

Foundation for Defense of Democracies and The Brookings Institution  
Panel | Economic Defeat of the Islamic State: Behind the Scenes of Operation Tidal Wave II

May 10, 2019

Speakers: Nancy Youssef, Wall Street Journal, moderator

General John Allen (USMC, ret.), former special presidential envoy for the Global Coalition to Counter ISIL, and president, Brookings Institution

Lieutenant General Sean MacFarland (USA, ret.), former commander, Combined Joint Task Force-Operation Inherent Resolve

David Asher, FDD Senior Fellow, and advisor to the Foundation for Defense of Democracies' Center on Economic and Financial Power

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YOUSSEF: Well, I'm really excited about the discussion I'm going to have today and the panel who's going to be leading it because it's such an integral part of a lot of the issues that we talk about vis-a-vis ISIS and extremist groups around the world.

And so let me begin by introducing our very esteemed panel. To my immediate right is General Allen, who is a retired Marine four-star. And he served as the special presidential envoy for global -- for the Global Coalition to Counter the Islamic State and currently serves as the president of the Brookings Institution.

To his right is Sean MacFarland, who's a retired three-star. And he served as the commander of the coalition against ISIS in Syria and Iraq during this crucial period that we'll be talking about today.

And to his right is David Asher, who helped develop Operation Tidal Wave II and served in the State Department under General Allen. He is currently an FDD senior fellow and adviser to FDD's Center on Economic and Financial Power.

So welcome to our panel.

ASHER: Thank you.

YOUSSEF: Thank you.

General Allen, I'd love to start with you, if I could, please.

I was wondering if you could give our audience a sort of broad outline in terms of how ISIS finances were organized around 2014, how it was integrated into the caliphate, and why that structure made going after the finances such a necessary part of the campaign to defeat the physical caliphate?

ALLEN: Well, it's a great question. Let me -- am I going out; can everybody hear me OK?

A couple of opening remarks, if I could, please.

YOUSSEF: Yes.

ALLEN: This is a wonderful audience. I recognize many folks with whom I served. I also recognize a number of the media. I never miss an opportunity these days to thank the media for their service. You're not the enemy of me. And what a wonderful group of folks who are here this afternoon.

And I have to acknowledge the presence of Judge William Webster. And I'm really honored to be in your presence today, sir. So thank you.

Also, David Asher and Sean MacFarland.

David and I served together many times, actually, in operations going after the economic capabilities of some of our nation's staunchest foes, some of whom are in the headlines today. And David's always been one of our great thinkers in the context of economic warfare, which is, sort of, a difficult thing that -- for Americans to contemplate.

And General MacFarland is like a brother in many respects. He was Colonel MacFarland in Ramadi in 2006 and 2007. And I think if I could point to a single person who was with the Iraqi tribes for the emergence of the Sahwa, the Awakening, which fundamentally changed the war, it was Sean. He would later be my deputy in Afghanistan and would later be the commander on the ground in the war against the Islamic State.

So wonderful colleagues and friends and brothers, in many respects.

Your question is really important because, as the wars, as the Iraq war and Afghan war began to gain momentum, early in both of those conflicts, it became very clear that external support and the capacity for the organizations we were fighting to sustain themselves financially, economically, monetarily, whatever -- however term you'd want to apply, was really central to their capacity to be successful.

And so for us in Iraq, initially, and then ultimately in Afghanistan in particular, with the help of David and Sean, in both of those conflicts, we began to systematically analyze what are some of the immutable principles associated with an organization like al-Qaeda in Iraq or the Taliban or the Islamic State or others like that. What are some of the immutable principles that they have to follow in order to sustain themselves?

And for -- for us in Iraq and in Afghanistan, much of that support was externally provided. And, frankly, much of it came from the Gulf. And the intelligence was never entirely certain -- and I spent a lot of time looking at it -- as to whether it came officially or came from the most senior officials in certain countries, apart from the government, et cetera.

So it just came. And we -- we spent a lot of time with the hawala network, which is the courier network that moves money around the region: very sophisticated, at the same time, very simple.

So this was important. And we described the issue of attacking the finances as denying the oxygen to the organization.

OK, here comes the so-called Islamic State, Daesh. It was completely different in that context than we had seen with an al-Qaeda and we had seen with the Taliban.

In many respects, while other groups were -- were deeply reliant upon external support -- and I told you the story in the break that in 2012, in Afghanistan, Sean and I dealt with the reality that as the war picked up momentum in Syria, funding was being diverted from the Taliban in Afghanistan to support some of the initial operations of the insurgents in Syria.

And that was very interesting to see the -- how the price of IDs went up, the price of RPG warheads went up, and so on. So the war became more difficult in that regard.

What was different about Daesh was that -- and I have to rely on others to tell me this -- was whether they had intentionally tried to self-contain their capacity for their financial security. And it ran across roughly five principal categories. And this was one of the lines of effort in our strategy, was to go -- consciously go after their capacity to support themselves.

The first was the oil capacity. And I remember the first night that we did air strikes in Syria with the five Arab states flying alongside the U.S. Air Force, we went after the micro-refining centers -- the micro-refineries that were being established in the region.

And most of that was in northeast Syria. To my knowledge -- and Sean could correct me -- I don't think there was any Iraqi oil involved in this. It was mostly Syrian oil.

So going after the oil capacity to generate money was one of the -- the key strengths. So it was that.

It was the institutionalized extortion of the subjugated population. So you were taxed if you went to the hospital. You were taxed if you went to the bank. And you were taxed if you went through a checkpoint. And if you were Shia and you went through a checkpoint, you never went through another checkpoint. So there was a systematized extortion that went on.

There was the revenue that, sadly and horrifically, was generated through the sale of the sex slaves, women who had been captured, Yazidis in many respects -- most respects.

Then there was the sale of antiquities. You know, you saw the video of the Islamic State characters damaging and destroying the personification art in Iraq and in Syria. What you didn't know was that they were plundering those -- those museums and archaeological sites for artifacts and they were selling them on the market -- the black market.

Let's see -- and I think that's -- that is about it, except for when, as they cast their control over certain areas, they also took the custody of the -- the deposits in the banks. Huge amounts of money. We never really know for sure how much it was. Sean or David may know. But we thought it was somewhere in excess of \$500 million, which they intended...

YOUSSEF: Just from banks?

ALLEN: Just from banks. Which they intended to keep for a rainy day, in the event that we constrained them some other way.

