others. And that, since General Kelly's testimony, has been -- is being addressed. I've spoken -- discussed that with the Commandant of the Coast Guard, and we are putting more of his capability, deploying more ships and planes, in the southern hemisphere.

But, I think I would take, you know, a little mild disagreement, here, with Vince, that I think this is a -- it is a problem, the -- throughout this region, not only across the border, but through Puerto Rico is another vulnerability we have. And so -- and we have pretty good intelligence on this.

I think the challenge has been -- and again, sequestration has had impacts -- is on the ability to react and interdict.

Senator Ayotte: I thank both of you. And I also noticed that, in your testimony, Director Clapper, you noted the incredible surge of heroin-related deaths since 2007. So, thank you. It's a horrible problem.

Senator Reed [presiding]: Senator Kaine.

Senator Kaine: Thank you, Mr. Chair. And thank you both for your testimony, both earlier in the week and today. Mindful that this is a -- not a classified hearing, a few questions.

My perception of the level of American and allied
intelligence about the extent of the Iranian nuclear program is that, before November 2013 and the beginning of the JPOA, the level of intelligence was good. Certainly there were gaps and challenges, but at least, if I go by public reports, the level of intelligence at -- that all have, together, enabled some actions that have slowed the Iranian program.

One of the reasons I supported the JPOA is my assumption that our intel sources haven't gone away, but the inspections that were allowed -- required under the JPOA, together with existing intel sources, would even give us a better level of intel, which would (a) help us determine if we needed, God forbid, to take military action to stop the program, and (b) enable us to better target any military action if, God forbid, we should need to take it. Am I looking at this the right way?

Mr. Clapper: Yes, sir, I think you are. I will tell you that the, you know, huge -- that the important aspect of any sort of agreement we might reach with the Iranians would be a very invasive and thorough surveillance and inspection capability on the part of IAEA. I think that would be requisite to any kind of an agreement.

I -- you know, we have, I think, a reasonably capable intelligence capability, but I wouldn't want to rely on it, only, for verification that, in fact, the terms of the
agreement were being lived up to.

Senator Kaine: And, Director Clapper, I agree with the last point you made, is -- I would look at any final deal, if one is reached, in analyzing its content and determining whether I support it or not. The degree of inspections, to me, is the key factor, because that, combined with existing intel, is our guarantee of an ability to (a) know if there's going to be a problem, and (b) take appropriate action -- target an appropriate action to eliminate the problem.

You indicated, Director Clapper, in earlier testimony, that your intel suggests that Iran is looking at the nuclear negotiation as sort of separate from this whole question of Iranian bellicosity and adventurism in the region, that these are sort of separate items. My sense is, there is at least one connection between the two. And this also bears on my analysis of any deal, if reached. And that is this. Any deal, if reached, would involve sanctions relief -- i.e., dollars to Iran. And they use dollars to carry out adventurism. I think -- you know, just from what I've heard, some of the sanctions relief already may have enabled them to invest more heavily in running Syria as a puppet state or invest more heavily in the Quds Force or other agents that are destabilizing governments outside of their own borders. And so, to at least that extent, as we look at any deal, if there is such a deal, there could be a
connection between a deal and Iranian bellicosity outside their borders.

Mr. Clapper: Perhaps, sir. And, in a classified environment, I can go into this a little bit more. But, the sanctions have had impacts on -- financial impacts on the Iranians, and it -- that, in turn, has impacted funding for the military and for even the Quds Force. So, I --

Senator Kaine: Yeah.

Mr. Clapper: -- perhaps best left to a classified environment for --

Senator Kaine: Thank you.

Mr. Clapper: -- more details.

Senator Kaine: We have had two meetings of the Senate Foreign Relations Committee, in the last 3 weeks, where we've heard from leaders from the region who are engaged in the fight against ISIL. King Abdullah was with us about 3 weeks ago, and he told us, in a coffee at the Foreign Relations Committee, that American ground troops as part of this battle of ISIL would not be a good idea, in his view. Yesterday, we had a coffee with the Emir of Qatar, Sheikh Tamim, who also said American ground troops is a bad idea because it would convert the perception of the battle against ISIL to U.S. or West against ISIL rather than, "We are engaging in a battle to clean up our own regional extremists. And we want the -- we want America's help on
that." But, they both offered us advice that American
ground troops would be problematic, because it would enable,
from a propaganda standpoint, this being positioned as
American or Western occupation, and that America is the
point of the sphere -- the spear against that terrorist
threat. I'd just report that to you, and I would be curious
to either of your's -- your reactions to those comments from
trusted allies.

