OPEN PANEL WITH THINK TANK LEADERS

Tuesday, February 28, 2023

U.S. House of Representatives,

Permanent Select Committee on Intelligence,

Washington, D.C.

The committee met, pursuant to call, at 10:03 a.m., in Room 210, Cannon House Office Building, the Honorable Michael R. Turner [chairman of the committee] presiding.

Present: Turner, Stewart, Crawford, Fitzpatrick, Hill, Crenshaw, Waltz, Garcia, Himes, Carson, Krishnamoorthi, Crow, Gomez, Houlahan, and Spanberger.

The Chairman. The committee will come to order.

I want to thank all of you for joining us today.

Without objection, the chair can declare a recess at any time.

Before we start, I want to address a view matters.

First, today's open portion is being broadcast live and streamed on the committee's YouTube channel. It will be conducted entirely on an unclassified basis. All participants are reminded to refrain from discussing classified or other information protected from public disclosure.

I now recognize myself for an opening statement.

I would like to welcome all of those in attendance and those viewing the broadcast to the second open panel held by the House Permanent Select Committee on Intelligence in the 118th Congress.

I would also like to thank our panelists for your willingness to participate in today's panel.

This event is the second in a series of open panels that the Intelligence Committee will conduct this Congress to inform our agenda for the new Congress and includes well-known leaders from the think-tank community.

Fred Kempe is the president and CEO of the Atlantic Council. Before joining the Council, Fred was a prize-winning editor and reporter at The Wall Street Journal for over 20 years.

John Walters is the president and CEO of the Hudson Institute. John has served in several Presidential administrations, most notably as the Director of the White House Office of National Drug Control Policy in the George W. Bush administration.

Dr. Richard Haass is the president of the Council on Foreign Relations. Dr. Haass is a veteran diplomat, having earned the rank of Ambassador, and served as the

U.S. coordinator for policy toward the future of Afghanistan and U.S. envoy to the Northern Ireland peace process.

Dr. Jason Matheny is the president and CEO of the RAND Corporation. Before joining RAND, Dr. Matheny led White House policy on technology and security at the National Security Council and previously as the Director of the Intelligence Advanced Research Projects Activity.

Lastly, Dr. Amy Zegart is a senior fellow at the Hoover Institution. She also serves as chair of Stanford's Artificial Intelligence and International Security Steering Committee. A contributing writer at The Atlantic, she specializes in U.S. intelligence and emerging technology.

I want to thank all of you for being here and for bringing your expertise to the committee.

As we meet today, the United States continues to face unprecedented strategic threats from our adversaries. They are investing heavily in modernized capabilities while also becoming increasingly aggressive. They are testing our resolve, pushing the boundaries of international norms, and using all elements of their national power to divide and dominate Western democracies and contest all domains.

It is the charge of the Intelligence Committee to conduct oversight to ensure the funding and authorities necessary are provided to the Intelligence Community so that those agencies can deliver timely indications and warnings to policymakers and the military. This is a mission for which we cannot fail.

Give these challenges, it is our intent to return this committee's work exclusively toward national security and the oversight of the Intelligence Community.

And I want to thank Jim Himes, my ranking member, for his commitment to that also.

As we undertake this work, we found it particularly important that we seek out and engage externally with the leading think tanks on a wide range of topics aligned with the committee's work. While most of our work is done in a classified setting, we are engaging in an open dialogue with outside groups as it is appropriate.

Following our first panel with former national security officials, this dialogue continues today with the notable panelists before us and will continue in the coming weeks with panels featuring former Members of Congress and academics.

These engagements will help shape our agenda and priorities and are intended to result in policy solutions that will reform the Intelligence Community and refine the Intelligence Committee's oversight of the IC.

You all have offered thoughtful recommendations in your opening statements, and we will look forward to hearing those in your comments today and also your questions as we begin our discussion of the year and of this Congress for this Intelligence Community.

With that, I yield to my ranking member.

Mr. Himes. Thank you, Mr. Chairman.

And a big thank you to our witnesses today and to him.

I have been on this committee for a long time, and it is a great committee that does important work, but all too often we zero in on the most narrow of oversight missions that we have, specifically looking at technology or activities that are on the legal margins, and we sometimes lose the forest for the trees. And I would suggest that this is not a moment for the United States Government to be losing the forest for the trees.

I think back, if you sort of abstract yourself away from the here and now, to maybe more of a 30,000-foot view of where we are, and I think back on the last 10 years in which we prosecuted a remarkable pushback in war on terrorism, the attributes of which this committee is particularly familiar. While we were doing that, of course, we really didn't

see a threat rising that is now responsible for the deaths of over a million Americans. And if we define national security as keeping Americans safe, I think we need to grapple with that.

If you then unpack the pandemic, it was, to use an overused cliche, perhaps the best of times and the worst of times, in the sense that we responded in some ways remarkably. No one will ever confuse me for a cheerleader for the Trump administration, but the development of the vaccine in a private-public partnership was absolutely epic and saved hundreds of thousands, if not millions, of lives.

Of course, we can unpack the politicization of the science around that that ultimately puts this country in the place where our per-capita deaths are as high as anywhere else in the world. And if we reflect on how we think about ourselves, that is a terribly uncomfortable fact, and we need to learn from it across the board.

China I would jump to as obviously the issue that we see coming but that requires a great deal more sophistication and nuance than perhaps we are applying to it right now.

On the one hand, of course, we rightly stand against the values that they demonstrate, or fail to demonstrate, around the world -- the fact that they have grown largely by stealing our intellectual property and by manipulating their currency and other things that have had devastating effects on the United States and, of course, their extremely aggressive activities in their region.

On the other hand, of course, they are a rising global power, and they have some of the same expectations that perhaps we had and have as a global power. And they are a near-peer competitor. This is a challenge that we have to take extraordinarily seriously.

So I wonder, as I sort of come back down to 10,000 feet, whether we are doing the work we need to do as a national security apparatus and as an Intelligence Community to make sure that we understand intentions, concerns, and ways of thinking inside Beijing.

Do we understand the effects of our actions on their thinking, and could we do things that unintentionally provoke conflict that none of us want to see with China?

In the last open hearing, I brought up Barbara Tuchman's book, "The Guns of August," because it is perhaps the best illustration of how so many wars begin because of misunderstanding and mistakes and ultimately are things that we are led to regret.

So I hope that we, in combination with the IC and the full power of the government national security apparatus and the help of nongovernmental actors and people who really understand this problem, I hope that we do precisely what Madeleine Albright says we need to do with China, which is to appreciate how complicated and nuanced a problem it is, to make sure that we are reinforcing those things that we like about the relationship, working together in those areas where we should work together, even as we stand against the brutal activities that we so despise.

Before she died, Albright said, "Jim, that's the definition of statesmanship, and that's what's required in this moment." So, very grateful for the four of you helping us think through what statesmanship may mean in the coming years.

I yield back.

The Chairman. Thank you.

Our order will be Mr. Kempe, Mr. Walters, Dr. Haass, Dr. Matheny, and Dr. Zegart.

We are going to begin with you, Fred, Mr. Kempe.

STATEMENTS OF FREDERICK KEMPE, PRESIDENT AND CEO, ATLANTIC COUNCIL; JOHN WALTERS, PRESIDENT AND CEO, HUDSON INSTITUTE; RICHARD HAASS, PRESIDENT, COUNCIL ON FOREIGN RELATIONS; JASON MATHENY, PRESIDENT AND CEO, RAND CORPORATION; AND AMY ZEGART, SENIOR FELLOW AT THE HOOVER INSTITUTION AND PROFESSOR OF POLITICAL SCIENCE AT STANFORD UNIVERSITY

STATEMENT OF FREDERICK KEMPE

Mr. Kempe. Thank you so much, Chairman Turner, Ranking Member Himes. Good to see both of you at the Munich Security Conference recently.

Members of the Permanent Select Committee on Intelligence, thank you for the opportunity to testify on our geopolitical moment.

I think it is fitting that this committee should be convening this public session just 4 days after the first anniversary of Putin's criminal and unprovoked invasion of Ukraine. It is also just a week after President Biden's brave and potentially historic visit to Kyiv, and I will come back to what I mean by "potentially." Putin's war underscores three crucial and interlocking issues worth highlighting today.

And, Ranking Member Himes, this will be the forest -- a very big forest.

First, we live at a historic inflection point as crucial as the periods after World War I, World War II, and the Cold War, where U.S. leadership, alongside allies and partners, or the failure of such leadership after World War I, has had global and generational consequences. So I am referring to it as the fourth such historic inflection point since World War I.

Second, with the enormity of those stakes in mind, Putin's ongoing war in Ukraine

underscores both strengths and weaknesses of the U.S. Intelligence Community in navigating this moment. And there is an urgent necessity to enhance the strengths and address the weaknesses.

And then, third, what is most urgently required is for the Intelligence Community, and the U.S. Government more generally, to build a capacity for providing intelligence-driven, longer-term analytical frameworks regarding this strategic competition so our country can more confidently understand and operationalize the wealth of daily intelligence that it receives.

How we manage this generational opportunity before us will dictate how this inflection point turns, just as was the case after World War I, World War II, and the Cold War.

And there are three possibilities for this outcome: number one, the reinvigoration and perhaps reinvention of the global system of institutions and rules we put in place with our partners and allies after World War II; second, the replacement of that order over time by a Chinese-led and authoritarian influence -- illiberal order; or, third, global chaos and incoherence along the lines of Putin's "might makes right" world view.

And I will commend you to Dr. Richard Haass's "World in Disarray" book and thinking on this issue, which I think is groundbreaking.

When describing President Biden's trip to Ukraine as "potentially historic," I meant the legacy of that speech depends on what now follows. For Ukraine to prevail requires a surge in military, economic, and political support for Ukraine now to confront an unfolding Russian offensive. That is urgent, for a war of attrition favors Russia.

President Biden, also President von der Leyen in the European Union -- everyone is talking about that we are going to stick with Ukraine as long as it takes. To Ukrainians, that doesn't sound so good, because a war of attrition is against their interests, is against

our interests. And so it is better to give them what it takes now to put Putin in a faster position where he is forced either to the negotiating table or out of Ukrainian territory.

Money spent now from the U.S. and other allied budgets is a bargain compared to what we will all need to spend if Russian ambitions advance and China extracts lessons from that outcome.

That brings me to the challenges for U.S. intelligence and what it faces at our current inflection point. The Ukraine war has underscored intelligence strengths and understandable weaknesses given how rapidly this landscape has shifted.

The U.S. did an extraordinary job of highlighting Putin's war plans, making the extraordinary decision to release our intelligence to warn in advance of the invasion. That undermined Russian disinformation and Putin's conjured narratives.

And we are now seeing this again with Secretary Blinken leaking the intelligence of China considering giving weapons, more weapons -- or weapons to China. Again, that is a very clever use of intelligence.

And when such predictions prove accurate, that bolsters international credibility of U.S. intelligence. And since then, U.S. intelligence has been critical for supporting Ukraine's military operations and planning.

On the other hand, U.S. intelligence didn't foresee the alarming Russian military weaknesses. It also underestimated Ukraine's defense capabilities and national resilience.

In addition to improving of intelligence sharing, the U.S. must reform the Intelligence Community once more, just as it did in the war on terror, to meet a world where great-power competition is once more a significant threat. And that transformation should begin with human capital. I listened to General Petraeus testify before your committee, and he spent a lot of time on that, and I think he is right.