And it was very interesting that there was a last source of funding, which we were looking for to see if we could at least isolate the area from this funding, which was -- which was what we were used to seeing, which was something coming from outside. And in the context of 100 percent being the whole, it was a relatively small amount. It was, like, \$70 million at any given time that we saw, and that number is a little fuzzy.

So it was the oil industry. It was systematized extortion. It was the internal sale of slaves. It was the artifact industry. It was the deposits in the banks. And to some small extent, it was external financing.

YOUSSEF: What's interesting that you -- as you point out in such a wonderful and detailed way, is this focus on self-contained financing rather than depending on externals. So it strikes me, then, you'd have to go about it militarily, differently than you did against past groups.

And I was wondering, Mr. Asher, if you could walk us through how you start crafting a plan to go after them when the -- when the system is so different than ones you've encountered in the past, that it's not about pressuring external actors, but really infiltrating a well-organized state.

ASHER: So I was personally influenced by the planning that went into something called Operation Matrix against Milosevic in '98. It took a long time for anyone to finally act. But what they did is, they created a very sophisticated target list of all the factories, facilitators, the flow of men, money and materiel.

And they hit the people that were on his side, and left the people that were against them relatively pristine and built them up. And I mean, then we went after -- we, in that case, we went after over \$3 billion in Cyprus that had -- we collapsed their finances externally. That really, pretty much broke the bank.

In this case, we applied sort of a similar horse blanket approach. It's actually a slide that's similar to what we had -- it's up there -- just laid out what I would call the financial order battle, OK? We -- military uses the word "battle," how many tanks, planes, you know, soldiers there are.

I approach the financial system or the economy of a terrorist group the same way. And in this case, it was exceptionally -- I'd have to say, once we started to understand how self-contained they were, it was -- I'm not saying it was easy. We had a lot of issues getting information to address the gaps.

But once we started to do the mission analysis ourselves as a team -- I brought together a great team, with the Economic Bureau at the State Department to support General Allen, and we've got many of them here today.

And really, it was -- it was just very -- we had a sort of self-contained effort to apply sort of a -- I call it a somewhat unconventional analysis to map out who's in charge of the money, who are the administrative emirs, where is it deposited, how is it distributed. And we started to find out things.

And, you know, I have to say, there was a lot of -- a lot of the gaps -- we just decided to go direct to the Iraqis. I mean, we were talking to the Iraqi central bank governor and asking, "Well, how much money is in the central bank in Mosul?" And he said, "Well, between \$500 and

a billion dollars," which is more than we heard from other people. I -- you know, I don't think we know, to this day.

But, you know, we put together a target list that became -- as it flowed into the hands of General MacFarland and his great planners, they built Tidal Wave II. We built the campaign to crush the Islamic State economically for the interagency Financial Security Council in the State Department. But you know, once the orders came in, the general was there, we started to expand on that. They did a tremendous job.

YOUSSEF: So what I hear you saying is, in a weird way, it was almost easier when it was contained because you could -- your targets are within two states. They're within -- rather than having to go to allies or other countries to try to contain this problem. That once you identified it, it was easier, then, kind of to come up with a battle plan to go after it.

ASHER: I'd say so. I think there was one significant place that we couldn't really address effectively. And it is what concerns me today. I know we're not -- we're skipping ahead and I'm not going to talk about it. But we had a real problem with Turkey and the flow of money. They've got a long border.

And, you know, it was sort of like -- I used to call it the ATM for the Islamic State. They just cross the border and get money out. And, you know, there was an effort. There were efforts made by the Turkish government to crack down on it, but there was an awful lot of oil smuggling that was going on. And, you know, if there's any place where this thing's going to re-emerge financially, it's probably there.

But overall, we -- you know, we put together this target list and then we had to convince people, which General Allen and I worked out. He did most of the heavy lifting with the NSC because, you see, people thought, you know, "These are innocents. These are -- these accountants aren't carrying guns," you know?

But we said, "If you get the -- the money, you're going to have a much greater effect than anything else you could do to help shatter the glass of the Islamic State's finances and organization."

ALLEN: ... I think what's important, as Dave said, we have at least one of the analysts who did the -- really, and I'm not going to single her out because we're not allowed here.

But the -- the -- we use the term "target list." I want to make sure everybody understands. "Target list" didn't imply the necessity to drop a 2,000-pound bomb or to employ Hellfire missiles. The target list was a broad swathe of targets against which we could apply effects.

And this is where I think the -- the success of the interagency process and the ability to think at a grand strategic level and not just at a military strategic level.

This brought State very strongly into the process. We could not have made this kind of progress without State. It brought the Department of Justice into this. Because some of these targets could be serviced with indictments. Or sanctions from Treasury. Or freezes of their assets. Some of them could only be serviced kinetically.

But there was a broad spread, a spectrum of the kinds of entities or people or organizations that were included in the analysis, through really detailed -- through our intelligence communities and supercomputing capabilities and detailed network analysis through big data analytics -- really detailed networks that gave us the capacity to go from the individual indictment all the way to a major kinetic exercise.

And if you're going to conduct economic warfare, it can't be all about the kinetics. In fact, there's a diplomatic dimension to it, there's a legal dimension to it, there's a Treasury dimension to it and there's a military dimension to it.

And then the military dimension has many different nuanced aspects of it. That's where Sean's tremendous leadership and planning capabilities paid off in a huge way.

YOUSSEF: Well, General, I'd love to talk to you about that because it seems like a much more nuanced battlefield that you'd be confronting if you have a Justice Department sort of enacting a form of warfare, and the Treasury Department.

I'm curious, as you approached the job, how did you think about it and how did that -- how did that evolution of thought happen, given these additional capabilities?

And also, you had the additional challenge of going after -- in some cases militarily -- largely civilian targets in an environment where there was an expectation of minimizing civilian casualties. So I'm wondering if you could walk me through how, when it became a military effort, how you managed that while trying to minimize civilian casualties.

MACFARLAND: OK. Well, I'll give it my best shot because, like you said, it's kind of complicated, Nancy.

First of all, there were, I think, what, nine lines of efforts there?

ALLEN: In the American plan.

MACFARLAND: In the American plan. I had two of them, really: to defeat the enemy, Daesh, and to build up our partners on the ground, their capacity to stand on their own two feet.

And in order for me to do that, to defeat the enemy and build up our partners, I had to look at the battle space, my area of operations, as one contiguous battlefield rather than a bifurcated battlefield where Iraq and Syria were fought differently.

Because the enemy didn't look at it that way. The enemy moved seamlessly back and forth. They had what we call interior lines, you know, within their caliphate. And we were kind of around the perimeter.