Mr. Clapper: Well, the -- I have had similar
discussions with the King, and he is a staunch proponent, an
articulate one, for, you know, "the people in the region
have to take this on and have to lead," and that, you know,
U.S. -- anytime we show up someplace, then, you know, we're
a -- we're, by definition, occupiers. He -- you know, he
recognizes, as do many others, that, at some point, there
will be a need for boots on the ground, but hopefully
others, not the U.S., because that engenders its own
challenges and issues.

Senator Kaine: Thank you.

Thank you, Mr. Chair.

Senator Reed: Senator Sessions.

Senator Sessions: Thank you, Senator Reed.

And just to follow up on Senator Kaine's comment, I
think we need to reestablish where we are, or confirm where
we are, not -- Director Clapper, is it still our policy that
no options are off the table and that Iran should not have a nuclear weapon?

Mr. Clapper: That's my understanding, yes, sir.

Senator Sessions: That's your understanding. Do you have any doubt about it?

Mr. Clapper: I take what the administration said for its word, that all options are not -- no options are off the table.

Senator Sessions: Well, I think that's true. We had a very important hearing yesterday on nuclear forces and strategic forces. And one of the things I came away with was greater concerns than I had before about the proliferation impacts, the instability in the region that could occur from a nuclear-armed Iran. And I just think that we've got to be careful about that. And I do remember that the CIA reported, in, what, early 2000s, that Iran wasn't intent on building a nuclear weapon. That was wrong, was it not?

Mr. Clapper: Well, up until 2003, they were. Right now, they -- and, of course, the -- we believe the Supreme Leader would be the ultimate decisionmaker, here. And, as far as we know, he's not made a decision to go for a nuclear weapon. I do think that they certainly want to preserve options across the capabilities it would take to field one, but right now they don't have one, and have not made that
decision.

Senator Sessions: Well, we've been --

Mr. Clapper: But, I agree with you, it would be very -- it would be very profound and very destabilizing if they were to achieve a nuclear weapon.

Senator Sessions: Is -- I mean, it really makes us face some really tough choices. Our -- I don't -- but, I don't think there's any doubt they were -- they would never -- they never relinquished the intention to build a weapon. The CIA report was in error. And they are closer today. And every month that goes by, it seems they get closer.

General Stewart, I had the honor to be briefed by you in 2006 or '07 in the al-Anbar region in Iraq. And you gave us a remarkable briefing about how you had -- the marines had worked with the tribal leaders, and they began The Awakening that allowed them to remove al-Qaeda from that region after great, great commitment by the marines and other forces.

This is what I would like to see. I am not for any major, massive American troop leadership in Iraq, but I do think -- and I want you to give us your best judgment -- but isn't it true that even a few embedded forces with the Iraqis with the ability to communicate to aircraft and bringing in smart bombs and to assist them, that that does encourage them, and that the Iranian forces fight better
under those circumstances than if they don't have the confidence that a -- even a small American presence with them brings?

General Stewart: Senator, let me answer the question this way. Senator Kaine raised a great point of what we've heard. The best propaganda victory that we could give ISIL is to make this a fight between the West and Islam -- and ISIL. But, being able to provide ISR, precision fires, some command and control will certainly help those forces -- Iraqi forces -- to be much more effective on the ground than left to their own devices.

Senator Sessions: And -- all right, I agree with that. But, I'm just asking you, from your experience with them, isn't it true that there is more confidence, even if there are just one or two Special Forces there with them -- not out in the -- leading the fight --

General Stewart: Right.

Senator Sessions: -- but with the forces that are advancing?

General Stewart: There is a great sense of comfort when U.S. forces are with our partners to provide precision, to provide command and control, to help bolster leadership. There is some advantage, yes, sir.

Senator Sessions: With regard to the momentum that we have there, aren't there -- I mean, we have a large Iraqi
army. And --

Is my time up? My time's up, Mr. Chairman. Thank you.

