

THE WHITE HOUSE

WASHINGTON

June 21, 1995

PRESIDENTIAL DECISION DIRECTIVE/NSC-39

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE

THE SECRETARY OF THE TREASURY

THE SECRETARY OF DEFENSE

THE ATTORNEY GENERAL

THE SECRETARY OF HEALTH AND HUMAN SERVICES

THE SECRETARY OF TRANSPORTATION

THE SECRETARY OF ENERGY

ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY

ASSISTANT TO THE PRESIDENT FOR

NATIONAL SECURITY AFFAIRS

DIRECTOR OF CENTRAL INTELLIGENCE

DIRECTOR, UNITED STATES INFORMATION AGENCY

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

DIRECTOR, FEDERAL EMERGENCY MANAGEMENT

AGENCY

SUBJECT:

U.S. Policy on Counterterrorism (U)

It is the policy of the United States to deter, defeat and respond vigorously to all terrorist attacks on our territory and against our citizens, or facilities, whether they occur domestically, in international waters or airspace or on foreign territory. The United States regards all such terrorism as a potential threat to national security as well as a criminal act and will apply all appropriate means to combat it. In doing so, the U.S. shall pursue vigorously efforts to deter and preempt, apprehend and prosecute, or assist other governments to prosecute, individuals who perpetrate or plan to perpetrate such attacks. (U)

We shall work closely with friendly governments in carrying out our counterterrorism policy and will support Allied and friendly governments in combating terrorist threats against them. (U)

Furthermore, the United States shall seek to identify groups or states that sponsor or support such terrorists, isolate them and extract a heavy price for their actions. (U)

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It is the policy of the United States not to make concessions to terrorists. (U)

To ensure that the United States is prepared to combat domestic and international terrorism in all its forms, I direct the following steps be taken. (U)

1. Reducing our Vulnerabilities

The United States shall reduce its vulnerabilities to terrorism, at home and abroad.

It shall be the responsibility of all Department and Agency heads to ensure that their personnel and facilities, and the people and facilities under their jurisdiction, are fully protected against terrorism. With regard to ensuring security:

- -- The Attorney General, as the chief law enforcement officer, shall chair a Cabinet Committee to review the vulnerability to terrorism of government facilities in the United States and critical national infrastructure and make recommendations to me and the appropriate Cabinet member or Agency head;
- -- The Director, FBI, as head of the investigative agency for terrorism, shall reduce vulnerabilities by an expanded program of counterterrorism;
- -- The Secretary of State shall reduce vulnerabilities affecting the security of all personnel and facilities at non-military U.S. Government installations abroad and affecting the general safety of American citizens abroad;
- -- The Secretary of Defense shall reduce vulnerabilities affecting the security of all U.S. military personnel (except those assigned to diplomatic missions) and facilities;
- -- The Secretary of Transportation shall reduce vulnerabilities affecting the security of all airports in the U.S. and all aircraft and passengers and all maritime shipping under U.S. flag or registration or operating within the territory of the United States and shall coordinate security measures for rail, highway, mass transit and pipeline facilities;
- -- The Secretary of State and the Attorney General, in addition to the latter's overall responsibilities as the chief law enforcement official, shall use all legal means available to exclude from the United States persons who pose a terrorist threat and deport or otherwise remove from the United States any such aliens;



- -- The Secretary of the Treasury shall reduce vulnerabilities by preventing unlawful traffic in firearms and explosives, by protecting the President and other officials against terrorist attack and through enforcement of laws controlling movement of assets, and export from or import into the United States of goods and services, subject to jurisdiction of the Department of the Treasury;
- -- The Director, Central Intelligence shall lead the efforts of the Intelligence Community to reduce U.S. vulnerabilities to international terrorism through an aggressive program of foreign intelligence collection, analysis, counterintelligence and covert action in accordance with the National Security Act of 1947 and E.O. 12333. (U)