So rather than limit myself by the Iraqi-Syrian border, the Sykes-Picot line of infamy, I decided to draw lines based on operational considerations, and what we in the U.S. Army and military would have looked at is sort of an Airland battle construct with a close fight and a deep fight.

And I actually used the fire support coordination lines there, and came up with battlefield geometry where the deep fight was going to happen at certain areas and the close fight were

going to happen in others. And -- and in the deep battle, the idea was to weaken the enemies so that when the close battle reached that part of the battlefield it --- we would be sledding downhill, so to speak. So...

YOUSSEF: Can I just highlight?

MACFARLAND: Yes.

YOUSSEF: If I'm hearing you correctly, that is you go after things so by the time the battle from Mosul, or Ramadi, or Raqqa started, that -- that the -- most of the, sort of, fighting in a way had already happened?

MACFARLAND: Well you try to weak the enemy. So you know, they're -- they're -- and what we were looking at is, at the time, my close fight was consumed primarily in Iraq by the fight to retake Ramadi. But the next thing we had to do was get Mosul.

Meanwhile, in -- in northern Syria we were trying to build up the Syrian Democratic Forces and just kind of get them a little breathing room, and eventually they began their move towards Raqqa. So as the Syrian Democratic Forces were going to move to Raqqa, and the Iraqi security force was going to move to Mosul, we wanted to soften those targets, so to speak.

So there were three principal ways that I did that. One was going after command and control. And one of the things when I came in, Secretary of Defense Carter did, was he put really everything special operations, and conventional forces, and air operations all under my control, which helped tremendously.

Although, in Syria things are complicated, because there were really two wars in Syria, there was the civil war and then there was the war we were fighting against ISIS. But nevertheless, putting all the coalition forces under one hat allowed us to gain a little more cohesion in our efforts.

So one thing we looked at was logistics. Logistics included revenue sources; it included chemical weapons laboratories, VBIED factories, things of that nature. We looked at lines of communication, which included the ratlines that foreign fighters were using to come in to the theater and their training camps as well.

And then we looked at command and control. So the subset of logistics, the principal revenue source for the enemy, all the intelligence was telling me was oil. So in October -- I took over in September of '15 -- and in October 2015 we began going after our deep target set for revenue.

And I asked my staff to go out and tell me what these -- what the best targets would be. And they came back and they said, well, the gas-oil separation plant. So going after oil wells, there's thousands of them. It's kind of hard to take them out, they're easily replaced.

So there were two big target sets out there were these big, long parking lots of fuel trucks next to these gas-oil separation plants which, you know, the trucks were going in and loading up from. And then they were taking that truck and selling it to the Syrian regime or whoever they were going to sell it to.

And -- and I said, well, those are pretty juicy. And I said, well, we've got to have -- you know, one of the -- one of the challenges I had as commander was, like I mentioned, there's a close fight and we were doing what we call dynamic targeting. We were fighting bad guys on the front line every day in places like Ramadi and -- and elsewhere.

I had to divert resources from that fight in order to go after these targets -- primarily intelligence, surveillance and reconnaissance assets. And of course, every one of those times -- every time I would move this -- and General Allen remembers this from our time in Afghanistan. Any time you try to move a UAV line someplace, there's wailing and gnashing of teeth, right?

So I had to build a campaign -- an operation for that. And I called it -- looking for some inspiration from previous operations, Tidal Wave II. The original Tidal Wave was the bombing of the Nazi oil fields in Ploesti, Romania by the United States Air Force.

So I said, well, this is perfect. ISIS is probably about the worst people to come along since the Nazis, you know? And they're also reliant upon oil revenue and it's going to be our airpower predominantly that's going to strike them, so hence the name Tidal Wave II.

But the gas-oil separation plants were critical nodes and the fuel trucks, I wanted to get them first before they scattered. And my -- my partners down at Al Udeid Airbase in the CAOC...

ALLEN: What is a CAOC?

MACFARLAND: ... the Combined Air Operations Center that controlled all the air campaign -- and I had a lot of conversations about this. And I said, you know, to go after those trucks -- they're all lined up in neat rows.

I said, you know, when my son was a little boy he used to -- when we lived in Europe, and we'd go to Saint Marco Square in Venice or places in Paris. And he wouldn't look at any of the monuments. What he looked at is these flocks of pigeons that were on the ground. He would like to run and make them all scatter and fly up in the air. I said I don't want this to happen to all these fuel trucks, how can we prevent that?

And we came up with a lot of unique and innovative ways to do that but there was concern over civilian casualties and collateral damage. So we couldn't go after the trucks first so we went after the gas-oil separation plants instead while we continued to work through some of these other concerns on the -- on the truck lines. And we eventually were able to do both in late October, and early November of 2015.

And within two weeks, we began to get indications that the enemy was cutting the pay for their foreign fighters in half. That was the impact of this. And we knew, if we could continue to keep that pressure up, that things would only get harder for the enemy.

And then, it would help me with my other responsibility which is to build up our partners' capacity to fight, because if you lower the enemy's capacity you don't have to raise your partners' capacity as high to succeed. So it -- it worked on both levels.

ALLEN: Let me just add very quickly, it's really important to have the context, how this all looked when we started. The U.S. Army very quickly put some special operators in, in the



summer of '14 and discovered that perhaps as much of the Iraqi army was unaccounted for. Four entire divisions had completely vaporized in the north.

President Obama sent me to Turkey to negotiate with the Turks the repositioning of our strike aircraft in to Turkey so we didn't have a long transit. And when I arrived in Ankara, they gave me the first map of the region.

And everything from the Turkish border down, they colored it the same color as the Islamic State's flag, black. There was no part of the Turkish border, south of the Turkish-Syrian border, that was in the hands of what we might call friendly-forces.

We had zero options in Syria at the beginning of this, and few options in Iraq. So where we ended up relatively quickly with a commander like this running the ball, and -- and working through a very important international coalition was to have -- create options as quickly as we could.

So Turkey was working with us to relocate our strike aircraft. The KRG, the Kurdish Regional Government, had held firm. And, you know, in the big scheme of history, I think we'll see unsung -- although they're pretty famous -- the Peshmerga desperately fighting to hold the enemy at bay until the United States made the decision to intervene and begin to bomb them just outside Erbil.

This was an incredible moment. The Kurds held fast. They became the platform for us to build up forces in the north, both to focus to the west towards Syria and to the south towards Mosul and ultimately Iraq.

And then Sean and his folks would come in from the south and begin to build up to go to the north.