Maybe we'll --

Chairman McCain [presiding]: If you want to finish your question --

Senator Sessions: How -- are they -- can't some of those divisions, some of those units, be utilized now to blunt the momentum that they have -- that ISIS has achieved, and maybe take the bloom off their rose and give some confidence again, in the Iraqi forces, that they can retake the territory, and the sooner is better than later?

General Stewart: Yes, Senator. In fact, they have blunted the ISIL advance. And, best as we can guess, ISIL has lost territory over the last couple of months. So, it's not just the Iraqi Security Forces. You have the Kurdish forces that are involved. And they are making a difference. I wouldn't categorize the difference as significant, but they are, in fact, causing ISIL to lose territory at this point.

Senator Sessions: We've been training them for a decade. Not as if they need another -- I don't know. I'm -- a little odd that we need another 6 to 9 months of training, when I thought we were training the Iraqi armies for nearly a decade.

General Stewart: When we talk about the 6 to 9 months
additional training, it is to deal with an urban fight, which is very, very different, very complex, requires a great deal of skill, a great deal of precision to be successful.

Senator Sessions: Thank you, General, in your leadership and your commitment to fight this --

Chairman McCain: Also has to do with the collapse of the Iraqi army.

Senator Manchin.

Senator Manchin: Thank you, Mr. Chairman.

And thanks, both of you, again for being here. And just a couple of questions I have.

Following up on the Iran nuclear capabilities that they may have, since we know that they haven't dismantled -- they might have downgraded some of their enriched uranium -- are we just prolonging the inevitable? I mean, they're going to be able to get up to enrichment and to armament speed pretty quickly, if they desired, unless there's an absolute dismantlement of their --

Mr. Clapper: Well --

Senator Manchin: -- capabilities. Director Clapper?

Mr. Clapper: -- that's obviously the concern, and that's why the importance of intrusive and comprehensive surveillance and inspection is so critical, to make sure they don't, particularly, enrich to highly enriched uranium.
Senator Manchin: But, we're not doing away with any of their centrifuges. They're not downgrading some of the things that they can, or taking away their capabilities. I don't think our agreement's --

Mr. Clapper: Well, that's --

Senator Manchin: -- going to achieve that.

Mr. Clapper: -- that's to be determined. That's a -- you know, the -- and I don't want to talk too much about this --

Senator Manchin: Sure.

Mr. Clapper: -- because of the delicate state of play with the negotiations, themselves. But, that's all in play as part of the negotiations.

Senator Manchin: Well, I have a concern.

If I could switch gears over to China and -- basically, our partners in Asia-Pacific area, especially Taiwan. They're growing uneasy about China's access area denial strategy which seeks to limit American power in that region. Can you please update us on China's effort to deny American access to the Asia-Pacific region, sir?

Mr. Clapper: Well, the Chinese -- and I can't go into a great deal of detail here, but the Chinese are embarked on extremely impressive military modernization program across the board. And their modernization program is deliberately designed to counteract or thwart what they feel are our
strengths; meaning carrier aviation, our bases, C4ISR, and our abilities in space. And they are doing specific things in each one of those realms to deny us, first, potentially, surveillance, command and control, as well as what they view is our primary weapons -- our primary strengths. I can certainly go into -- in more detail if you're -- if you'd like, in a classified setting.

Senator Manchin: Okay. I'm just -- I guess you're not able to speak about their developing capabilities within the last 10 years or what they're accelerating. I'm understanding they're accelerating very fastly. You said they're impressive.

Mr. Clapper: They are. And they also are getting more and more into the realm of indigenously designing and producing things, rather than relying on others, notably the Russians.

Senator Manchin: Okay. Let me see, I had one more here for you.

We talked about, I think, in a closed setting -- you might be able to talk about it in generality here -- as far as ISIS, their ability, as far as financial ability, to attract the dollars they do, be able to operate the way they can. And are we having any success in shutting down that money flow?

Mr. Clapper: Well, they -- again, I'll have to speak
in generalities, here -- they acquired a lot of funding initially, some of which was derived from overrunning Iraqi banks.

Senator Manchin: Sure.