2. Deterring Terrorism

The United States shall seek to deter terrorism through a clear public position that our policies will not be affected by terrorist acts and that we will act vigorously to deal with terrorists and their sponsors. Our actions will reduce the capabilities and support available to terrorists. (U)

- A. Public Diplomacy: Through frequent high level public statements, the U.S. Government shall make clear to all audiences that we will not allow terrorism to succeed in its purposes. Through our law enforcement efforts, we shall make clear that there is no higher priority than the pursuit, arrest and prosecution of terrorists. In our diplomatic activity, we shall persist in raising at high levels issues regarding terrorism. Our military forces shall, with due regard to the need for secrecy, demonstrate that we have robust and effective capabilities to overwhelm terrorists and their state sponsors.
- B. Reducing Terrorist Capabilities: We shall work at home and abroad, unilaterally and with other governments, to degrade the capabilities of terrorist groups. We will do so with other governments by sharing intelligence information, providing training and assistance to enhance their counterterrorism capabilities, giving diplomatic and public information support and conducting combined operations. We also reserve the option to act unilaterally, when necessary, to preempt, or punish terrorist attacks.

Our goals shall include the disruption of terrorist-sponsored activity, including termination of financial support to terrorist groups, the closure of terrorist offices and training facilities and, whenever possible, the arrest and punishment of terrorists for violations of criminal law.





Within the United States, we shall vigorously apply U.S. laws and seek new legislation to prevent terrorist groups from operating in the United States or using it as a base for recruitment, training, fund raising or other related activities. (U)

Prosecution: We shall vigorously apply extraterritorial statutes to counter acts of terrorism and apprehend terrorists outside of the United States. When terrorists wanted for violation of U.S. law are at large overseas, their return for prosecution shall be a matter of the highest priority and shall be a continuing central issue in bilateral relations with any state that harbors or assists them. Where we do not have adequate arrangements, the Departments of State and Justice shall work to resolve the problem, where possible and appropriate, through negotiation and conclusion of new extradition treaties. (U)

If we do not receive adequate cooperation from a state that harbors a terrorist whose extradition we are seeking, we shall take appropriate measures to induce cooperation. Return of suspects by force may be effected without the cooperation of the host government, consistent with the procedures outlined in NSD-77, which shall remain in effect.

- o <u>State Support and Sponsorship</u>: Foreign governments assist terrorists in a variety of ways. (U)
- -- First, some support them by yielding to acts of intimidation and extortion. We shall seek through diplomatic means to discourage such behavior and to expose and criticize it publicly when it occurs.
- -- Second, some states tacitly permit terrorist groups safe haven. In addition to diplomatic dialogue and public exposure, we shall seek to terminate such safe havens through other measures, including reduced cooperation across the broad spectrum of bilateral relations.
- -- Third, some nations repeatedly provide support to acts of international terrorism by actively assisting or creating terrorist groups or using their own employees to carry out terrorist attacks directly. The U.S. shall seek, through active diplomacy and public exposure, the cessation of such state sponsorship. Under U.S. law, these actions require both termination of bilateral aid and U.S. Government opposition within international financial institutions to multilateral aid. In addition, we shall consider restrictions on commerce beyond those now required by U.S. law. We shall ensure that third country governments are well informed about such state





sponsorship and shall work to gain their agreement to restrict their own assistance to, and trade relations with, state sponsors. We shall employ other methods, consistent with U.S. law, to disrupt and reduce the capabilities of terrorist groups and their state sponsors.