So we had few options. And it's -- it's important for people to understand not to judge the campaign how it ended, because we should -- we should do that. But I think it's important for people to have the context about how difficult this campaign was at the beginning.

MACFARLAND: Right. So, you know, one of the -- the other ways that we were able to deprive the enemy of revenue -- well, there were a couple ways. So in the U.S. military symbology, red is the enemy; blue is friendly; and green are allied forces.

And everybody on the ground really that were allied forces was just a sprinkling of blue in there to assist them. So on our maps we had these -- and it looked like a big green blob. And I called it the "green blob of freedom."

(LAUGHTER)

And my -- my job was to move that green blob of freedom to replace every place where there was red or black, depending on what color scheme was being used for ISIS. And -- and that blob moved faster and faster the more we depleted the enemy's resources and the more the Iraqi security forces and the Syrian Democratic Forces we were able to train and equip.

ALLEN: That's right.

MACFARLAND: And so that was, kind of -- we reached a tipping point along the way, as -- and it would not have happened as soon or as dramatically had we not gone after the revenues.

Now, one of the pictures he had up there was the bank revenue. That was probably...

YOUSSEF: Mm-hm.

MACFARLAND: The bank strike -- that was probably our biggest score, OK? You know, you had the mobile refineries and the gas-oil separation plants and the fuel trucks. And that was more of a -- a process. But when we were able to get information that there was a large amount of money stored in a specific location and we knew when payday was and we wanted to hit it before payday...

ALLEN: That's right.

MACFARLAND: ... right before payday, you know, this is the -- I think it says it's in Mosul, right?

ALLEN: Yep.

MACFARLAND: OK.

(LAUGHTER)

I didn't want to say anything that wasn't on the screen.

So that was a big one. It was our first one, in early November of '15. And you see the little flecks. And those were like wads of cash. And we -- we had -- we to weaponeer this. And I want to take this moment here to recognize the amazing skill of our airmen and the weaponeers and the staff who figured out how to do this.

Look, you know, I was just the commander. All I said was "I want you to go hit this target. And then the folks down at Al Udeid Air Base and the guys in the planes were the ones who pulled it off. And they did a magnificent job.

And one of the things we ought to be concerned about was this was in a built-up area. So there's a thing called "weaponeering." And we -- our team brilliantly weaponeered this strike so that, you know, really the only chance anybody was going to get killed is if they were standing in the bank vault or next to the bank vault, but probably not in the vault because, as David would tell you, it's freezing cold in there.

But, you know, unless there was somebody just, you know -- you know, standing right outside that vault, in a room next door or in a room directly above it, they weren't going to be hurt because of the -- the skill and the precision that we're -- our airmen are able to apply in these types of circumstances.

And they did that, and really the only thing that got hurt in this case -- there might have been a person in there -- I don't know; I never heard one way or the other -- but -- but you can see

the plume goes straight up. The walls don't fall down. It doesn't collapse into a heap of rubble or anything like that.

One thing we learned from this is, you know, the next day we saw ISIS guys out there with wheelbarrows trying to pick up the -- the singed currency and try to salvage as much of it as they could. So we took that as a little task to make sure that no currency escaped the fireball next time. And our brilliant weaponeers even figured out how to do that on subsequent strikes. So -- and I don't know how much of that money they were able to recirculate anyway.

YOUSSEF: Well, you -- oh, sorry.

(CROSSTALK)

MACFARLAND: So that -- so that strike was a -- a big one and, I think, very demoralizing for the enemy.

ALLEN: And we tracked, in Washington -- it would come from Sean and from our intelligence community -- we tracked what we believed to be, across the entire Islamic State, the battle space, what we thought the fighters were being paid.

YOUSSEF: Mm-hm.

ALLEN: And as Sean said very accurately, as the pay went down; as the pressure increased, the morale began to crack. And that's when we began to receive reporting that foreign fighters were trying to get out.

We also received the reporting that, as they discovered it, Daesh hardliners would isolate those foreign fighters as groups and sometimes would assassinate or would execute large numbers of foreign fighters now trying to escape the jihadi hell that was being inflicted on them, both by military action, increasing capabilities, but also, having drained those resources, life was becoming very difficult.

Because it wasn't money you were putting in their pockets, it was money that could be spent for fresh water -- in that area you needed a lot of fresh water to fight. You needed fuel for your vehicles. They were vehicle-mobile in many respects. You needed to buy ammunition, et cetera.

And as that money began to dry up, it was not just who you paid; it was how you supported those who you paid, and that became a problem greater and greater each day for the Islamic State commanders.

(CROSSTALK)

MACFARLAND: Their most effective fighters were their foreign fighters.

YOUSSEF: Sure.

MACFARLAND: And if they couldn't keep them on the payroll, then -- then the Islamic State was going to have a hard time defending what they -- what was left of the caliphate.

YOUSSEF: You know, I wanted to open up this question to everybody. Because we've talked a lot about targets, fuel lines, trucks, banks. But yet one of the most significant moments, as I remembered, is the death of Abu Sayyaf and the files that were gathered.

This is the financial emir who, as I recall, in the fall of 2015 was killed. And not only was that the loss of, sort of, the person who was leading the finances but also a treasure trove into the financial breakdown of the Islamic State.

So I'm curious -- and I'll leave this to anyone to answer -- how much of that shaped the -- and what does that tell us about the need to go after targets, versus specific people who are leading the finances?

Where is -- what did that teach you in terms of the individual versus the targets, when it comes to trying to destabilize and break apart Islamic State's finances?

ASHER: So my team had a very tight relationship with Special Operations, especially the Tier 1 most, you know, units I won't name. But we were very -- we worked very closely together, including on planning the Abu Sayyaf raid, which was going to be a raid. He was supposed to be captured, but he violently resisted so he was shot.

But we had a hypothesis that he was sitting on a tremendous amount of data that we thought -- and I think -- because we were correct, in hindsight -- that there was a sort of a backup file for a lot of the key ISIS financial files. He was the oil emir in Syria. He's frequently seen as the financial emir.

He's -- the oil emir basically was the financial emir in Syria. He was a guy that had experience in the oil industry, actually. But he also was, I think, sort of a computer guy. They had -- they had a tremendous amount of data.

And, you know, we worked hard to encourage our Special Operations colleagues to take everything out of there. Almost like Operation Neptune Spear. We wanted to get that data.

It took us quite a while, unfortunately, to exploit all the data. But when we started to do it, we were like, "Oh my God. We've got the entire -- you know, we've got their economic map."