Before I joined the Atlantic Council, I served for more than a quarter of a century

as an editor and reporter at The Wall Street Journal. There is a huge difference between a talented news reporter and a reporter whose expertise in a subject allows a deeper analysis of complex issues. That is also true for the Intelligence Committee. And we need more of that deep analytical expertise in specific deep issues, like China, like Russia, like the relationship between China and Russia, in the Intelligence Community.

If we had possessed those wells of deep analytical knowledge, we might have done a better job of predicting Putin's next steps after the Georgian invasion in 2008, Crimea in 2014, and understanding the fundamental weaknesses of the Russian military, and in foreseeing China's revisionist turn under President Xi Jinping.

Moreover, some organizational changes are necessary to meet the moment. Some are happening, with the CIA and DIA having established centers focused on Russia and -- sorry -- focused on China. That is positive.

And I will be very brief here because my written testimony is longer on the issues for the Intelligence Committee, but I will just give you one example of many in my written testimony.

The U.S. should consider adding an intelligence branch to the Department of Commerce -- that has been suggested by my Atlantic Council colleague Jonathan Panikoff, who comes from the intelligence world -- to help it keep up with its trade and export control responsibilities.

One wouldn't have thought about that during the war on terror, but now it is absolutely crucial, because much of the contest now, strategic competition now, is non-kinetic. And, in fact, it could the non-kinetic side of this that actually decides the outcome.

In closing, we need to both acknowledge the shift of the global strategic landscape and respond to it. As with any competition, when your opponent changes or improves

their game, when the very rules of the game have been altered, you need to respond or accept defeat. And, of course, we don't want to do that.

Churchill is credited with saying during World War II, "Never let a good crisis go to waste." In the Q&A period, I can talk more about this, but the same should be said now of the Ukraine war before it becomes something larger in Europe or something more global.

So thank you for your attention.

[The statement of Mr. Kempe follows:]

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The Chairman. Thank you.

Mr. Walters?

STATEMENT OF JOHN WALTERS

Mr. Walters. Thank you, Mr. Chairman, Ranking Member Himes, and members of the committee. I appreciate the invitation to testify today.

As you know, our adversaries -- the Chinese Communist leadership, Russia under Putin, IRGC-controlled Iran -- and a range of terrorists and transnational criminals, sometimes in collusion and sometimes separately, are attacking America and our allies every day. We are under an escalating assault. We need to push back and reestablish deterrence.

In the face of a growing range of threats, I want to focus my remarks on drug trafficking, because it is now the most damaging attack ever mounted against the United States. It is not being met, and it is getting worse.

The current drug policy of the United States has as its first objective, quote, "The number of drug overdose deaths is reduced by 13 percent by 2025," close quote. Should we accept hundreds of thousands more Americans dying of drug overdoses by 2025?

As you know, terrorists caused 3,000 deaths on September 11th, 2001. More than 30 times that number are dying each year of illegal drugs. Yet overdose victims seem to be dismissed as participating in their victimization. This is a very serious mistake.

We now understand substance abuse as a behavioral and physiological disease. All human beings are susceptible. We can all become victims. But this disease requires ingesting a poison and continuing to ingest a poison. No poison, no disease.

The myths and enticements to self-destruction with the poison of illegal drugs

cannot be suppressed without destroying our freedom. Our adversaries have identified this vulnerability, and they are exploiting it.

Our deadly situation does not mean that prevention and treatment are not worthwhile or important. But demand reduction is not and cannot be effective unless the poison is reduced to a much lower level. Supply causes demand. Exploding supply negates any strategic effects of prevention and treatment.

The work of this committee is crucial because we do not have the basic information to build and maintain informed public will and to shape and execute effective drug policy. We do not have a serious estimate of the size of the problem, scope of use and addiction, and their consequences. This makes it impossible to match policies and resources to the threat. It also makes it impossible to seriously target the threat, judge the effectiveness of specific measures, and make policies and strategies and tactics work. Currently, we are making ineffective gestures.

Let's begin by recognizing that narco-terrorists are terrorists. They are proxies for the Chinese Communist Party. This is a new and deadly hybrid warfare.

Our ability to prevent other terrorist attacks on the U.S. homeland following the events of September 11th, 2001, has been remarkable, but we have treated narco-terrorists as a lesser threat. Why? Compared to the jihadist terror threat, the fentanyl threat, the illegal drug threat, is a very big target -- a manufacturing, marketing, financing, and logistics operation with many, many vulnerabilities.

The PRC has been the source of finished fentanyl and precursor chemicals used to make finished fentanyl in Mexico. In addition, the PRC is involved in key money-laundering operations for the Mexican cartels. The PRC practices malicious denial, but evidence of complicity is extensive. They are very guilty.

A genocidal tyranny that has created the most repressive surveillance state in

human history can stop and neutralize criminal activity if it chooses to do so. The CCP can find and punish individuals who text or otherwise create pro-democracy messages anywhere within its borders. Fostering the drug trade is a matter of ill will, not limited ability.

Our task is to change the behavior of the CCP, and that will require finding matters to create significant harm to them sufficient to change their malevolent intent. That, too, is an intelligence problem.

Right now, Mexico is the center of gravity. At present, the United States is accepting declining cooperation by the Mexican Government. This policy is locking in the slaughter of Americans. We need to be a partner, but we need an uncompromising statement of Mexico's responsibility as a necessary starting point for genuine partnership. We cannot stop the poisoning if they do not stop the poison.

Destroying the cartels begins with removing the narco-terrorist leaders broadly, swiftly, and repeatedly. Mexico needs a range of assistance to do this. Some of it will need to be covert to be effective.

As we have in the past, the United States can assist with training and building security for effective action and protecting Mexican authorities responsible for fighting the terrorists. As with al-Qa'ida, the highest-value targets are at the top of the pyramid. A broad and repeated attack on the most senior leadership and their lieutenants is likely to cause the greatest destabilization.

In conclusion, I would like to say, we can help our country understand the devastating and worsening attack from illegal drugs by the work of this committee and the fact that the Chinese Communist Party is waging this battle against us using Mexican cartels as proxies.

This is an attack on the rule of law there, as well as the welfare of their people and

our people. I urge you to help mobilize and guide the necessary response.

Thank you.

[The statement of Mr. Walters follows:]

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The Chairman. Very sobering comments. Thank you.

Dr. Haass?

STATEMENT OF RICHARD HAASS

Mr. Haass. Thank you, Mr. Chairman.

Congressmen, good to see you.

I want to thank the committee both not just for the opportunity to testify but for doing this in the open, for taking such a broad purview, and for being such a good manifestation of bipartisanship. Not as much as there ought to be.

So we are meeting here this morning two decades after the last major reform of the Intelligence Community following 9/11. My own view is, I lean against another major reorganization of the IC at this time. It is not that we don't need some changes. I think there is simply too much going on of consequence in the world right now for the IC to be distracted and disrupted by wholesale organizational change.

That said, the committee should look at the authorities of the DNI when it comes to funding and personnel and explore whether the resources given to the Office of the DNI are adequate.

More important, I would encourage the committee to look at how the IC has performed since the creation of the ODNI. In particular, I would look at their record of analysis. Any number of things to look at: how they did at predicting the Arab Spring, China's trajectory under Xi, the fall of Afghanistan, the quality of Russian Armed Forces, protests in Iran, the pandemic.

Where there were mistakes, I think it would be important for the committee to explore whether the problem was organizational, procedural, personnel, cultural, or

something else. And where the IC got it right, what accounts for that?

I would also suggest the committee take a good look at the allocation of assets and how this matches up against the world. Obviously, this is a demanding time. China is the most important target or subject for analysis, yet, as important as it is and will be to the security of this country, I would suggest we simply do not have the luxury of devoting the preponderance of intelligence assets to that country alone. Power in the world is too widely distributed in too many forms -- what I have described as "non-polarity" -- to allow for that.

What, then, should be the focus going forward?

First should be on the principal geopolitical actors of our time -- not all of whom, by the way, are threats or enemies; some are partners -- China, Russia, Europe, Japan, and India. The IC should seek to assess these countries' internal political, economic, societal strengths but also their weaknesses and also their national security intentions and capabilities.

The second priority should be weak states -- Pakistan, Afghanistan, Nigeria, South Africa, and a good many others.

The third focus would be on the so-called middle powers -- Saudi Arabia, Turkiye, Brazil, Mexico, Indonesia, North Korea, and Iran. And, again, one would want to know the likely trajectories of their capabilities and behavior.

A fourth focus, I would suggest, should be global challenges -- above all, climate change and both infectious as well as non-infectious or non-communicable diseases.

Fifth, I would suggest, is a grab bag of factors or phenomena with large consequences. For example, we live in a dollar-denominated world. What is the possibility that will not endure? What would accelerate any transition away from the dollar? What would be the likely alternatives, and with what consequences?

Or take one of the most common tools of foreign policy sanctions. What have we learned about their impact?

A third area might be democratic backsliding. What is causing it? What is likely to come? What about the growing importance of non-state actors?

Demographic trends. Japan, for example, today, just put out statistics that twice as many people are dying in Japan as are being born. What are the consequences of that for Japan? And look at demographic consequences in other countries.

Looking at the consequences, as well, of technology innovations in AI, quantum, biotech, and elsewhere.

What else could the committee usefully do? I would suggest, look at the resources available for intelligence. Are they adequate, given the possibility that we face potentially major military operations in three geographies -- in Europe, the Indo-Pacific, and the Middle East? Do we have personnel with adequate language, area, and technology skills adequate to the moment?

We also have the reality that we deal in a world not of too little information but often too much. Does the IC have a good handle on open-source information? Is there still a bias in favor of Secret material that is no longer warranted?

I know you are going to hear from Amy, who has written for a certain magazine on this subject. My sense, though, is to avoid creating a standalone, open-source-only agency -- something, to me, that would seem to compound the problem rather than address it. And, instead, I would suggest focusing on the effective integration of classified and non-classified information by analysts.

Lastly, over the last year, we have seen -- I think Fred alluded to this -- the selective release of classified material in order to alter behaviors of friends and foe alike. A year ago, it was over Russian preparations for war. Last week, it was over the

possibility of China's increased help to Russia.

I think it would be interesting to look into, what have we learned about this tool? Does it really make a difference? Are there any costs associated with it?

And more broadly and maybe related to it might be the question of alleged overclassification of material. Could we make more things public? And what, if any, costs or benefits would that happen?

In short, you have a pretty rich menu to look at, and I wish you well.

[The statement of Mr. Haass follows:]

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The Chairman. Thank you.

Mr. Matheny?

STATEMENT OF JASON MATHENY

Mr. Matheny. Chairman Turner, Ranking Member Himes, and members of the committee, thank you for the opportunity to talk with you today.

Our Nation faces many significant national security challenges, among them an increasingly belligerent Russia and intensifying competition with China that features not just military rivalry but also competition in key economic and technological domains and continued provocations by North Korea and Iran.

RAND has for decades conducted research on these issues, and today we are ramping up our research significantly in key areas, including in understanding China, its economy, its technological capabilities, its domestic politics, and its leadership intentions. RAND is also building new analytic tools for supporting U.S. economic and technology strategies that can be used in simulations and war games.

But today I want to focus on two significant threats to national security that I believe deserve greater focus and attention: advances in synthetic biology, or synbio, and advances in artificial intelligence, or AI.

These two technologies stand out both for their rates of progress and for the scope of their applications. Both hold the potential to broadly transform entire industries, including ones critical to our economic competitiveness, such as medicine, manufacturing, and energy. But both technologies also pose grave security challenges for which we are currently underprepared.

In the case of synbio, new tools could enable a state, a group, or an individual to

construct novel viruses capable of more destruction than the current pandemic, whether intentionally or unintentionally. In the case of AI, new tools could be used to create novel cyber weapons and disinformation attacks at an unprecedented scale.