Mr. Clapper: That's going to dry up. And, of course, the airstrikes against the oil has made that -- forced them to go to sort of mom-and-pop stills. And, as a consequence of the brutality, the donations that they've received are tapering off. So, I think, again, this says something about an attrition --

Senator Manchin: I --

Mr. Clapper: -- approach which I think, over time -- and the other thing, of course, that's draining resources is the demands that they have for governance, particularly in large --

Senator Manchin: Yeah.

Mr. Clapper: -- cities like Mosul.

Senator Manchin: Just a -- just very quickly. But, the rapid rise, as far as in their -- when we first heard about ISIS, it was 3-, 5,000, then it just seemed to leapfrog to 10-, 15-, 20-, and 30-. Were they paying their soldiers, or attracting because of better pay than --

Mr. Clapper: The reason they --

Senator Manchin: -- al-Qaeda and Taliban?

Mr. Clapper: The reason they -- there was sort of
mushrooming growth there, and the initial phases when they
did their attacks in northern Iraq --

Senator Manchin: Sure.

Mr. Clapper: -- was because the -- this is largely a
Sunni region. They were very receptive, frankly, to joining
up with ISIL, which I think many viewed as a better
protector of themselves and their communities and their
families than were the Iraqi government. So, that's what
occasioned the joining up.

Senator Manchin: Do you have any --

Mr. Clapper: Now, we're -- we're now seeing anecdotal
evidence of their having -- and paid, you know, money --

Senator Manchin: Were they paying better than --

Mr. Clapper: They are --

Senator Manchin: -- everybody else?

Mr. Clapper: -- also having to reduce the amount of
money they're paying some of their fighters.

Senator Manchin: So, that should reduce -- that could
reduce some of their strength, right? If they don't pay
them as well as somebody else?

Mr. Clapper: That and the -- and what we're also
seeing -- again, anecdotal evidence of -- they've been
driven to conscription. In other worse, forcing people to
join the ranks to --

Senator Manchin: Gotcha.
Mr. Clapper: -- sustain their fighter force, particularly as they've taken some pretty heavy losses -- notably, in Khobani.

Senator Manchin: Thank you, Mr. Chair.

Chairman McCain: Senator Sullivan.

Senator Sullivan: Thank you, gentlemen, for your wonderful service to our country.

General Stewart, you may have noticed the Chairman has a particularly soft spot in his heart for marines. He's probably treated you in that regard. So --

General Stewart: I'm pretty delighted about that, too, Senator.

Senator Sullivan: Yeah. Well, I'll make sure he keeps treating you with kid gloves, I'm sure.

I want to thank you gentlemen for what you're doing, because I think that your service, particularly providing real, accurate threat assessments to not only the Congress, but to the American people, the administration, is absolutely, fundamentally critical if we're going to get a hold of these -- many of the challenges that we face right now as a country. And you probably noticed that this committee has had several hearings over the last several weeks about these assessments with some luminaries, Democrat, Republican, former Secretaries of State, former four-star generals, about what they see as some of the
challenges and strategies that we need. I think there was consensus that we're living in a very challenging environment. Henry Kissinger mentioned it was one of the most challenging that he's ever seen in his career, which says a lot.

What I want to touch on a little bit is what I see as a rather disturbing disconnect between some of the testimony that comes from gentlemen like yourself from this whole series of hearings that we had and the disconnect between that and senior administration officials. Let me give you a few examples.

The President, himself, in the State of the Union, talked about the crisis of 9/11 and everything has passed. Went through a whole list of things that made it sound like we're living in a very benign world environment.

The Secretary of State yesterday talked about, quote, "actually living in a period of less daily threats to American and people in the world normally," unquote. That was his quote.

The recent National Security Strategy document from the White House lists, I believe, climate change if -- as one of the top, if not the top, national security threat, relative to, say, Iran gaining nuclear weapons, or ISIS.

Do you agree with these assessments from the senior leadership of the administration, that we're living in a
less daily threatening -- that Iran gaining nuclear weapons
is less of a threat than climate change? I really need -- I
think it's critical that we level with the American people
what exactly are the threats that we face as a country right
now. And I don't think we're getting it from the
administration.

Mr. Clapper: Well, I think our function, in the
intelligence community, is to portray, as accurately as we
can, what we see as the threats. We probably always occupy
the half of the glass that's empty, and policymakers, and
oftentimes military commanders, will occupy the half of the
glass that's full. Probably the real truth is at the water
line.