YOUSSEF: ... this economic warfare, you have the economic battlefield?

ASHER: And that gave us the ability -- you know, in support of Central Command and supporting interagency, to start to inform what would become the economic war campaign plan released in the summer of 2015. And, you know, we created a large community of interest across the government and had lots of discussions.

But just -- just -- I cannot understate the importance of that. Had several friends who actually were on the raid and conducted the operation. And it was spectacular in its effect. Rarely do you find one guy who had that -- knew that much.

But this was sort of the theory. That in every mafia, there's, you know, a Tom Hagen or somebody. There's somebody that's, like, a, you know, sort of -- there's a consigliere in charge of finances.

And then through that, we continued to develop targets such as Haji Imam.

ALLEN: That's right.

ASHER: We talked about these finances -- financiers. He was not only the deputy emir of the Islamic State; he was the head of finance. I mean, he -- he ran everything.

He also was the Islamic State leader who had the closest relationship, even with Osama bin Laden himself. I mean, he had -- he had met him, he had -- so, you know, he became a super-high value target and something that General MacFarland could talk about.

But we -- we consciously created a -- sorry, essentially a hitlist of the top 10 most important people in the finances and administration and logistics of the Islamic State. And working with our incredible -- in support of our military -- they took them out and...

YOUSSEF: All 10?

ASHER: I think we hit all -- I think we came close to hitting them.

ALLEN: Sean can tell you. I think we cycled through a couple of them.

MACFARLAND: Yeah.

YOUSSEF: It's on the -- it's on the screen. You can say it.

MACFARLAND: I -- I don't -- I don't remember the exact tally. But we got some of them for sure. Some of them were Rasputin-like...

ASHER: Yeah.

MACFARLAND: ... very difficult to kill. You know, we thought we'd get them, and then they'd show up later and -- but -- but I think we were able to take a bite out of their senior leaders.

YOUSSEF: And how much of that economic warfare, then, is contingent on targets and - versus individuals then?

MACFARLAND: So the work that David was talking about, that initial spadework that I helped identify were these targets -- you know, the economic network was, informed our targeting of that, you know, for Tidal Wave. I mean, it was very helpful.

My targeteers didn't start with a blank sheet of paper when I said, "I want to go do this." They were able to leverage some of the great work that had gone before them.

ALLEN: Let me just -- there's a couple of things about targeting. It's not an either-or. It's both. And the most effective campaign plan is supported by a targeting process that must -- that doesn't just seek to service an individual target in some form or another, whether you're arresting them or whether you're freezing their assets or whether you're engaging them kinetically.

You're not just engaging the target. You want to create a psychological effect, both in terms of the timing of the engagement, the effect that it's going to have. You want to posture your intelligence to harvest that, which is going to come as a direct result. So you want to create, in many respects, the psychological outcome of a systematic target list that supports a campaign, is -- is far more the damaging outcome than the simple kinetic outcome.

And to the -- to the raid that went down on Abu Sayyaf, it's hard to overstate how important that was. Several things came out of that. One, several petabytes of information. And our magnificent intelligence folks were -- were churning out target data within 24 hours of some of the doc-ex, document exploitation that occurred.

We'd hoped to capture Abu Sayyaf. Sadly, that didn't happen. He was also having a meeting of some of the -- his regional emirs at the time, financial emirs. I think I'm not drifting into an area I shouldn't.

But the other really important thing is, two things. We captured Umm Sayyaf on that raid, Abu Sayyaf's wife. And a Yazidi sex slave. And other than the -- I think the euphoria of liberating that young woman, the information that that debrief created, that then created the entire network of liberation activities, was a -- was an immediate outcome as well.

Plus, very importantly, for the U.S. national leadership and our coalition leadership, it demonstrated just as we had been using Tier One Special Ops strike forces for years in Iraq and Afghanistan, here was -- here was a place where we could have an enormous payoff for the right unit going in at the right time to achieve the right effect on the right target.

YOUSSEF: I want to squeeze one more question in before we open it to the audience, and try to move things to current events because, of course, the Islamic State is not gone yet. And the estimates are that they have as much as \$50 million.

And I'm curious if you could kind of give our audience a sense, in terms of how they were able to retain that much money and -- and let's just start there because I want to -- I want to give the audience a chance to ask some questions.

ASHER: Oh, I want to let the generals stay and answer this question. But it's a lot less money than they used to have. That's all I could tell you...

(CROSSTALK)

ALLEN: I would have said the same thing.

ASHER: ... it's a -- if that's all they've got for real, we've achieved a tremendous economic warfare victory.

YOUSSEF: Fair enough. Do you see them, though, using it more for external operations, to try and sponsor outside attacks?

ASHER: Oh, I might want to defer to General Allen and MacFarland.

ALLEN: Well, let me very quickly. Daesh morphed in many ways in '15, to be much more than we had originally anticipated that it would. You heard -- it's often described as a three-headed monster.

The first monster, first head, which is what Sean had to deal with, was what we called "core Daesh," which was the definable border of the Islamic State, the caliphate. That's where much of his action occurred.

But Daesh grew two other heads. One was what we call -- would go on to call the "provincial Daesh," which are those Salafi jihadi organizations overseas that put their hands in the air and said, "We want to be part of the caliphate."

Not only did it give them local legitimacy, but it also fueled the narrative of the caliph and the caliphate, that it is both irresistible and inevitable that the caliphate will be successful by now having a whole series of overseas provinces.

And you've heard of some of them: Ansar al-Sharia in Libya, Boko Haram...

YOUSSEF: Mm-hm. Nigeria?

ALLEN: ... Abu Sayyaf in the -- in Mindanao, Jemaah Islamiyah in Indonesia, Ansar Bait al-Maqdis in the Sinai. They all became provinces.

That was a resource issue. And many of them wanted resources from the center. We've tracked their communications, and the answer was often, "You're going to have to find it locally." "We also want foreign fighters from the center." And the answer was, "You're going to have to get your local foreign fighters." So while there was money in the center, it -- the exchange of both fighters and money was relatively limited.

But they did, interestingly enough. Daesh, core Daesh, provided media experts. Because so much of the power and the appearance of the power of this organization had come through information and their exploitation in a really remarkable way. We'd never seen it before, their exploitation of social media and media writ large. And so they would send media experts to Boko Haram, to spice up their Hollywood-style possessions.

And then the third of the three heads was Daesh, which is what we're living with today. And that's Daesh on the internet. Daesh on the Internet of things. Deep in the networks.