Synbio and AI pose significant challenges for national intelligence. The technologies are often driven by commercial entities that are frequently outside of our intelligence collection priorities. The technologies are advancing quickly, typically outpacing policies and organizational reforms within government. Assessments of the technologies require expertise that is concentrated in the private sector and that has rarely been involved in national security. And the technologies lack conventional intelligence signatures that distinguish benign from malicious use or that distinguish intentional from accidental misuse.

Addressing these challenges may require some structural reforms in the Intelligence Community, and I will highlight six specific actions that the IC can take.

First is to ensure an increased national intelligence emphasis on emerging and disruptive technology topics, especially synbio and AI, including through the National Intelligence Priorities Framework, Key Intelligence Questions, and Collection Emphasis Memos.

Second, require an IC scientific and tactical intelligence strategy to significantly expand collection and analysis of key foreign public- and private-sector actors and authoritarian states that are involved in the research and development of synbio and AI. The strategy could be informed by a survey on the value, accessibility, and unmet need for scientific and technological intelligence, particularly among Federal S&T organizations and the Departments of Commerce, Treasury, and State and key U.S. allies.

Third, strengthen the Intelligence Community's institutional capacity for carrying out such a strategy by creating new partnerships and information-sharing agreements

among government agencies, academic labs, and industrial firms, where much of the relevant technical expertise is concentrated, and by identifying hundreds of the private sector's key leading scientists, engineers, and technologists who can be given security clearances to advise the government on key technology developments.

Fourth, strengthen the IC's capacity to lead National Intelligence Estimates and Net Assessments on global trends in synbio and AI that include assessments of key foreign public and private entities; their infrastructure investments and capabilities; their supply chains of tools, materials, and talent; and the risks of intentional or accidental misuse of their technologies. Accurate assessments will again rely on drawing on cleared experts from the private sector.

Fifth, encourage creation of an IC framework to share classified S&T intelligence with allied high-technology nations, such as the Five Eyes, plus Germany, France, Japan, Singapore, Netherlands, and South Korea.

Sixth and finally, encourage development of an IC communication strategy to disclose other countries' violations of tech-related norms and treaties that affect public safety, human rights, and global security. That strategy could outline an equities process for prioritizing declassification of intelligence that can be used in public diplomacy and opportunities to better leverage unclassified sources.

I thank the committee for the opportunity to speak.

[The statement of Mr. Matheny follows:]

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The Chairman. Thank you.

Dr. Zegart?

STATEMENT OF AMY ZEGART

Ms. Zegart. Mr. Chairman, Ranking Member Himes, members of the committee, thank you for inviting me here today.

The Chairman. Ma'am, I don't know if your microphone is on.

Ms. Zegart. It says it is on.

The Chairman. Could you move it over?

Ms. Zegart. Sure. I am going to talk about technology.

It is an honor to be with you.

I have spent the past 30 years researching the U.S. Intelligence Community, and my most recent book looks at how emerging technologies are transforming the world and challenging the ability of our intelligence agencies to understand it.

To summarize my findings in just one sentence: This is an adapt-or-fail moment.

Although the IC has been rebalancing resources and focus from counterterrorism to great-power competition, that will not be enough. The Intelligence Community is facing unprecedented challenges in today's technological age.

Now, technology is always changing, but this moment is different. Never before have so many technologies converged to change so much so fast at the same time. There is internet connectivity, social media, artificial intelligence, the commercial satellite change or increase in capabilities, encryption we talked about, synthetic biology, and more.

For intelligence, emerging technologies are generating five core challenges, and I call them "the five mores." The first is more threats, like cyber. The second is more

speed at which intelligence must move. The third is more data. Analysts need to find needles in rapidly growing haystacks, and they need to derive insights from the haystacks themselves. The fourth "more" is more customers who need intelligence but don't have security clearances, like voters and tech leaders. And the fifth "more" is more intelligence competitors.

Let me double-click on "competitors."

Intelligence isn't just for government spy agencies anymore. The explosion of open-source information available online, the growth of commercial satellite capabilities, and the rise of AI have created an open-source intelligence revolution that is making new insights possible and that is creating a global ecosystem of citizen investigators.

Already, nuclear sleuths have used open-source intelligence to make many important discoveries, including uncovering China's ICBM silo fields. In Ukraine, individuals and groups have been tracking the war in ways that were unimaginable in earlier conflicts. At Stanford, a student team has been using social media videos, commercial satellite imagery, geolocation tools, and more to document Russian human-rights atrocities on the ground and send reports to the United Nations.

This open-source world brings new opportunities for insight and assistance to the Intelligence Community. It also brings heightened risks of error and deception.

Mr. Chairman, I believe that harnessing the power of open-source intelligence and managing these challenges requires a new agency. So long as open-source intelligence is embedded in secret agencies that value secrets more, it will languish. A new agency would give open-source the budget, personnel, and seat at the table to champion it.

An open-source intelligence agency could be a lever for innovation, not just information. It could more easily hire technologists because they don't need clearances. It could locate in tech hubs where technologists already live, making it easier for them to

move in and out of government.

And it could be, importantly, a node of engagement with leading open-source intelligence organizations and individuals outside of government, developing tradecraft and outsourcing work to responsible partners so that the Intelligence Community can focus its capabilities on missions that nobody else can do.

Mr. Chairman, I also believe the Intelligence Community should reimagine its approach to hiring. Human talent is always the most important ingredient for success. The Intelligence Community needs to bring more tech talent in, and it needs to work better with tech talent on the outside.

Yet recruiting today is still designed to weed, when it should be designed to woo. Too often, the process is slow, remarkably impersonal, and set up to recruit employees for life. No great tech company hires employees this way.

The Intelligence Community needs a modern approach with a human touch that makes candidates feel valued, moves in months rather than years, and is designed to create ambassadors, not lifers. Every applicant should leave the process, whether they get hired or not, asking, how can I help the Intelligence Community wherever I go?

Thank you, Mr. Chairman. I look forward to your questions.

[The statement of Ms. Zegart follows:]

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The Chairman. Great. Thank you so much. What great recommendations.

Thank you all. You have incredible resumes and great expertise. Thank you for lending it to the committee in this format.

I want to make certain that this is an ongoing invitation, that not just your participation in this hearing but that your participation in advising this committee continues even after this. As you have issues and thoughts as to things that we need to be doing, we need to hear from you. So please don't hesitate to let us know as we commence our work. And I know you have, you know, a matrix of relationships with all of the members of this committee, so please avail yourselves of those relationships.

I am going to start with Fred Kempe.

Fred, as you said, you saw many of us in Munich. And some of you on our panel were also there. You know, Munich is an opportunity to pull together all -- the Munich Security Conference -- all of those in national security to sort of get some consensus and thought, have a dialogue, about where we are and where we need to go.

What do you think are some of the takeaways from the Munich Security Conference? And in those takeaways -- and I appreciate you also had a forum there -- how should the outcomes of the Munich Security Conference inform this committee's agenda in the coming year?

Mr. Kempe. Thank you so much for that, Mr. Chairman.

So -- and let me link the Munich Security Conference also with the President's trip to Kyiv and his speech in Warsaw, because I think they were a piece and I think our European partners are seeing them as combined.

What I found encouraging in Munich, first of all, there was the biggest delegation from the U.S. Congress to Munich ever. Second of all, remember, this is the first Munich Security Conference in its history that has taken place at a time of European war involving

a nuclear power. We have had the Balkan Wars but nothing like this. And so you felt that it was a moment of history. You felt it was much more important.

And what was encouraging was the sense of common cause among allies. That was the encouraging part, that people understood that Putin's war on Ukraine was a battle for the global future, as I said in my opening statement. And I think there is more of a consensus on that.

If there is a discouraging side to that, it was not understanding entirely what that means one must do. If indeed that is true, that it is a battle for the global future, then you have to ask yourself, are we doing enough? Are the weapons sufficient? Are they going fast enough? Can one continue to make an argument that one shouldn't be giving the Ukrainians long-range fires to actually be able to hit the target from which they are being killed? And the questions that you know of regarding fighter jets, et cetera.

Just a question, but it is also the economic side of things. Ukraine has lost a third of its GDP. A lot of people have gone as refugees. So, again, if you are thinking in these terms, you also have to think in the future.

If Ukraine is successful, survives, regains, if not all of its territory, enough to be secure and to be a sovereign, free, democratic state, you could then have to deal with catastrophic success, which is: If Ukraine has a path to EU and NATO, what does that mean for Belarus? What does that mean, obviously, for Moldova and Georgia? And then, ultimately, what does that mean for Russia? Because we need to find a way over time that Russia finds its place in a Europe whole and free, its peaceful and rightful place.

And all of this no one is talking about. No one is talking about what is going to be as important a period of time for Europe, potentially, as the end of certainly the Cold War but maybe the end of World War II, where Dean Acheson wrote his book, "Present at the Creation."

Then, just one thing on the speech. President Biden's speech has been compared to some -- to Kennedy, "Ich bin ein Berliner," and to Ronald Reagan, "Tear down this wall." That overstates it and understates it -- understates it in the sense that he probably took more physical risk than either Reagan or Kennedy did when they were going to Berlin in going to Kyiv; overstates it in the sense that those speeches were only famous because, in the end, Berlin did remain free, the wall did come down, and we are a long way from anything like that in Ukraine. We are a long way from resolution in Ukraine.

So the importance of Munich, the importance of that speech, will only be decided in just how much resolve we show now in terms of ensuring that the Ukraine war turns out in the right manner.

The Chairman. Thank you.

Mr. Walters, your statements on fentanyl were incredibly poignant. I actually had my question written to you about that, and you provided us with an unbelievable assessment as to how this should be a complete priority of both Congress and our government.

The thing I found amazing about your connection to the surveillance society of China, that there is no deniability on their part. Because they know so much, they have so subjected their population to the surveillance society, that they are co-conspirators in the process of fentanyl, and that it is having such a co-opting effect, also, on our neighbor of Mexico.

Obviously, trying to hold China accountable is difficult when we are even having with the -- with COVID, trying to hold them accountable. What are some of the things that you would suggest that we look at doing, in addition to just trying to, you know, pin the tail on the donkey, identifying that, yes, this is the source, they are actively involved, this is not just happening with them unaware? How do we approach China on this issue?

Mr. Walters. Well, thank you for the question.

I dealt a little bit with the Chinese when I was in the George W. Bush administration. There was a shipment -- they were shipping precursors for methamphetamine, pseudoephedrine, into Mexico in large numbers, and we had these investigations. And they played, you know, "We can't do it," "We don't know," "We are doing the best we can."

I think one of the things that we could do immediately is openly and directly say they are responsible and it is not acceptable.

There is a process of certifying countries, as you may know, under the law passed by Congress, for whether or not they are involved in drug trafficking, whether they are cooperating with the United States. We should decertify them and threaten to decertify them openly.

This is a case where the power of the Congress, blended with sometimes the compromises of an administration that has to look at other things, is important and allows the administration to say, "Hey, look, I would like to be a nice guy here, but, you know, those people in Congress that are hearing from people on the street, they are not going to listen to this."

I think we are not being direct enough about: This is a proxy war against the United States directly. At the magnitude this is happening, at the sophistication that is going on, at the involvement in money laundering as well as the movement of chemicals, I think this has to be made public and made public repeatedly and create the sense that there is political will that is hostile to the current action.

I think the other thing we need to do is to look at other ways of hurting them. Obviously, there are a number of stories that they are using finance from the United States to prop up their economy. We ought to be looking at that directly, and we ought to find

proportional ways to apply that pressure.