- C. Enhancing Counterterrorism Capabilities: The Secretaries of State, Defense, Treasury, Energy and Transportation, the Attorney General, the Director of Central Intelligence and the Director, FBI shall ensure that their organizations' counterterrorism capabilities within their present areas of responsibility are well managed, funded and exercised. (U)
- days from the promulgation of this directive, a Counterterrorism Readiness Report coordinated by the Assistant to the President for National Security Affairs. This report shall include: a) an analysis by the counterterrorism IWG of the adequacy of U.S. government sponsored research in and acquisition of counterterrorism technology, including technology relating to weapons of mass destruction; and b) an analysis of the adequacy of funding for counterterrorism related programs by the Director, OMB, who shall have an ongoing responsibility to ensure that research, development and acquisition of technologies and systems to detect, counter, render safe and dispose of nuclear, chemical and biological weapons and/or materials is adequately funded.
- -- Exercises: An interagency exercise committee under the IWG-CT will formalize procedures for review of terrorist threats on an annual basis and formulate an exercise program to meet current and emerging threats. This program shall be forwarded, also on an annual basis, to the Deputies and Principals committees for final review and approval. Principals and Deputies Committee members shall participate in exercises.

3. Responding to Terrorism

We shall have the ability to respond rapidly and decisively to terrorism directed against us wherever it occurs, to protect Americans, arrest or defeat the perpetrators, respond with all appropriate instruments against the sponsoring organizations and governments and provide recovery relief to victims, as permitted by law. (U)

A. <u>Prevention</u>: The U.S. Intelligence Community, consistent with the respective authorities of its members, shall vigorously seek to identify terrorist plans and conspiracies before terrorist acts occur. The U.S. shall endeavor to prevent or pre-empt terrorists acts. Within the United States, the Department of Justice, acting through the FBI, shall direct the efforts of other





members of the law enforcement community and coordinate with other Federal agencies, to prevent or preempt terrorist acts, and to ensure efficient direction of investigations related to terrorism. Toward this end, law enforcement agencies shall provide, on a timely basis, any information relating to terrorism to the FBI, which shall ensure appropriate action and dissemination of information to other members of the law enforcement community.

- B. Immediate Incident Response: With respect to terrorist attacks, our goal will be to terminate such events without the terrorists obtaining their desired ends or maintaining their freedom. Consistent with this goal, we shall seek to minimize damage and loss of life and to provide emergency recovery assistance where required. We shall have tailored, robust and rapidly deployable counterterrorism teams capable of incident management, intelligence collection, law enforcement, military operations, technical expertise and disaster relief activities. Within the United States, the Department of Justice, acting through the FBI, shall have lead responsibility for management of terrorist incidents.
- C. Post-Incident Response: Following an incident that falls within the criminal jurisdiction of the United States, the full capabilities of the United States shall be dedicated, consistent with U.S. law, to assisting the Department of Justice to determine the perpetrators and bring them to justice. For terrorist incidents outside the criminal jurisdiction of the United States, the Department of State will coordinate assistance to the foreign governments involved, in consultation with U.S. law enforcement agencies.

In each case, agencies of the law enforcement and intelligence communities, acting within their mandates, shall assign highest priority to monitoring the activities of the terrorists involved who remain at large to determine whether they continue to threaten the interests of the U.S. or friendly nations. To prevent renewed attacks by terrorist groups or state sponsors following an initial incident, I shall be given by the Principals Committee options for economic, diplomatic, covert action and military action. These options shall include unilateral and multilateral measures. There shall be adequate, up-to-date military response plans in place, as well as the capability to conduct offensive operations against members and facilities of terrorist groups and the states that sponsor them.

D. <u>Lead Agency Responsibilities</u>: This directive validates and reaffirms existing lead agency responsibilities for all facets of the United States counterterrorism effort. Lead agencies are those that have the most direct role in and responsibility for implementation of U.S. counterterrorism





policy, as set forth in this Directive. Lead agencies will normally be designated as follows: (\mathbf{U})

The Department of State is the lead agency for international terrorist incidents that take place outside of U.S. territory, other than incidents on U.S. flag vessels in international waters. The State Department shall act through U.S. ambassadors as the on-scene coordinators for the U.S. Government. Once military force has been directed, however, the National Command Authority shall exercise control of the U.S. military force. (U)

The Department of Justice shall remain the lead agency domestically. As the chief law enforcement officer, the Attorney General shall ensure the development and implementation of policies directed at preventing terrorist attacks domestically, and shall undertake the criminal prosecution of those acts of terrorism that violate U.S. law, wherever they occur.