And this is where, in the United States, FBI, Office of the Attorney General, the Department of Homeland Security, our intelligence communities overseas, in cooperation with this magnificent coalition of allies, this is where we have -- and it's a -- it's a huge challenge, getting after them, now, deeply in the internet. And we're going to see their presence there for some period of time.

The provinces, we're going to have to deal with -- with small coalitions. Locally based African coalitions or Middle Eastern coalitions or Southeast Asian coalitions. But much of core Daesh was defeated, both by overt coalition firepower and the capacity to build up the forces that could both compete with Daesh and defeat it militarily. At the same time, we diminished Daesh through economic capabilities.

YOUSSEF: I'd like to open the floor to questions, please. And I just want to remind everyone, if you could please wait for the microphone and introduce yourself to the panelists, please.

QUESTION: Thank you all for doing this. Really appreciate it. This is Russ Read with the Washington Examiner. Gentlemen, now that we've seen the land caliphate that you all fought deteriorated, ISIS obviously has still made some progress in other parts of the world. How do you see them adjusting their finances? And what needs to be done in this economic warfare, going forward?

ALLEN: Well, I -- I addressed in some respect in my -- the answer to my last question. And that is, if the estimate is \$50 million and I've not heard that number, that is a -- it's, first, a small number, relatively speaking, given the size and the scope of the organization. Plus it's ideological aspirations, it's also a relatively small number.

We also don't know where it is. So it's probably distributed. But my guess is, as I said before, when we were tracking the communications between the provinces -- the wilayahs, they call them -- the communication between the provinces and Raqqa, what we often heard was, "You're on your own." You know, "You've been on your own for some period of time."

Very, very few of these provinces just sprung whole-made out of the ground. They were longtime jihadi movements that had either had some limited success or had been contained. But what they sought, each of these movements in the various places that I mentioned, what they sought was increased legitimacy, from now being formally associated with the Khalifah Ibrahim of Abu Bakr al-Baghdadi, the caliphate, and being part of the narrative.

And helping them with the narrative, they got some media support. But I can remember very well, one of the provinces submitting a bill and they're being -- said -- or their saying, "we can't help you now. We're -- we're having our own problems."

So my guess would be -- sorry for the long answer to your short question. My guess is the -- the message from the center -- such of the center as still exists, substantially attrited -- is you're on your own. Almost the end of the Roman Empire, you're on your own.

QUESTION: (OFF-MIKE).

ALLEN: Just keep talking. It'll come on.

YOUSSEF: It's on.

QUESTION: Hi. I'm with the Voice of America Persian service. My name is Farhad Pouladi.

I have a question in regards to the linkage between ISIS and Islamic Republic of Iran. How concerned should the current administration be? You mentioned about their finances, one of it was smuggling oil.

Now that Iran is being slapped with the oil, do you have any evidence that there -- with this linkage, Iran could use them to smuggle more oil and/or use them for other means? We



know that Iran has used al-Qaeda before for other purposes -- for such purposes. If you could, elaborate?

ALLEN: There were some indications. But I -- I've not been actively engaged in this for a little bit, so I apologize for not being instantly informed, others here may have a better idea.

There were some indications as we were beginning to build the -- the entire, if you will, target picture that there was actually smuggling headed into Iran from the northeast of Syria. How it got there, I -- I never really asked the question. But -- so there -- we knew there was a linkage in some form or another.

Whether that's now going in the other direction or whether there is sufficient coherence amongst the remnants of the Islamic State as it exists in northern Iraq or Syria, I doubt that there's sufficient coherence to those -- those remnants that there is much value to Iran or much value to them with -- for a relationship with Iran in terms of smuggling.

Now, there could be some transfer of funds. And that -- that transfer of funding could be to keep blood pumping in -- in an entity that can create problems for the United States and the coalition. I've seen no evidence of that but there are probably other folks in this room to the dollar...

YOUSSEF: Well...

ALLEN: ... if it's happening.

YOUSSEF: ... I saw you nodding, David. Is that your assessment as well?

ASHER: Well, I mean, I am much more concerned about the Iranian's backed groups themselves. General Allen and I spent a lot of time working on that at -- at CENTCOM. And you know, we -- we -- we've seen this huge flourishing of -- of people like Abu Mustafa al-Sheibani who led the -- the explosively formed projectile largest network for the IRGC Qods Force.

Iraqis in Syria they're -- so they're -- they seem to be -- the -- the Shia have been pretty much focused at -- up to now, on fighting the Islamic State in their way as well. Now, I'm concerned that they're just going to go on their own sort of, I'm not going to say rampage, but they're going to go on an offensive period. And I think that's why Secretary Pompeo has been in Baghdad.

And you know, I'm -- I think that there's a -- there's a lot of concern throughout the region that -- that there -- there's no downside, in my mind, to us crushing the Islamic State. But the only -- the only implication of it is it just does make it easier for the Iranians, who are playing a very weak economic hand, but still seem to maintain a very cohesive special group network in Iraq, and -- and -- which extends into Syria, from expanding their -- their -- their irregular warfare activity. And so that...

YOUSSEF: That's a good point.

ASHER: ... that's sort of second-order effect.

QUESTION: General Allen, you mentioned the importance of social media to...

YOUSSEF: Could you introduce yourself please?

QUESTION: ... Yes. My name is Gretchen Peters. I run the Center on Illicit Networks and Transnational Organized Crime. I'm a disciple of Dr. Asher. I wanted to ask you, you mentioned the importance of social media to ISIS.

The social media platforms that they are most present on -- Facebook and Twitter -- are U.S.-owned publicly listed companies. Do you think that the U.S. government has done enough to -- or that those firms have done enough to remove this content?

Are you concerned by the reports that are out this week, that their own algorithms are connecting terrorists and new supporters and financial supporters faster than their -- the company's own internal...

(UNKNOWN): Sure.

QUESTION: ... regulators can -- can delete content?

And would you support a plan by Congress to remove the immunity that those firms currently have for content that is spread, that their algorithms are spreading on their platforms? Thank you.

ALLEN: Well, there's no question that the social media, in many respects, created the information environment which, in some respects, caused the collapse of the -- initial collapse of some of the Iraqi units. It was a rolling barrage of information we'd never seen the likes of before.

No, I don't think we've done enough. I don't think that the government's done enough. I don't think that the private sector has done enough. And I don't think that the -- I don't think that the process necessarily should be outcome-driven in the context of a punitive outcome.

What I would love to see would be legislation that incentivized a much closer relationship between those organizations and the government, obviously to continue the perfection of those artificially intelligence algorithms. But also to create some form of -- of an agreed speed with which content can be removed.