We also ought to look at individuals. We can collect intelligence that shows what individuals, especially individuals in high levels of the CCP that can be reached by U.S. Government power and law enforcement -- we can make their life in the world more of a problem, and that begins to create the pressure.

In Mexico, I think we are going to have to do more direct action, as I indicated in my testimony, and a range of actions. And that needs to be done, as well, because not everything is going to be through Mexico -- or, through China.

And, also, there are other sources of some of these chemicals. You, no doubt, know from your work on the committee that India has a large pharmaceutical industry. It has had problems with control. They don't have the same control over their population that China does, but -- and we don't want it spread in that way. Right now, my understanding from testimony as recent as last week from the DEA Administrator is India has not been a major source. But, you know, it would be stupid not to realize that when you apply pressure, they are going to try to evade it.

So I think we want to act fast, we want to act on -- this is one of those "go big or stay home" problems. And right now we are kind of staying home, and the consequences to people are devastating.

All of you come from districts where -- I mean, you can walk any street in the United States, and we have people being turned into zombies, as I say in my testimony. That is just not okay. And I think you and some of you here have been very vocal in that.

But I think this is a bipartisan issue, that we need to stop feeling like our hands are tied. We have to start doing things and holding people accountable, including the leaders of other governments. But, most of all, we have to target the kingpins in this area. And that means a full range of U.S. power. They are criminals. We are a superpower. That

needs to be demonstrated.

The Chairman. Thank you.

Last question, Dr. Matheny. RAND published a study that, if Russia attacked the Baltics, they would fall within 72 hours. Our Department of Defense and the Intelligence Community basically said that Ukraine was going to fall within a weekend.

Russia had a number of large exercises prior to the invasion and certainly prior to even the assessment by RAND of the Baltics' vulnerability. This is Zapad. It is my premise that Russian tanks don't just fall apart when they drive into Ukraine, that they must have had some difficulty in their exercises.

Our Intelligence Community, our military all got it wrong. What did we do wrong? And how do we fix the intelligence gathering to understand what really are the capabilities of our adversaries?

Mr. Matheny. Thank you, Mr. Chairman.

I think there was an overestimation of Russian metallurgy, both the quality of its armor and the way that it was integrated into its tanks.

One way of improving intelligence going forward is to ensure that we have material samples from the systems that were expected to be used in combat, including not only the metal but also the technical specs for the weapons systems, how they have performed under testing and evaluation within the Russian military or in other militaries that use those systems.

The Chairman. Excellent.

Dr. Haass?

Mr. Haass. Yeah. There are slight two differences in two questions you asked.

On this one, in my experience as a consumer of intelligence for decades, the biggest mistakes I encountered with the Intelligence Community was not getting facts wrong; it

was assumptions. And my strong hunch here is there were powerful assumptions which affected what the Intelligence Community saw or how they interpreted what it was they saw -- a little bit like the doctor who is a specialist and tends to discount symptoms that don't square with the hypothesis and emphasize those that do.

I would be surprised if there were not significant cultural bias and organizational bias here. And one of the questions is, what wasn't done to challenge it? Were assumptions about Russia's military team v'ed (ph)? Were there red teams and so forth that were instituted after the Gulf War -- I mean, or around the time of the 2003 Iraq War and so forth?

I would look at both what was done and what wasn't done, but my strong hunch is the groupthink and assumptions were out of control. And, again, in my experience, that is the biggest danger to good analysis.

One thing I disagree with Fred on, or maybe add to Fred on: Munich. I thought the danger of Munich or the hypothesis that animated Munich this year was, "If only we give Ukraine a little bit more, things will turn out okay."

Well, maybe not. And one reason would be what we also saw in Munich: China. It is quite possible the Chinese have made a massive or significant investment in Russia. Xi Jinping has made a personal investment in Vladimir Putin. I am not persuaded that China will allow Russia to lose this war.

So one of the things we have to think about is, even if we were to give Ukraine more -- and, by the way, in many cases, I favor it -- I would not do it under the assumption, which everyone in Munich seemed to have, that that would be decisive.

And, again, I think we need to think about plan B. What happens if we are to give them more tanks, we are to give them airplanes, what have you, and it still isn't enough? One, it is either hard to dislodge Russian troops that are dug in, or China decides to do a

little bit more, or Iran, or what have you. What then? And no one at Munich seemed to answer that question.

There were a lot of questions there that did not get asked or answered. It was almost as if, if anything like that were introduced, you were somehow being insufficiently loyal or insufficiently supportive of Ukraine. So I actually found that, in some ways, a frustrating intellectual environment that didn't really look at the full range of potential issues that are going to come before us.

The Chairman. Excellent points. And sometimes it is, of course, hard to project the future, and your comments are about the future.

Ranking Member Himes?

Mr. Himes. Thank you, Mr. Chairman.

And thank you, all of you, for the presentations. You hit on topics that have been a really core interest of mine for a long time, which is integrating innovative technologies, particularly in areas like AI and biosynthesis, as well as the need to do a much better job around open-source intelligence.

So I have a lot of questions. I am going to ask them quickly, and I will just ask for quick answers, because I don't want to abuse the time of my colleagues.

Mr. Matheny, you said -- I wrote it down closely -- institutional capability. We are going to start in the next month or so to work on the IAA. What are specific actionable things we should be putting in that IAA to make sure that the primes are getting smarter about things like software development but also that we are open to cutting-edge technologies in whatever field?

Dr. Zegart, I am going to ask you the same question once Dr. Matheny is done.

Mr. Matheny. I think, first, increasing the number of security clearances that can be given to private-sector experts and industry and academia in fields like AI and synthetic

biology and having advisors who come from technical communities that are at the leading edge. It is very hard to preserve that inside the Intelligence Community, because once somebody comes inside, it is hard for them to stay at the leading edge. They lose touch with the communities where research is being conducted.

Second would be ensuring that more parts of the Intelligence Community have some of the special procurement authorities that organizations like IARPA have to be able to more rapidly procure technology or invest in technology development.

Mr. Himes. Great. Thank you.

Dr. Zegart?

Ms. Zegart. Thank you, Congressman. I would add two things.

One is focus on getting to scale. There is a lot of money in the budget already in defense and in intelligence for prototyping. It is much harder to get to production. So how do we fill that valley of death?

The second key thing is, how does the IC and how does this committee, for that matter, get more continuous information about technological change so that you are not chasing the technology, you are leading, you are ahead of it?

And I think, there, the private sector and universities can help a lot more. As you know, there is a blind spot in the IC for understanding American innovations, what the implications of those innovations could be for a net assessment of technological competition.

At Stanford, we are launching the Stanford Emerging Technology Review. That is going to look at 10 major technological areas and what are the recent developments in Stanford University labs over the past year and what could those implications be. That is an example of how nongovernmental organizations can help fill that gap.

The question is, if we are producing, who is receiving? What is the node of

engagement within the IC to make sense and to collect and analyze this information?

Mr. Himes. So what fixes the valley-of-death problem? And you asked it as a question. What fixes that? Is it an In-Q-Tel acquisition model? How do we fix that valley of death in these particular technologies?

Ms. Zegart. I think part of it is empowering In-Q-Tel to go beyond small investments to potentially larger investments.

I think it is also a leadership challenge, frankly; that it is a question of exercising the authorities that exist, particularly within the Pentagon. It is not necessarily a question of new authorities.

Mr. Himes. Okay. Okay.

Moving on to open-source intelligence, Dr. Zegart, "Set up a new entity"; Dr. Haass, "Don't set up a new entity." Thanks a lot, guys.

I don't want to get into that argument, but I do want to reflect on, since, Dr. Haass, you brought up DNI and being reflective on, you know, what DNI is and whether it is adequately resourced, DNI obviously has an integrative mission. How do you guys, quickly, feel about the concept of DNI being responsible for open-source permeation throughout the IC?

Ms. Zegart. So Richard Haass is right about almost everything, except this.

So, look, we need to do both. We need to have integration across the IC of open-source intelligence, and we need to have a dedicated capability not only to harness the insights of open-source and develop tradecraft but, importantly, to interact with the outside world.

And I think that piece is different, and that is new. So you have this whole global ecosystem. How can we actually make use of this ecosystem? How can we reduce duplication of what our intelligence agencies are doing?

So I think for that reason, among many, an open-source agency is probably the right answer, but it is not the only answer. And I think that there could be other integration mechanisms, including through the DNI, to make sure that, at every element of the IC, open-source intelligence is part and parcel of analysis.

Mr. Haass. Look, we can talk about what is the best way to bring open-source analysis into the IC, but at some point we have to end the silo-ization or the stovepiping. It has to be integrated. And for better and for worse, what the IC cares most about is secret stuff. That is why there is an IC. That is the sexy stuff. So it has to have -- I would focus, again, on the integration.

You can have a mechanism to bring this stuff in, but you can't have a set -- let me put it this way. It makes no sense to me to have a separate analytical agency only dealing with open sources. We have think tanks that do that. We have universities that do that. We have to find a way to bring it together, not keep the analysis separate based upon the source of the information that is being analyzed.

[11:04 a.m.]

Mr. Himes. Okay. Thank you.

Last question, Mr. Walters, getting back to my theme of being statesmanlike and careful in our relationship with China. I really appreciate you bringing up the fentanyl and addiction problem. Often we don't do that in this context, but anything that is killing 100,000 Americans a year, particularly if it has a foreign nexus, is of interest to the committee.

Not really my field, but I am intimately familiar with the work that we have done in particular with Colombia and Mexico and to a lesser extent with Afghanistan. And in each case, the hallmark of our work with those countries is partnership. It is working with vetted units. It is having difficult conversations about extradition where political equities are put on the line. It is -- the hallmark is partnership.

The language you used was the language of war, with respect to China. In fact, you do an analogy between the Chinese leadership and how we treat the leadership of al-Qa'ida. You said we need to attack them, we need to hurt them.

In your presentation, are you saying that we should reject the sort of Colombia-, Mexico-like partnership that has been so successful in stopping supply? Is that rejected with respect to China?

Mr. Walters. Look, I think you have to begin by being frank about what the problem is. I am not for being mean for being mean's sake. I am for saying, I think we are going to have to brace people who are knowingly and intentionally providing the mechanism to harm and destroy big parts of our country.

As I say in my testimony, it is not just the overdose deaths which we are focusing on, as horrible as those are. Walk down any street and look what is happening. We don't even have an estimate of the total cost of this epidemic. And --

Mr. Himes. Well, I am staying very narrowly focused, because your language was striking.

Mr. Walters. Yeah. I am not saying -- I am not saying -- I am not saying --

Mr. Himes. My very specific question: Are we rejecting the concept of partnership with China in addressing supply in favor of an aggressive, antagonistic framing?

Mr. Walters. I don't think the Chinese Communist regime will respond positively to this without sticks. Hitting them with carrots is not going to get it done. And that is because this is not an accident; they are intentionally doing this.

As much as we want to be a statesman, as much as we want to create a global order that allows everybody to benefit, they have decided they are not going down that path. They have a different idea. And they are willing to break rules that we wouldn't break.

Now, again, we want to get them back -- we want the Chinese people to have what we enjoy. What they have is a tyrannical regime. And that tyrannical regime is willing to be genocidal. It doesn't care about harming us. It doesn't care about supporting Vladimir Putin in slaughtering Ukrainians.

So we have to -- I am for being statesmanlike. And I worked with President Uribe in Colombia; I worked with President Calderon in Mexico. In these places, where the government is under pressure from violent external forces, we have to stand with them. They are compromised because they are faced with both physical threats to their leadership when they act against the harmful actors and because they are being bribed and twisted in a variety of ways. We need to provide the shield for them to come our way, and we have to stand -- and they have to have confidence. It took many years to get to where we were with Colombia under President Uribe and President Calderon in Mexico, and you can see how fast those things can recede when we pull back our support.