I think our instinct, frankly, is to perhaps -- I've
been criticized for this -- worst-case the situation.
Having been on the receiving end of virtually every post-
event critique investigating intelligence failures since
9/11, I think we are much more conservative and much more
cautious than others might be about the nature of the world
out there. But, I think we have a certain institutional
responsibility, which we try to discharge. If others don't
see it that way or others don't agree, that's certainly
their prerogative.

Senator Sullivan: So, do you agree with those
assessments that --
Mr. Clapper: I'm not in the mode of -- we don't do policy, and I'm not critiquing those who do make it.

Senator Sullivan: Okay. I don't think that's policy that they've been putting out. I think it's -- they're giving threat assessments to the American people that are inaccurate. But, let me --

Mr. Clapper: Well, climate change --

Senator Sullivan: I'll move on --

Mr. Clapper: I mean, climate change, for example, I think will have -- does have national security implications. It -- if you watch what's going on in the Arctic now, and the impacts on climate change, in terms of water availability and this sort of thing, does have national security implications. I probably wouldn't rank it up there as problem or threat number one, but it is a serious concern.

Senator Sullivan: Let me just ask General Stewart. The -- you know, the -- Senator Manchin was talking about the increasing recruitment of ISIL. What role do you see that they are perceived as continuing to win, as continuing to be victorious, as continuing to be kind of a team that's gaining ground, not being defeated? I think -- in your experience, I'm sure that if a recruit thinks he's going to go join a team and get killed, he probably is not going to be interested in joining that team, but if they seem to be
perceived as kind of gaining ground -- North Africa now, Syria, Iraq -- do you think that that helps in their recruitment efforts?

General Stewart: A very capable propaganda media operation that emphasizes their success and their victories, however small, and that is a basis for attracting those who would move to that ideology. So, their success on the battlefield, or perceived success, or the way they're presented, certainly helps them in gaining recruits for the fight.

Senator Sullivan: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: Senator Gillibrand.

Senator Gillibrand: Thank you, Mr. Chairman.

Thank you both for being here today.

The execution of Coptic Christians in Libya by terrorists affiliated with ISIL raises a question about ISIL's ability to coordinate with other groups. What's your assessment of the links between ISIL in Syria and Iraq and the groups that have acted in its name outside of those two countries?

Mr. Clapper: If you're referring to ISIL's other chapters or provinces, so-called, if that's what you -- if that's what you're referring to?

Senator Gillibrand: Yes.
Mr. Clapper: And what's the connection there?

Senator Gillibrand: So, what's your assessment of their ability to coordinate, to communicate, to engage in terrorist acts outside of Syria and Iraq?

Mr. Clapper: If you -- do you mean the homeland or elsewhere in the world?

Senator Gillibrand: Your choice, but both would be good.

Mr. Clapper: Well, I think what they've tried -- they're trying to do, of course, is to create the -- both the substance and, maybe more importantly, the image of this global-scale caliphate by establishing chapters or franchises, if you will, in places like Libya, Egypt, Yemen, and South Asia. The extent to which, though, they -- this is some monolithic organization, where ISIL in al-Rikah or Abu Du'a or Baghdadi is calling the shots in, say, Afghanistan/Pakistan, I don't see a lot of evidence of this. I think this is more about pledging allegiance to the brutality and the savagery of the -- of ISIL. But, the first and foremost issues for these local chapters is local.

I think, aspirationally, there is a threat that ISIL poses, potentially, to the homeland, and those they might harbor in their area, particularly in Iraq and Syria, who would do us harm.

Senator Gillibrand: I agree with that assessment. And
we just had a recent case out of Brooklyn, where we had threats being made.

You mentioned Yemen. Could you just briefly --

Mr. Clapper: If I --

Senator Gillibrand: Go ahead.

Mr. Clapper: If I might comment on that, ma'am, this is what I was referring to in my oral statement about -- and this is a real challenge for all of us in -- whether homeland security or intelligence -- is the appeal, the rhetorical or spiritual appeal that, because of the effective -- very highly effective media capabilities that ISIL has demonstrated, and how that -- they are able to appeal to people, who then can act on their own at a time -- in a time and place and circumstance of their choosing. And that is a very worrisome challenge, particularly in this country. So, not so much them commanding/controlling plots as much as --

Senator Gillibrand: Inspiring --

Mr. Clapper: -- inspiring them.