So I -- rather than to pit the government against the private sector, what I'd rather see is legislation that incentivizes the government and the private sector to work together very closely to find a solution to this.

These corporate standards -- I think by tightening up corporate standards even more than we've seen, and then have private sector -- you know, we're moving into a world, now, where the speed of action amongst our opponents and transnational criminal networks, et cetera, speed of action vastly exceeds the capacity of the speed of our government.

Which means that the private sector really is our sole hope, which can move far more quickly than our government. But the two have to move in tandem in some form or another.

What can link the two could be the incentive of comprehensive legislation that incentivizes the process. But I think the private sector has to do more.

And as I watched this process unfold within the coalition, there were countries that wanted to take different approaches to it. And one was the approach that you suggested, which is that companies be held culpable, be held legally responsible for outcomes as a direct result of the movement of information across their platform.

Some countries want to make it illegal and to hold them, in fact, not just accountable as a company for the outcome, but hold them accountable for the company for having it even show up on their platform.

That is a way to do it. I don't think it's consistent with our values. I don't think it's consistent with freedom of speech and the way we want to run the private sector. But I do believe the private sector has to be more responsible in this process, and work even more closely with our intelligence community.

And this goes back to my point about things moving quickly. We can't wait for the government to catch up here. And we have to be prepared to think in unconventional ways, where our intelligence community and the private sector, which has enormous capacity for collection and development of target acquisition information, target development, target acquisition, target engagement.

We have ways here where we can operate at speeds with a comprehensive approach that we've never seen before. But the firewalls that exist between the government and the private sector, I think in many respects are disabling for us in that regard.

YOUSSEF: General MacFarland I'm curious, you must have come up against this battle of the speed at which information travels, I was curious if you could kind of share as the commander how much did you confront and how much was that part of the battle that you had to confront?

MACFARLAND: Sure. Well one of our challenges was we had two competing narratives out there -- one was that we created ISIS, and the other was that we were a proxy force for the Iranians, for the Persians that oppressed the cities -- so that both the Shia and the Sunni rank and file out there had a deep distrust of us because of the information campaign that was being waged against us.

And you know, one of the challenges in fighting back against these kinds of things is not necessarily the technology, or having the clever retorts or anything like that. The challenge was really more at -- as General Allen was talking about, the policy level, how do you get on to some of these platforms and how do you go after these various sites which may or may not be in countries where you know, it'd be problematic if we went after them.

You know, those kinds of discussions -- you know, can drag on for days, weeks, months and they're happening at the speed of light. You know, the enemy's operating at the speed of light. And so we're going to have to change how we do business when it comes to these kinds of problems.

We did stand up an information operations cell -- we work closely with the U.S. ambassador in Baghdad at the time to synchronize our messages and we were able to eventually turn the narrative against ISIS, where their popularity rating was like in this low 3 or 5 percent kind of range, which was good. Ours wasn't much better, but at least nobody was attacking us, right?

We were able to keep people from turning against us as we were fighting the enemy, so we were able to manage that pretty well, all things considered. But obviously that's a fast moving environment -- the cyber domain.

And I think we're addressing it now with the emerging U.S. Doctrine of Multi-Domain Operations with cyber being one of them, and we're becoming more and more cognizant of the need to -- not just be able to take a punch, but throw a punch in that domain as well.

QUESTION: Hello Eddie Garcia, I'm a Defense Fellow in the House of Representatives. In every battle, once defeated, the enemy then changes tactics. So in the economic aspects of this war plan, what's the next tactic that you guys are thinking about? Is it digital currency in the realm of this cyber and -- you know, technological advances that are being made? Where's the next threat and how do we get after that in you guys' opinion?

MACFARLAND: I would just say, if we knew what the next threat was, it probably wouldn't be smart for us to advertise it here...

(CROSSTALK)

ASHER: I was thinking the same thing.

MACFARLAND: ... and how we were going to go after it. But -- but your point is a good one, in that the enemy's going to evolve and adapt. And it's going to do so rapidly, and we're partly the cause of that, right? Action, reaction, counteraction. We're part of the driver of that and we need to think a couple of chess moves ahead and be ready for...

(CROSSTALK)

ASHER: We made -- you know, I didn't make it. We had a whole team including NCTC, that was the National Counter-Terrorism Center, that was working to try to smash the media outlet. And General Allen remembers this very well, better than I.

We had a darn hard time. I mean, they would just spring back up. They were -- they were -- that -- that -- I would say at this stage, one of the most important remaining tasks is to really try to put a crushing blow on that internet presence.

But it is all over the place. They have distributed themselves. Their media sophistication remains, somehow, intact. If you just look at their promulgations. I mean, that to me is the biggest threat that's remaining, more than the amount of money they have. They've got enough money to keep the media going, that's their -- sort of their last big hope.

YOUSSEF: And does that lead to increased financing?

ASHER: I think it does, actually. Now, they are starting to ask for money. I find that interesting. In the past, they didn't really do that. But, you know, I -- I think there's a need to keep a persistent overwatch on this, and to maintain the effort. We can't just declare victory. I thought that was unwise of our commander-in-chief because you never really know.

We thought we had flipped al-Qaeda in Iraq, and out came the Islamic State with many of the same cast of characters in it. And some of those characters that were in the Saddam Intelligence Service particularly, were not killed as far as I know.

Izzat al-Douri, who co-founded the Islamic State, Saddam's essentially vice president, rumor is he's still alive. If you look on the internet, you see him. Even though he's an old guy, you never really know. These -- there are some characters that are still out there that have power, money, influence that date back to the Islamic State.

(CROSSTALK)

MACFARLAND: I was just going to say that we do have to remain vigilant because, you know, out of the ashes of ISIS could arise another equally or more virulent type of organization.

And, you know, it's a problematic part of the world and people are, you know, maybe getting a little fatigued about hearing about it and dealing with it. But we can't afford that. I mean, the consequences are too severe. We don't -- we don't want to allow ISIS to enslave -- or anything like ISIS to enslave, you know, millions of people again. And to inflict horrendous atrocities on them.

I mean, we...

ASHER: And let's not forget...

MACFARLAND: ... we're better than that.

ASHER: ... that there -- they've moved around. I mean, as General Allen pointed out, there's all these caliphates now that are, you know -- including Afghanistan -- you know, they could reappear in Africa. And they're there. They maybe having to be self-sufficient, I think, as General Allen said. But there's -- you know...

(CROSSTALK)

MACFARLAND: But a lot of these guys are re-flagged guys.