So this is kind of a physics problem that we want to pretend we don't see, which is, we have to put enough pressure on to push the negative forces back and give the possibility for healing and success. If we don't do that, simply stating intentions or half-measures cause them to get hurt and cause us to get hurt.

Mr. Himes. Thank you. No, I appreciate that.

And I think I am probably out of time, so, again, grateful to our witnesses, and yield back.

The Chairman. Our next three questioners are Mr. Garcia, Mr. Carson, and Mr. Crawford.

Mr. Garcia?

Mr. Garcia. Thank you, Mr. Chairman.

And thank you to the witnesses today. Very compelling information.

And, Dr. Haass, I want to thank you for your statements about your takeaways coming out of Munich. I think China's involvement in the Russia-Ukraine conflict scales relatively easily and quickly. And I think if ours does as well, I think it will have a tendency to thin and dilute our ability to defend against the China threat in parallel with what is going on there. So I think that is a nuance that we need to be very careful with.

Given the, you know, 150 years or so -- I won't say more than 150 years -- of experience at this table, I would be remiss if I didn't ask something that has been posed more as an academic question in the past but I think it is a real issue today that we need to have a serious conversation about: what most folks consider to be strategic ambiguity relative to Taiwan and the interests of China over it, as well as our partnerships and relationships with Taiwan.

I would submit that, since 1979, Taiwan has changed quite a bit. Our relationship with Taiwan has changed. China has changed dramatically. And, more importantly, our

dependency on Taiwan now is probably more critical than -- I would submit, more critical than some of our European partnerships that we have within NATO. Yet there is no similar-to-Article-5 kind of concept, precept, if you will, with Taiwan.

I guess my question is, does strategic ambiguity clarify or does it actually beg for conflict? And as a Nation and as a national strategic, national defense policy perspective, should we seek to clarify and further double-down on our commitments?

I guess, Dr. Haass, we will start with you.

Mr. Haass. And since I was the co-author of an article in Foreign Affairs that advocated moving away from strategic ambiguity toward strategic clarity, I guess I am the right person to respond.

Look, as you said, China has changed many things. Taiwan has emerged as, I think, centrally important to our position in that part of the world. Our partners in that part of the world expect the United States to be there for Taiwan. The whole goal is not to fight a war; it is to deter one.

And I think moving towards a posture of clarity, so long as it is backed up with concrete steps -- we can't just have a rhetorical policy. We have to increase our presence in that part of the world. We have to increase Taiwan's ability to come to its own defense significantly. They have to be willing to do a lot more than they are doing. We have to further integrate Japan into defense planning. We have to get the Europeans on board with sanctions they would introduce against China if things were to happen.

So I think moving from ambiguity to clarity makes a lot of sense. And, by the way, it can be done, 100 percent, within the context of the One China policy.

Mr. Garcia. That is right.

Mr. Haass. This is simply a unilateral American policy statement about how we plan to implement our own policy. There is nothing about this that is inconsistent with the

basic -- the Three Communiques or anything else.

So I think we can and should do it, and I would just, again, embed it in something larger, which is a much more capable strategy of deterring China.

Mr. Garcia. Well, thank you, Doctor. I will look for that article. I actually hadn't read it yet, so that is a good happenstance.

Does anyone on the panel, I guess, either disagree or have a variance to that that is significant?

Yes, sir, Mr. Kempe.

Mr. Kempe. So I would agree with the strategic clarity. If you just look at the European example, there is strategic clarity on the Baltics -- they are members of NATO -- strategic clarity on Poland, on the Czech Republic. There was strategic ambiguity regarding Ukraine. We called it "gray area"; we didn't call it "strategic ambiguity." Look at the trouble Georgia is in. Look at the trouble that Moldova is in. And you can't suddenly make all of these countries NATO countries, but you have to take the lesson from that that these gray areas get into a lot of trouble when their next-door neighbor doesn't respect their borders and respect where they stand.

And so I know the situation in Taiwan is quite different, but the historic reasons for strategic ambiguity -- that was what Dr. Kissinger needed to get ahead. We are in just a different place. So I would agree with Richard on this.

One thing on Munich that I wanted to add was, the one moment, Mr. Chairman, that was stunning -- and it wasn't a long moment, but it was Wang Yi's statement in Munich where it was as hardline as I have ever heard the Chinese, harder-line than I have ever heard them in Munich, and belittling of the United States, talking to us about how we are extorting them, all in the context of the balloon. And so it is very interesting that he chose to do that there in front of that kind of crowd.

On the other hand, where I would disagree with Richard a little bit is that I would rather give Ukraine more, because we have seen that they can use it and they keep growing from it, and they are learning on the field, on the battlefield, using the technology, and software engineers actually improving upon it. So I think they will do well with more support.

The other thing on China is, the leaking of that information that China was thinking about arming, that was aimed at Europe. China doesn't want to lose Europe. And so the more we work together with our allies in messaging to China -- and this involves better sharing of intelligence. We can't just surge once in a while to share intelligence better with our allies. We have to figure out how to do this in a more ongoing, continuous matter.

Mr. Garcia. Okay.

Mr. Walters. One point on Taiwan. I want to emphasize what Mr. Haass said. What the meaning of "strategic clarity" will be here is demonstrating the capability to resist an attack by the Chinese. In fact, I think we are about, here again, getting talk way ahead of what we are actually demonstrating we are capable of doing. It is a dangerous situation, and it can be provocative rather than deterring.

So what we need to do is forward-deter China in this area more aggressively, with a variety of weapons systems that I think our military is not requesting adequately to defend Taiwan.

The goal is not to tell the Taiwanese they are going to become the battleground that gets them slaughtered and then we will come back and try to clean up the mess. We need to show that we can deter in a forward manner. We are not doing enough of that.

So strategic clarity consists of what we do, not what we say, in this case.

Ms. Zegart. Congressman, I would just add, I agree with Richard -- we do agree

on some things -- and I would add one other thing, which is that it raises a broader theme that I know this committee examined in the last open hearing, which is, how can we help our adversaries or keep our adversaries from deceiving themselves, from miscalculating, from making mistakes?

This is especially challenging for authoritarian leaders who have a narrow circle of advisors who don't tell them what they need to hear, they tell them what they want to hear.

And so that clarity is all the more important both in the European theater and in the Indo-Pacific today.

Mr. Garcia. Well said. Thank you.

The Chairman. Mr. Carson?

Mr. Carson. Thank you, Chairman.

One of the most important developments in reforming the IC in the wake of notable intelligence failures has been a movement toward greater integration both within individual agencies and across the IC.

This is an open question. In your minds, has this integration been successful? And is there more this committee should be doing to ensure the IC is working together more effectively?

Yes, sir.

Mr. Matheny. Thank you for the question, sir.

I think there are two things that could make a greater difference for integration. The first is security clearance reform to increase clearance reciprocity across agencies so that it is easier for an intelligence officer in one organization to work in another organization on a detail.

The second is to increase the number of joint duty assignments so that we have intelligence officers who serve with each other in an organization and develop those

networks and that collegiality that ultimately serves as the connective tissue across the Intelligence Community.

But, overall, my experience has been we have seen much greater integration over the last several years, that we are seeing much more intelligence-sharing across agencies, and that we are seeing those intelligence products that are shared ultimately being synthesized into more meaningful support of policymakers.

Over.

Mr. Carson. Yes, ma'am.

Ms. Zegart. Thanks for the question, Congressman.

I would just add, I would encourage the committee to take a look at the CIA's dedication of resources and focus.

One of the good-news stories and the bad-news stories of the global war on terror is this much tighter integration between intelligence and operations on the battlefield. And so the more we are hardwired to fight the last enemy, the harder it is for the whole organization to shift.

If the CIA is spending a lot more time hunting, it is spending less time gathering. And so, in a world where you can't tell the difference between what CIA officers are doing and military officers are doing, it is telling us that the Central Intelligence Agency needs to focus on the unique mission that only it does, which is preventing strategic surprise.

So I hope the committee will take a closer look at that too.

Mr. Carson. Yes, sir.

Mr. Walters. In my experience, there is a conflict between integration and the kind of competition you want to get a better answer. And I think, in many cases, especially in intelligence, we have gone too far on the homogenization side so that what you get is something that everybody agrees to but it is lowest-common-denominatorism, it is not as

focused. I would prefer a system that has competition. It is hard to do that and still have the integration.

That is why I think the discussion of open-source, which I am not as much of an expert on as some of the other panelists here, but this is an enormously important thing, because it allows you to have open competition on what we think is going on. It allows us to use information as a deterrent. And it allows us to bring allies together by sharing a picture, not only from open-source intelligence, but I would extend that to using more sensitive systems like pervasive ISR to help make sure we have a common picture and that that picture is a result of the best analytic arguments about, what does it mean?

Because I think what we have now is a tendency to -- because of the emphasis on overlap and control and so forth, we have a tendency to not have the competitive arguments about what this really means, which are inevitably in the phenomena and give you the best picture and give the people who have to execute the best picture.

Mr. Carson. Lastly, we often hear instances of where the IC has missed the mark or even dropped the ball. From your vantage point, coming from the think tank community, is there anything that you would highlight that comes to mind that would illustrate a success story?

Ms. Zegart. Congressman, folks inside the Intelligence Community have often criticized me for focusing on their failures, because their failures are public, as you know, and their successes are silent. But I think there is one stunning success that has become public that is important to bear in mind, and that is the hunt for Osama bin Laden. It is an incredible success story of patience, of perseverance, of collection across the different intelligence disciplines, and of a relentless pursuit.

And I think with respect to intelligence and how to assess intelligence, it is also important to bear in mind, in that critical meeting in the Situation Room where the

President went around and asked various members of the community what percentage did they think that the "pacer" was bin Laden, the estimates ranged from 40 percent to 95 percent with the same intelligence.

Mr. Haass. Congressman, I will give you another example --

Mr. Carson. Yes, sir.

Mr. Haass. -- going back to when I was last in government. If you look at what the Intelligence Community predicted would be the aftermath of the fall of Saddam Hussein, they got it spot-on.

It wasn't always something that made policymakers at the moment comfortable, because it suggested that catastrophic success would lead to a vacuum, which would lead to the unraveling of Iraq. But the analytical side was spot-on, and we just didn't respond to it adequately.

Mr. Matheny. One thing to add is that the Intelligence Community doesn't systematically keep track of its own accuracy.

In fact, the only experiment that I know of where we tried to do this was, at IARPA several years ago, we used an internal prediction market to collect thousands of judgments from intelligence analysts and keep score on what they got right and what they got wrong. And, overall, the result was very good. About 90 percent of the calls were accurate.

It would be great to sustain an effort like that where we could see what we get right, what we get wrong. In the cases where we miss, why did we miss? But also to celebrate the successes.

There is an effort right now at ARLIS at the University of Maryland to keep a platform like the IC prediction market going called INFER. I think efforts like that would substantially increase our understanding of intelligence accuracy.

Mr. Carson. Good. Thank you.

Mr. Kempe. I would like to add just one quick thing on this.

As Amy said, the successes, you are not supposed to see many of them. And my guess is, in Ukraine right now, there is just a lot going on. U.S. intelligence has given a lot of help to Ukraine. In fact, I know that, but it will come out over time. And, certainly, one did not predict how weak the Russian military would be; one did not predict how resilient Ukraine would be. But once it got going and once we started working with each other, I think that has been really helpful.