Senator Gillibrand: -- plots, right.

So, do you have recommendations for us about ways to stem that tide? Do you believe that our allies and other countries are doing their fair share? Particularly, I am concerned about the flow of foreign fighters, some of them from the U.S., from Europe into -- in and out of Syria. For
example, what should Turkey be doing to help us more?

    Mr. Clapper: Well, as we discussed before, Turkey has its own focus, which doesn't necessarily comport with ours, in terms of focusing on ISIL or al-Qaeda. They have very permissive laws. It would be good if they could -- if we could -- if they would change them to have more stringent controls over who transits through their country.

    I do -- I would volunteer that I think, because of the effectiveness of the media campaign or the propaganda campaign that ISIL mounts, that we, the U.S., and we, the West, we who oppose ISIL need to be, I think, much more aggressive in mounting the counternarrative.

    Senator Gillibrand: Thank you, Mr. Chairman.

    Chairman McCain: I want to thank the witnesses.

    Just before we conclude, could I just, again, take a look at that chart over there -- General, I know you've seen it -- as to the expansion of the Chinese by filling in areas in the South China Sea. That's a rather dramatic change, it seems to me. And obviously, they'd be filling in -- that in, in order to place installations there. Is -- could you talk a little bit about that before we conclude?

    Mr. Clapper: Well, the Chinese, of course, have had their exorbitant claims, the so-called "Nine-Dash line," throughout the South China Sea, been very aggressive about pursuing that. The -- and, of course, this runs afoul of
counterclaims that many of the other countries also have in
the same area. And they, too, are very concerned about it.
In fact, I think, in a sense, that's -- that may be a good
thing, because, in the end, their strength is going to be as
-- if an act -- they can act collectively.

So, what the Chinese are doing, here, of course -- in
one case, you know, building airfield -- an airdrome so that
they can launch aircraft in and out to do patrols and
surveillance and further exert what they consider is their
sovereignty over the South China Sea. And it has been
impressive, in the last year, year and a half since they've
been doing this, as they pursued drilling, which has caused
conflict with the Vietnamese and others. And so, this is a
worrisome trend of the Chinese because of the tensions it's
going to create in the South China Sea.

Chairman McCain: So, you've --

Mr. Clapper: But, they've been very aggressive about
it.

Chairman McCain: So, you've got, not only the
capability to build an airfield, but, obviously, weapon
systems. Could also be --

Mr. Clapper: Well, they could, exactly.

Chairman McCain: Yeah.

Mr. Clapper: Of course, they're still in the
construction phase, so what they actually deploy to
something like this, or whether they permanently -- they
make it big enough so they could permanently station forces,
that'll be interesting to see what they do.

Chairman McCain: Well, obviously our attention is on
other parts of the world, but this is really quite a major
step on their part. And I thank you for helping us out on
that.

Jack, do you --

Senator Reed: I'd -- if I may, with just one question,
in reaction to Senator Gillibrand's questioning.

We all understand, there's a huge, sort of, public
campaign that ISIL is undertaking to attract recruits, to
dramatize what they're doing. And you may not be able to
comment in this setting. But, are we taking steps to
interdict that communication so that they're not able to put
things up and attract recruits and communicate?

Mr. Clapper: Well, the problem there is, their
ubiquitous use of the media. And so, the challenge is, How
do you take down the Internet? Because that's more and more
what they're doing. In the day when al-Qaeda or ISIL put
these things out, it was kind of channelized, and we kind of
watched it, and could do that. They've gotten wise to that,
and now they make it very difficult, because of the
universal forums and the way they get things out so
ubiquitously. Very hard to control it. Ergo, what we must
do, I believe, is counter the messages.

Senator Reed: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: General, I know you've had a -- are going to have and are having a very busy couple of days, and I know you understand that we have our responsibilities to try to inform members in the Senate so that we can shape legislation to help you do your job more effectively and efficiently.

And we thank both of you for being here.

This hearing is adjourned.

[Whereupon, at 11:28 a.m., the hearing was adjourned.]