ASHER: They're -- they are.

MACFARLAND: And they're -- they just change...

ASHER: They're ISIS wannabes, sort of.

MACFARLAND: ... they change jerseys...

ASHER: Yeah.

MACFARLAND: ... the same team playing -- you know, same players playing for a different team in a sense.

But, you know, so we've got to just make sure that the glamour, so to speak, quote-unquote, of ISIS is what's still out there...

ASHER: Yeah.

MACFARLAND: ... and that's what we need to make sure is -- goes away.

ASHER: Sure. And that's why I felt the media, that crushing it is so important...

(CROSSTALK)

MACFARLAND: Yeah.

ALLEN: As we -- as we began to see the real attrition of the physical ISIS -- core ISIS -- we began to hear about a term you'll understand, the bump -- the bump plan. You know, where would the leadership evacuate to. Which of the Wilayats could sustain them if they needed to.

And I won't go into where that evidently could have been or might actually have been. But they were actually thinking about how do they sustain strategic continuity of operations, both in the physical sense -- but I talked to you about the three-headed creature. We all live in the physical domain right now. But almost all of what's important to us that shapes our daily lives occurs in the cyber-domain.

And so the more that they can both protect themselves physically by being remotely located, and play heavily in the cyber-domain, both in the context of global planning through encrypted phone applications, which gives you strategic planning capabilities from distributed locations in multiple Wilayats, to regional movement through the use of transnational criminal networks, which we find is more frequently laminated on these terrorist organizations, to local raid operations being conducted using phones as more secure tactical communications than the reaction forces that show up nationally.

So I really worry that in the cyber-domain is where we will see the re-flesh, if you will, of the next generation of this organization. And it will be there where they will do their recruiting, it will be there where they'll do their fundraising, it will be there where they will initiate, on their schedule and on their terms, activities in the physical domain. And my hope is that we're thinking in those terms.

YOUSSEF: I think we have time for one more question.

Right here.

QUESTION: Gentlemen, thank you. My name is Nathan Fleischaker. I actually work at U.S. Cyber Command and worked on the C.T. before. So very interested in this.

I think my question is, you talk about -- General, you talked in particular about the three heads of ISIS, and went from the core to caliphate to the provinces outward.

It seems like every time a solution set becomes a big -- the required solution requires a broader network of friendly forces. So the first one can be largely military -- military U.S.-led coalition in the Levant area. The provinces require this network of local -- local and regional partners.

When you talk internet, it's going to be far beyond military force. Can you talk about the -- I guess maybe as SECI, how you navigated this whole-of-government, whole-society, whole-of-coalition approach and what things need to be changed to make that more effective, going forward.

ALLEN: He used the word "SECI," which was Special Envoy for Countering ISIL, that was the acronym that I had in State. Nate, this was an issue that we perceived from the very beginning. And we -- as we thought about the campaign design for this, we envisaged, ultimately, the physical defeat of the organization, but we anticipated that there would be some form of a re-flesh, and potentially a re-flesh in the cyber-domain.

So as you correctly point out, while the physical influence, the physical effects -- kinetic operations are delivered in the physical domain, as we continue to see the sophistication of the Internet of things, now with 5G technologies and big data analytics and supercomputing all coming online, supported by artificial intelligence, we're going to find that conceivably decisive operations will occur in the cyber-domain in the future, and not necessarily even in the physical domain.

We've got to be thinking in those terms today. And my sense is, because there's an asymmetric quality to operating in the cyber-domain, that relatively small organizations that are well-resourced -- and I don't mean well-resourced with a lot of money, I mean well-resourced with adequate money -- operating in the cyber-domain with the networks into the various organizations that have capabilities.

They can wreak a lot of havoc in the future. We've already seen multiple cyber -- I'll just use the term generically -- cyber armies that have emerged -- within Iran. The cyber force in North Korea may have drained a Bangladeshi bank of virtually all of its holdings a couple of years ago.

So this is both criminal -- international criminal networks operating in conjunction with non-state actors and state actors. And the capability and the effects are not being felt in the physical domain -- sorry, they are being felt in the physical domain -- they're being operated; they're being executed in the cyber domain.

And this, I think, is the brave new world for us. Sean can figure out -- I could figure out how we'd get the air-naval -- air-naval-ground battle properly synchronized to create physical effects. But it requires a whole-of-government approach, which I think we do pretty well. It depends on, sort of, who's sitting at the end of the table, whether it's a national security adviser or the president.

We do that pretty well. And it's going to require a whole-of-government approach. But even more so, it's going to require whole-of-governments approach. And what I discovered in Afghanistan was I -- I had -- and this is the point -- we have to have the legal framework -- which we don't have right now, which we need to have -- we need to have the legal framework to wage

the kind of counter-punches, the kind of surveillance, the kind of, if you will, phase zero preparation of the cyber battle space and the kinds of counter-punches necessary to pre-empt these folks taking down our physical, or our financial network one day, or turning all railroads into each other, or all street lights green or red -- whatever it might be.

But there could be horrible physical effects from a relatively low investment in the cyber environment.

And I -- I truly believe that the cyber environment is one that is a whole-of-government environment, not just military, and a whole-of-governments environment. And I said I had limitations as a commander in Afghanistan waging operations in the cyber environment. Those limitations weren't my capacity to direct electrons. Those limitations were legal. They were legal authorities that I had, or if I had the authority permissions.

And we need to think, I think, very seriously about what the future looks like, in terms of dealing with trans-national criminal networks of high sophistication and resources and these terrorist networks that find themselves very safely implanted on the -- in the cyber domain with a relatively small physical footprint.

We need to think about how we create the legislation necessary that facilitates these operations. Preserving our privacy, preserving the rights of our citizens, because that's first and foremost what our obligation is, the state that is a rule -- that's governed by the rule of law. I think we could thread that network. Because when they finally come at us in a big way, and we're all standing around looking at each other and how this happened, it won't be because good men and women weren't prepared to do the right thing if they had the resources. And the resources won't be electronic. The resources will have been legal.

And I think we really need to think hard about that.

YOUSSEF: Hmm. Well, I just want to thank everybody. I want to thank you all for such great questions, and I want to thank the panel, as I think this has been such an illuminating discussion of the evolution of the war on the financial sector in ISIS and also where it's going and things to think about going forward.

So I hope you'll join me, everyone, in thanking our esteemed panelists for such a wonderful conversation.

(APPLAUSE)

(UNKNOWN): Well done. Thank you.

(APPLAUSE)

YOUSSEF: Thank you so much.

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