I want to say one thing about cohesion. And that is, I think our team and our team looking at intelligence at the Atlantic Council believes that there are just enormous strides that have been made in terms of integration and cohesion but that there is still the human element that isn't entirely helpful, where you have 18 Intelligence Community agencies with varying systems of background checks, no uniform policy on polygraphs, inconsistent additional requirements, all of which means officers can't easily move from one agency to another. And that really gets in the way of their careers; it really gets in the way of their job satisfaction.

And so I think if one could have access to much of the same information and systems, that could be another next step that one could take.

The Chairman. I apologize --

Mr. Carson. Thank you, Chairman.

The Chairman. We are going to have to -- thank you. We are going to have to move on. The gentleman's time is well-expired. But this has been a great discussion. That is why I have allowed you guys to go over time, because we really do -- we ask you here for this, and you are doing great.

We next have Crawford, Krishnamoorthi, and Crenshaw.

Mr. Crawford?

Mr. Crawford. Thank you, Mr. Chairman.

In November of last year, the U.S.-China Economic and Security Review Commission published a report around a multitude of issues pertaining to China and cybersecurity. Many of their findings highlighted how sophisticated China has become and how determined they are to achieve total dominance and become the dominant global superpower in cyberspace.

But there are a few areas of concern I wanted to get some insights on, particularly -- I am going to start with Dr. Zegart.

The commission noted that China is facing a 1.4-million-person shortfall in the skilled cybersecurity professionals and has since developed first-rate cyber academies and the establishment of the new Wuhan-based National Cybersecurity Center.

So my question is, what does America need to do to sort of maintain pace? How do we establish ourselves, how do we keep pace with China, you know, with their stated goals of dominance in cyberspace?

Ms. Zegart. Thank you, Congressman, for the question.

There is a dramatic shortage of cyber talent in the United States, as well, as you know. I think there are three key levers to try to fill that void.

One is -- and this has been discussed around town -- the creation of a digital cyber academy, right, or a cyber service academy.

The second is to actually make it easier for colleges and universities to require computer science as a foreign language. So students today have to take a year of Spanish or another foreign language and satisfy the requirements. Why couldn't computer science count for that requirement? That is happening in high schools across the country as well.

And, third, reform our immigration. We should hasten China's brain drain. We want the best and brightest from China to study in American universities, to stay in the

United States, to become American citizens, and to work for us. And that requires immigration reform.

Mr. Crawford. There has been a recurring theme about open-source intelligence. And I just -- just my observation, I think we are all open-source analysts, to some degree. I think social media has sort of taken our young people down a path where they, daily, are engaged in open-source analysis with whatever they do. My 15-year-old daughter and my 17-year-old son are pretty good at open-source analysis.

The question, then, is, how -- and I would think that, as we kind of try to integrate this into the IC, that the learning curve would be significantly less steep than it would be for the formal training of an IC analyst in one of the IC agencies.

So where do you see that going, as we take what is sort of inherently a skill set particularly that young people have and develop that into a meaningful, as you mentioned, tradecraft that is readily applicable in the IC?

And, also, how do we prevent, as you have suggested, the stovepiping of or the lack of sharing where it is relevant and indicated so that we don't see the breakdowns among the various agencies of the IC?

Ms. Zegart. So, Congressman, I spend a lot of time looking at nuclear open-source intelligence, and what I see there is an opportunity, even in nuclear threats, to work closer, more closely, with open-source producers -- responsible ones. They are not all responsible.

You are right; I have a teenager too, and she is much better at open-source intelligence, particularly on social media, than I am. But there is a tradecraft to open-source. There is a creativity to open-source. Not everybody can be an expert in reading satellite images, for example. So it is not just a pick-it-up-as-you-go in every arena.

Mr. Crawford. Right.

Ms. Zegart. And so one of the things I think that could really happen with an open-source agency is to provide training for responsible partners.

In the nuclear realm, roughly 50 percent of the leading people in open-source nuclear threat analysis are former government officials.

So there is a great organizational capability out there. The training needs to happen. The ethical standards need to happen. It is basically training the trainers. That is the model for an open-source agency.

Mr. Crawford. So let me ask you this. And I haven't had the opportunity to pose this question, and I think this is a great forum to do it. And that is to say that, you know, the military we recruit using ROTC and using military service academies, but we don't apply the same training pipeline to recruit for the IC.

So my question is, do you see value in trying to create and formalize a training pipeline at the university level so that -- and we talked about security clearances being one of the biggest impediments to integration into the IC -- so you can start that path as a freshman in college and by the time they are a senior they have accumulated the experience at whatever agency they choose, they already have their security clearance, and by the time they are ready to onboard in whatever agency, they have gone through a considerable training pipeline, just like the military does with their ROTC or their service academies? Do you think there is value in that?

Ms. Zegart. Absolutely, Congressman. I think it is a terrific idea.

I would also say, if you look at the top 25 universities ranked by U.S. News & World Report, how many of them teach any classes on U.S. intelligence, the answer is, not many. More teach classes on the history of rock and roll, which means undergraduates are more likely to get a course on U2, the band, not U-2, the spy plane.

So presence is influence. We also need to think about how to incentivize more education, more courses in universities to expose young people today, particularly engineers and scientists, to the Intelligence Community and a potential job there.

Mr. Crawford. Thank you.

And I yield back.

Mr. Haass. I would give a slightly different answer. I like the idea of the Intelligence Community bringing in people from a broad range of backgrounds who didn't necessarily opt into something like that. I want people with area studies. I want even some English majors. I want some technology people. I want people who studied religion and then, when they look at the Middle East, they have a better feel for what is going on there.

So I get a little bit nervous about certain kinds of preselection or asking people to sign up early on. I just like the idea of a truly varied pool of individuals who would provide analysis. I think we are more likely to avoid groupthink and be a little bit more -- you know, one of my rules of government is, we need to understand the country before we invade it. And I think we are more likely to get there if we have people coming in with broad backgrounds.

The Chairman. Great ending line.

Krishnamoorthi, Crenshaw, and then Crow.

Mr. Krishnamoorthi?

Mr. Krishnamoorthi. Thank you, Mr. Chair.

In a speech in April 2021, so just a couple years ago, Chairman Xi Jinping said, "The most important characteristic of the world is, in a word, chaos." He said, "The most important characteristic of the world is, in a word, chaos."

And then a couple years before that, he said, "The U.S. is in decline. China is

growing stronger. Russia is hardening, and Europe is in chaos."

The word "chaos" appears to be something that he is thinking about.

Dr. Haass, you know, thinking through his decision about providing lethal aid to Russia, what is your assessment or what do you think about him providing aid to Russia to just prolong the war so that Europe continues to be kind of in this state of chaos with regard to the war?

But that is, I guess, something on one side, but, on the other hand, what are the costs that he is trying to weigh as he makes this decision? And how should we think about increasing the costs?

Mr. Haass. Well, you are right; Xi Jinping is preoccupied with chaos, particularly internally. If you think the entire rationale for a 95-million-person Communist Party, he is -- you know, the instruments of power being so centered in the state.

And when China, when they looked at the Arab Spring or they look at, you know, things here like January 6th, they basically say, "This is what happens when order breaks down. You have chaos. You have anarchy." And that is used by China, often, to justify to their own people their own repression, their own lack of freedom.

Look, I think when he made the commitment over a year ago to the no-limits friendship to Vladimir Putin, like Vladimir Putin, he didn't see the year playing out the way it did. My guess is Xi Jinping saw it as pretty much a cost-free commitment. Putin said, "This is going to be a cakewalk." Xi said, "Where do I sign on? This is great. Bad for the United States, bad for Europe." Didn't quite work out that way.

But then he got stuck. He got criticized on Chinese social media. Very quickly, the voices of criticism were taken off Chinese social media. And I think they have doubled down on support for Putin.

I don't think they mind the fact that the war is taking so much wealth and military

capability out of Europe and the United States. That is not a bad thing. It is diminishing our readiness.

I also think that Xi Jinping does not want to have -- almost like COVID, where he made a major bet, got it wrong -- doesn't want to have another big bet be wrong here with Russia.

I think he is worried about European sanctions, a little bit of American economic sanctions. China is far more vulnerable to sanctions, to some extent, than is Russia.

So I think you will see things like dual-use help for Russia, things that are some ways below the surface. I think the last thing they would do is overt military help, as opposed to dual-use training and so forth, because they are worried about the American and European reaction.

But if things get bad enough on our relationship, they may say, we don't have that much to lose. And they may say with the Europeans, the Europeans need us so much economically that any sanctions they impose would be modest.

So I can imagine Xi Jinping making a cost-benefit analysis that the limited price he would pay for helping Russia more might well be worth it geopolitically. That is my -- and that is what -- you know, I am concerned that he will make that calculation.

Mr. Krishnamoorthi. Mr. Walters, how do we increase the costs enough to discourage this?

Mr. Walters. I think sanctions are a good idea. We ought to look at that.

I think we should talk directly about the thing he is most afraid of in China, which is that the Chinese Communist Party does not represent the Chinese people. It is harming them. It is brutalizing them.

We are not using the power of our own example positively. And the Chinese people want to hear that. I mean, the people I talk to that are talking to people inside

China are waiting to kind of hear that. We are not using our own example positively.

I think we also want to weaken some of their capacity. Right now, we are allowing capital flows that prop up serious economic problems inside China. We are doing research at Hudson -- I am sure some of my colleagues are -- about how to use the economic situation right now to weaken the bad parts of China and to give greater possibilities for freedom here.

So, when he is talking about chaos, he is telling you, "This is where I am frightened. This is where you can hurt me." Let's listen.

Mr. Krishnamoorthi. Dr. Haass, real quick, which sanctions are you the most worried about from Europe?

Mr. Haass. That is a good question. I would think that, right now, you have had massive European investment in China. I mean, the Germans most recently have made -- you know, Fred is an expert on that -- made some really large investments. I don't see the Europeans pulling those back.

I think it would be more investment, technology -- probably investment flows and technology flows, because China needs those to accelerate its economic growth, which has slowed badly. So I would think, probably, yeah, investment and technology would be the two things he would worry most about.

Mr. Krishnamoorthi. Thank you.

The Chairman. Crenshaw, then Crow.

Mr. Crenshaw?

Mr. Crenshaw. Thank you, Mr. Chairman.

Thank you all for being here. This is an amazing panel. And I could ask a million questions, but I am going to focus on one topic, which is something Mr. Walters has brought up, which is the cartels south of our border.

I mean, you have noted, quite emphatically, they are a major national security threat to our country. And, of course, they are in bed with the Chinese Communist Party, to the point where the Chinese Communist Party actively facilitates their activities, the precursors to fentanyl, and their financing.

You know, there are a couple things you said that were interesting. Does the goal of reducing overdose deaths, that goal, does that work if we only focus on harm reduction?

Mr. Walters. No --

Mr. Crenshaw. Or does it increase?

Mr. Walters. It is -- with the best of intentions, we have reversed our policy priorities in such a way that we have created a catastrophe. We wanted to stop people from dying. We wanted to work on prevention. We wanted to have more treatment. But the problem is, it is a misunderstanding of the phenomenon. The supply causes the harm, and we are being overwhelmed here. I mean, if I wanted to be glib, I would say it is like fighting a war by building field hospitals. The enemy can cause harm faster than you can repair it here.

And you have to go -- now, we used to talk about -- when I was in government, going back to the Reagan administration, working on drug policy, we talked about a balanced strategy between supply and demand. I think, right now, I would say this is all about supply --

Mr. Crenshaw. Right.

Mr. Walters. -- that the flow of supply will cause the harm. Just because we have certain freedoms, we have certain things that I say we can't end --

Mr. Crenshaw. Right. You at least have to mitigate it --

Mr. Walters. Yeah.

Mr. Crenshaw. -- which I think you point out really well in your testimony, is that

the war on drugs is about mitigating the threat. It is not that we are saying we will ever just eradicate it. You are never going to eradicate the human need for self-harm and addiction. It is just not going to happen.

But focusing back on the Intelligence Community, do we apply sufficient resources to the cartels and their alliance with the Chinese Communist Party?

Mr. Walters. Oh, I don't see what I used to see, but I would doubt it seriously, that we don't need a [inaudible].

And when you asked the question about successes in the Intelligence Community, the enormous success was, after 9/11, there wasn't a major attack on the homeland. That is mind-boggling. And that required enormous intelligence linked to action to stop that kind of threat.

Mr. Crenshaw. What would proper resource allocation look like? Would it look like an equivalent of a counterterrorism center? Would it look like a joint task force specifically looking at this problem? Do we need to just build upon infrastructure that already exists?

Mr. Walters. I don't know what the state of the current counterterrorism structure is, but my inclination would be, you either need to build onto that, the narco-terrorist mission, or you need to create something that is parallel.

Now, we have a different problem, because we are going to have a significant amount of domestic law enforcement tied to this that is going to be separate. But, look, we did that in the drug war. I mean, we -- and I was there at the beginning of Bush 41 where we had to settle battles between the CIA and the DEA. It wasn't perfect. You have to bump along here. But we also rolled some capacities in that really made a difference.

And what you had with -- when I was working with President Uribe during Bush

43, you know, we were pretty aggressive. We didn't advertise it. Other things were going on. But we can do a lot of things when we decide to do it.

And you don't have to do a lot of it. These guys are not people who want to die for their commitment. They want to make money.

Mr. Crenshaw. I will take this opportunity to make a pitch for a bill that I have been passing around on both sides of the aisle, which is an authorized use of military force against the cartels or anyone that produces and traffics fentanyl.

You know, it is important to note, this is not just kinetic in nature, right? This is diplomatic leverage. And, more importantly, this is authorization for collection that the DOD is currently not authorized to do.

What is your opinion on that?

Mr. Walters. I think that is helpful. I think beginning with the standard of: This will not continue, that the American people have an interest, that their leaders have an interest, and we are going to say, this stops now, and we are going to use these tools.

We are going to have to use some military tools, I agree, and I think we are going to have to use some others. But we can cooperate with the Mexican Government in an --

Mr. Crenshaw. Of course.

Mr. Walters. -- enormous way to help them --

Mr. Crenshaw. And that gets to my next question, which I will kind of open up to the panel, because this is a broader strategic question, which is: What leverage points should we press with respect to Mexico to get them to act and cooperate with us better?

And I will leave it there.

Mr. Haass. Unfortunately, I think it is tough. A cooperative relationship like we had with Colombia is probably not in the cards because Mexico is allergic to that kind of American intrusive involvement, even though it would be in their own self-interest to let it

happen. And, right now, our relations with Mexico are so hinging on the border issue that it is hard for me to imagine that we have a whole lot of leverage.

Look, at some point, we are going to have to modernize the USMCA. There are things in that for Mexico as well as for us. And the question is, could this -- and I am not an expert on it; I have already told you more than I know on this particular topic of drugs -- but are there things we could put into the next phase of USMCA that Mexico would perhaps sign on to because they would like the overall package? I would at least look at that.

Mr. Crenshaw. Thank you.

I yield back.

The Chairman. Thank you.

Mr. Crow?

Mr. Crow. Thank you, Mr. Chairman.

And thank you all for the insightful discussion. I really appreciate your time and your commitment to this.

Ukraine has illustrated this growing trend, positive trend, in my view, about the use of declassification and using our intelligence to share publicly, not only to shape public opinion, but also to create diplomatic sanctions, coalitions, and advancement of them, but also to deprive people like Vladimir Putin from the ability to conduct false-flag operations and other types of things of which he is very well adept historically.

So I would like to hear from all of you a little bit more about what are the institutional and cultural barriers that remain within the IC that prevent us from continuing to capitalize on this trend of declassification as a tool of diplomacy and coalition-building.

Ms. Zegart. I will start. Thank you, Congressman.

I agree; I think that the paradigm shift of declassifying intelligence has been

incredibly important in the war on Ukraine. Setting Putin on his back foot helped rally the allies, got the truth out before the lie. It is a new way of fighting information warfare, and it should be a model to continue.

You asked what the barriers are. As you know, the culture inside the Intelligence Community has long been: We get national advantage from concealing intelligence, not revealing intelligence. And there are good reasons why that is -- the protection of sensitive sources and methods. But that cost-gain calculation is now changing.

So I think that cultural barrier is important. Developing a systematic process to do the intelligence gain-loss across the community will also be important, going from the current crisis in Ukraine to a more broad-based how do we do this across different threat areas that the Intelligence Community is covering.

Mr. Walters. Can I -- I would say two things.

One, I don't think we have an institutional structure or an information structure that looks at the way in which threats have multiplied and how they interact.

I mean, our adversaries have weaponized not just information but trade, student exchanges, indirect institutions, compromising information against individuals. We are not putting that together and seeing how many of these things -- things that we thought were benign are being turned against us faster than we are recognizing them, and we are not seeing the aggregate effect of those. I think we need more attention to that.

Secondly, I think what you see with Ukraine is an example also of we need to develop more technology that is shareable. We have too many restraints on things that are now being needed in the battle that are restricted on what we can share.

We have to move more to either commercial equipment that can be allowed within the technology that is in those systems, but we ought to look at creating a whole array of things that we can give to people that are effective that are our allies that don't have the

same cumbersomeness that we have now.

Mr. Crow. Thank you.

And I did want to get to one other issue. And we talked about the issue of declassification, but I would like to just touch very briefly on the issue of how we share classified information.

We obviously have the Five Eyes relationship, which has been a great relationship. There are a lot of people who would like to join that. There are restrictions, as we know, with the security of telecommunication systems in Europe that provide some restrictions on our ability to expand those partnerships.

But, very briefly, could one or two of you touch on, where do you think there are opportunities to expand or to create new intelligence-sharing relationships similar to the very successful Five Eyes relationship?

Mr. Kempe. So I will answer very quickly.

Richard talked earlier about what we might have learned from the sharing that we have done on Ukraine and now on China. And so I would start there. If it worked well, then what lessons you have from that.

There is also an incentive question here, which is, no one in the intelligence world has ever been promised (ph) for not sharing something, but how do you incentivize someone to share?

We did a paper with a DIA senior executive and retired British military intelligence officer. It is entitled "Beyond NOFORN: Solutions for Increased Intelligence Sharing Among Allies." And given the time, I won't recount the details here, but it has several policy recommendations to reduce barriers to cooperation.

But it then concludes that it would really have to be done by legislation, oversight. So it would be more likely to come from you here on the Hill than from the Intelligence

Community itself.

Mr. Matheny. I think, given the importance of developing economic strategies in concert with our allies and partners, focusing on the sharing of classified economic intelligence and science and technology intelligence with key allies and partners would make sense as a place to start. And that would include, then, the Five Eyes but also Germany, France, Japan, Singapore, the Netherlands, and South Korea.

And we did this already on a case-by-case basis, but I think creating a Five Eyes-like structure to have greater agility in sharing data with allies and partners would make sense in the economic and tech domains.

Mr. Walters. I think this is a very important opportunity for us with open-source data and other things to create -- because it is not just a security matter; it is a diplomatic manner. It is a way of bringing people together, of bringing them together on both foreign policy and security policy but even on economic policy, get a common picture.

And if you can create even tiers of people we can interact with, maybe -- aside from the rigor of the Five Eyes. We don't want to lose some of that. But, on the other hand, as you mentioned, there are key people that we can expand with.

One of them, I think, that is obvious is India. We need to bring India in more effectively. They have reasons why they are going to be sensitive about that. But, again, there is a lot of information we can share that isn't necessarily subject to, you know, public debate that can help make them see the world the way we see the world in the Pacific, the Pacific Islands, as well as in Europe and Latin America and Africa.

This is a huge strength that we can exploit if we can create the right structures and manage them properly.

Mr. Haass. Can I just say one thing?

It is not just who we share it with; it is what we share.

So, if we want countries to join with us on a sanction against a specific country, it would be really good -- something we tend not to do is do the analysis before we put the sanction on, as to what impact we think it will have on the target, what it will take in order to accomplish that and so forth. Then it becomes a lot more persuasive.

And, too often, sanctions become a "well, we want to do something, don't just stand there, but we don't want to use military force" kind of tool. I think if we were analytically backed much more than we are now, it might actually help us.

Mr. Crow. Thank you.

The Chairman. Mr. Waltz?

Mr. Waltz. Thank you, Mr. Chairman.

And, Mr. Walters, I am glad to hear you mention India. I am co-chair of the U.S. India Caucus. I think it is one of the most consequential relationships for the United States in the 21st century.

I wanted to switch back to the Chinese Communist Party for a moment and get your thoughts on really the state of play with the relationship now.

I mean, doctrinally, definitionally, I think by most understandings, if a country is engaged diplomatically, informationally, militarily, economically, to supplant another, as Chairman Xi has laid out in his speech, various speeches, to the Twentieth Party Congress, by most definitions, I would say that was a cold war, that they have entered into a cold war with the United States.

I know there are all kinds of entities who don't like to hear that, because they have all kinds of economic interests aligned there that they don't want put at risk, particularly key institutions in the United States.

Mr. Walters, do you agree or disagree that the CCP has entered into a cold war with the United States to achieve its goal, its China dream to replace the American Dream?

Mr. Walters. Yeah, I agree completely. But I also think that it is very important that we conduct this kind of discussion in the open by separating the Chinese Communist Party from the Chinese people.

Mr. Waltz. Absolutely.

Mr. Walters. Because we can help --

Mr. Waltz. And I say that very carefully.

Mr. Walters. We can help to create that kind of chaos that Xi fears. And, also, it gives us leverage, and it gives us a way of denying what they want to assert, which is that we don't like the rise of the people of China and the earned capacity they have in the world. That is not true. We want everyone to have the freedoms and prosperity that we enjoy, and the world is more prosperous when we work together.

Mr. Waltz. Particularly the 300 million, roughly, ethnic minorities that are being brutally oppressed and --

Mr. Walters. Absolutely.

Mr. Waltz. -- assimilated in what is right now probably -- or is, by multiple administrations, the most significant genocide since World War II.

So, to take that a step further, I think you are absolutely right that we need to start talking about it in this way, because in the Cold War we would not allow the types of things that we still allow of the Chinese Communist Party, whether that is the activities in their consulate, including in Houston, that was shut down with the massive spying activities, whether that is 400,000 researchers and students into our universities. Again, nothing against those amazing young kids, but they have no choice, under the current espionage law, to take what they are told to take.

So how do we begin talking about that in a way that Wall Street, that academia, that Hollywood, that the sports industry, and so many others who have such financial

interests can appreciate the national security concerns and truly what is at stake? Xi is laying out his plan to supplant the United States.

Mr. Walters. Well, we are doing work on --

Mr. Waltz. I will go to you next, Dr. Haass.

Mr. Walters. Yeah. We are doing work on, one, what would a post-Communist China look like, and how could you help them get there? I think we should spend some time thinking about that, and I think we should do some time thinking about that in public.

I think we should also provide a more detailed analysis of all the ways in which we are engaged in a conflict with them and what they are doing. I focused on narcotics because I think that is an unappreciated direct attack on the United States and it is intentional, but there is a whole number of other efforts they are doing to suborn people in Latin America, in Africa, to have fields of power projection around the world. We don't talk about those enough. And so we are not creating an informed American public that sees what we need to do to support these things.

Mr. Waltz. Thank you. And I am proud to co-sponsor Representative Crenshaw's authorization for the use of military force on the cartels.

Dr. Haass, you are champing at the bit. Very quickly, because I have one other issue I would like to get to in my time --

Mr. Haass. Yeah, I would probably give you a different perspective.

I think the only serious foreign policy for the foreseeable future towards China is, like it or not, that we assume the CCP is running that country. I don't think we have a serious policy of any kind of fundamental systemic change.

I don't find the Cold War a terrible useful analogy. China is way too economically entrenched in much of the world. The Soviet Union never was. So it is a qualitatively different challenge.

I would focus on what I think is the biggest probably medium-term challenge, which is deterring any Chinese coercion or aggression against Taiwan. And I think we have a playbook for what we have to do there.

I think you underestimate Chinese weaknesses. I am actually quite aware of those, and I think there is -- the biggest threat to China's rise is China. And --

Mr. Waltz. Oh, no, I actually agree. The thing they fear the most are, frankly, their own people. However, there is a real debate to be had, whether those weaknesses will accelerate Xi's plans. Russia has a lot of weaknesses too. It certainly didn't slow down Putin.

I think, Mr. Chairman, I am out of time.

Mr. Haass. Sorry.

Mr. Waltz. I yield.

The Chairman. Ms. Spanberger?

Ms. Spanberger. Well, thank you all for being here.

I would like to ask about a couple different things, and I will begin with you, Dr. Zegart. I was really struck by the comment that you used in your written testimony and spoken testimony of wooing, not weeding.

I am a former intel officer. I was a case officer with the CIA, and my background check took almost 4 years, but I waited patiently, because that is what you do, the hardship you endure. And then, subsequently, there is kind of a continued sort of feeling of camaraderie in that process.

So, when you also spoke about lifers versus ambassadors, I was wondering if you could just expand upon how you actually operationalize that. What would be some shifts that you would recommend to the Intelligence Community, be it CIA or any of the others, in terms of how you go from that process of -- but also make sure you are keeping that

high standard and, you know, potentially weeding out people who aren't correct applicants, but create a different feeling where people are staying or rotating out and coming back?

Ms. Zegart. Congresswoman, I am not surprised and I deeply appreciate that you waited 4 years to join the Central Intelligence Agency ranks. It shouldn't take that long.

I think the broader challenge, if we look at talent management, is that the Intelligence Community attracts true believers in the mission and people for whom it is the family business, and that is not enough today. We have to recruit a broader array of talent, whether it is an English major or whether it is a computer scientist. And that is why the wooing and not weeding is so much more important.

And so my experience at Stanford, as I wrote in my testimony, is I see the ones who got away, not the ones who go in, particularly the engineering students. And I have learned a couple of things from them.

Number one, presence is influence. When intelligence officials come to university campuses, it matters. General Nakasone has been to Stanford last year to meet with undergraduates. He is coming again. It matters.

And, number two, we have to reduce the pain points so that we can get a college junior or a college senior that has been exposed to the IC and now has changed their career plans, in terms of making it more fluid for people to go in and out. As you know, today's young people don't envision a career in one place. So we have to adopt some of the recommendations that Jason has mentioned to make it much easier for people to go in and out.

I will give you one concrete example. A student goes through the entire clearance process, gets a conditional offer, but suddenly a billet is not available. What happens? They have to start all over.

They should be put in a separate pool of trusted, vetted applicants that then could

be -- wouldn't have to start all over if they want to apply to an IC job later on down the line. Small fixes with big impact.

Ms. Spanberger. And in that proposal -- and, Dr. Matheny, I welcome you to provide input here as well.

With that concrete example, then is that more of a centralized hiring model? Or does that make it so that someone who has been vetted and cleared, kind of, can be transferrable among agencies that might have a billet? Specifically, how does that look?

Ms. Zegart. It should be both. It should be within agencies and across them so that you can harness that talent wherever it is needed whenever it is available.

Mr. Matheny. Strong agreement. I think interagency clearance reciprocity so that you are getting one clearance to work in the Intelligence Community would make it much easier on the hiring side, on the retention side, on being able to have joint duty opportunities to share that talent when it has already been vetted.

And I also think having a more agile and forgiving approach for folks who want to spend a short amount of time in the Intelligence Community, go outside, and then come back. Right now, we make it very difficult to come back, and, in many cases, you have to go through the entire process all over again, which is going to make it harder to bring back the talent that actually we most want -- the ones that are curious, that want to work in other industries, that might want to work in the tech industry for a while or a think tank, but then return back to the Intelligence Community.

Ms. Spanberger. Thank you. Excellent points.

And then switching gears rather aggressively, Mr. Walters, I appreciated your testimony, both written and here before the committee, related to fentanyl, related to the CCP's involvement in -- or responsibility for the fentanyl that comes into the United States.

In looking at the overall issues of U.S. intel posturing towards our partnerships with

liaison agencies throughout Central America and South America, where do you see are areas for significant improvement in thwarting transnational

criminal -- oh -- organizations?

I apologize. I am running out of time, and we will follow up with this in a written question.

Mr. Walters. The difficulty in answering that is, in my experience, the relationships are key. We had good relationships when I worked with Colombia. We had good relationships in Mexico with President Calderon. All those have changed, and they have declined, by obvious standards.

So, again, as you know because of your own experience that you just referred to earlier, these people are at risk. You know, when I worked for President George H.W. Bush, I was going to Colombia on a regular basis, and there were times where, from the 6 weeks from the last time I visited, the person I visited with had been killed.

Ms. Spanberger. Uh-huh.

Mr. Walters. And we have to think about the environment we are working in, and we have to be prepared to work in that environment and deal with the fact that there is a lot of comprised people, and they are not necessarily bad people. You know, people can be very brave when their life is on the line. When somebody is telling you, "I know where your child goes to elementary school," even brave people have second thoughts. And that is what is going on here, and there has been a lot of penetration.

So we have to have some durability, and we have to work with them, and we are going to have to show that we are willing to stay with them. And we are going to have to show that we are willing to do some things that we don't do in non-tough situations to their enemies. And they have to know that we are going to be with them.

And if we don't, we kind of ask them to do something that doesn't make any

common sense, like commit suicide, and that is a bad policy all the way around. And we get frustrated because people don't behave in ways that, for their own self-preservation, they can't behave.

Ms. Spanberger. Thank you.

Thank you, Mr. Chairman, for letting us go over.

The Chairman. Thank you.

Before I go to Ms. Spanberger, Dr. Haass has a hard stop.

I appreciate you being here.

If everyone else could stay, I would appreciate it, for the last question.

I do want to make a closing comment while Dr. Haass is departing.

On open-source, I do agree with Dr. Zegart. I think you are absolutely right, Dr. Haass, on the issue of open-source needing to be incorporated into every aspect. But the problem is that they incorporate that into classified information and the pursuit of classified information that is not usable by policymakers. One aspect of Dr. Zegart's proposal is that it would make it available to Congress in its deliberations.

So I thank you both for raising that issue, because I think it is important.

Turning to Ms. Spanberger -- Houlahan. Sorry. Ms. Houlahan.

Ms. Houlahan. No worries.

I am sorry to miss you, Dr. Haass. I had a question for you.

My questions have to do with Dr. Zegart and Dr. Matheny. Is that correct pronunciation?

And you both focused a little bit on emerging threats, emerging technologies, and also workforce issues. And I believe when I was gone, unfortunately, you mentioned something about the digital service academy as well as immigration issues.

And so my questions are: Knowing that we know where our challenges are and

that we have enormous challenges in workforce -- and your conversation about being more open about recruiting and about being more on the wooing side of things, you know, really resonated with me in terms of how tech industries in general recruit people.

I also came out of Teach for America, and that is an organization where I think that they did a great job of indoctrinating the people who come back out the other side with the importance of education and specifically urban and rural education. And we need something similar to that that brings people into the workforce in these highly important areas like intel and also allows them to leave and perhaps come back as well.

So I was hoping you could, you know, blue-sky with me and help me understand how we will ever blow up, you know, the institution that we have right now, which is pretty difficult and calcified to be able to change from an HR perspective, and be able to sort of unwind that so that we can recruit the best and the brightest to be able to help us in these challenging times with these technologies.

[12:02 p.m.]

Ms. Zegart. Thank you, Congresswoman.

This is a crucial issue, as you know. So I think there are a couple of things that can be done, and it is not all bad news.

So, if we look at what the Intelligence Community has done over the past few years, it is engaging more with the open. We do see products for the open. We do see cybersecurity advisories with NSA, CISA, the FBI, et cetera. And so there is movement there. The declassification of intelligence in Ukraine is another big step forward.

The challenge is that engaging with the public is still an unnatural act. And I mentioned in my remarks that one of the five "mores" is more customers. So this is not a nice-to-have; this is a must-have. Voters need intelligence about election threats. Critical infrastructure leaders need intelligence about cyber threats to and through their systems. And so the human talent piece is part of a broader challenge, which is, how does the IC get more comfortable working with and producing for the open.

Now, I think there are cultural shifts underway. You know times are changing when the CIA has a podcast about itself that is public. But that requires leadership, and it requires relentless focus on the talent piece.

I don't think it is as hard as we think it could be. Simply moving from the generic form letters that students get to something that actually says, "Thank you for applying, we think you're terrific, you won't work out now," would go a long way. It is stunning to me to see the bureaucratic and impersonal approach of the Intelligence Community. So change in tone would go a long way.

Ms. Houlahan. And Dr. Matheny?

Mr. Matheny. I think the current security clearance process is one of the biggest barriers to expanding our access to talent. And I think there are a few potential

approaches.

One is clearance reform to figure out how we can accelerate that process, how we can make that process less burdensome both for the applicant as well as for the agencies.

Second is to start the clearance process earlier, in grad school, for example. Using that sort of proactive recruitment approach that Dr. Zegart was recommending, if we identify the talent that ultimately we want to recruit, putting them in for security clearances while they are still in school could make sense.

The third is thinking about ways of using the Intergovernmental Personnel Act with greater agility so that we could draw in talent from academia, from industry, and from think tanks.

And fourth is thinking about what would be a substantial shift, which is giving security clearances to non-citizens. As Dr. Zegart noted, you know, we really depend on high-skilled immigration in the United States. The United States has only 4 percent of the global population. We are competing against a country that has four and a half times our population. If we can recruit more people from more countries to work on problems of shared national and global interest, that would be to our advantage.

Ms. Houlahan. Thank you.

I yield back.

The Chairman. Thank you.

Closing comments, Mr. Himes?

Mr. Himes. Well, I just want to say thank you to our witnesses. This was a remarkable and broad-ranging conversation, from narcotics to AI, to biosynthesis, to the structure of the IC. And I think this is exactly what the chairman had in mind when we decided to do these things in open session.

I would just, in addition to thank you, say that I hope we can continue to draw on

you as a resource as we actually look to make changes in black-and-white law to address these issues.

And thank you. I yield back.

The Chairman. Thank you.

This is incredibly stimulating, and I think it is inspirational for our members of our committee to hear the breadth of your expertise and your insight and your recommendations.

Again, this is an ongoing invitation. Please grab our members, please grab myself or the ranking member, as you have issues. We want to work with you. We want to make certain we incorporate them into our strategies.

So thank you for your work today.

We will be adjourned.

[Whereupon, at 12:06 p.m., the committee was adjourned.]