Unless otherwise specified by the Attorney General, the FBI shall have lead responsibility for operational response to terrorist incidents that take place within U.S. territory or that occur in international waters and do not involve the flag vessel of a foreign country. Within this role, the FBI shall function as the on-scene manager for the U.S. Government.

The FBI shall have lead responsibility for investigating terrorist acts planned or carried out by foreign or domestic terrorist groups in the U.S., or which are directed at U.S. citizens or institutions abroad.

- Coordination: Coordination of sensitive terrorism issues requiring interagency review shall be conducted by a Coordinating Sub-Group (CSG) of the Deputies Committee. The CSG will have membership at the Assistant Secretary level from appropriate agencies and will be complemented by an Interagency Working Group (see Tab A). The CSG will coordinate, on behalf of the Deputies Committee, counterterrorism issues and will review on-going crisis operations/activities concerning foreign terrorism and domestic terrorism with significant foreign involvement. Although the CSG's role of coordination does not include the authority to direct agencies activities, it may make recommendations to the Chairman of the Deputies Committee regarding Foreign Emergency Support Team deployments (see Section F below) and to the Chairman of the Principals Committee regarding overseas deployments of counterterrorism assets. The CSG shall maintain guidelines that specify detailed policy. (SY
- F. <u>Interagency Support</u>: To ensure that the full range of necessary expertise and capabilities are available to the



on-scene coordinator, there shall be a rapidly deployable interagency Emergency Support Team (EST). The State Department shall be responsible for leading and managing the Foreign Emergency Support Team (FEST) in foreign incidents. The FBI shall be responsible for the Domestic Emergency Support Team (DEST) in domestic incidents. The DEST shall consist only of those agencies needed to respond to the specific requirements of the incident. Membership in the two teams shall include modules for specific types of incidents such as nuclear, biological or chemical threats. The Defense Department shall provide timely transportation for ESTs. (U)

- G. Transportation related terrorism: The Federal Aviation Administration has exclusive responsibility in instances of air piracy for the coordination of any law enforcement activity affecting the safety of persons aboard aircraft within the special aircraft jurisdiction of the U.S. as defined in public law. The Department of Justice, acting through the FBI, shall establish and maintain procedures, in coordination with the Departments of State, Defense, and Transportation, to ensure the efficient resolution of terrorist hijackings. These procedures shall be based on the principle of lead agency responsibility for command, control and rules of engagement. (U)
- H. Consequence Management: The Director of the Federal Emergency Management Agency shall ensure that the Federal Response Plan is adequate to respond to the consequences of terrorism directed against large populations in the United States, including terrorism involving weapons of mass destruction. FEMA shall ensure that States' response plans are adequate and their capabilities are tested. The State Department shall develop a plan with the Office of Foreign Disaster Assistance and DOD to provide assistance to foreign populations so victimized. (U)

FEMA, with the support of all agencies in the Federal Response Plan, shall act in support of the Lead Agency (the Department of Justice) in Washington, D.C. and on the scene of the crisis, until such time as the Attorney General shall transfer the Lead Agency role to FEMA. For a domestic terrorist incident involving large scale casualties and damage to infrastructure, I may appoint a Personal Representative for consequence management to represent Federal authority on the scene during the recovery phase. The Chief of Staff shall create a roster of senior government officials and former government officials willing to serve in such a capacity. These individuals shall receive the necessary training and information so that they can be called upon to act on short notice.

I. <u>Intelligence</u>: The DCI shall maintain a robust capability to collect, analyze and disseminate all-source foreign





intelligence on terrorist groups and activities abroad. The DCI shall maintain a clandestine service capability for preventing, preempting and disrupting international terrorist activities and shall ensure timely support to U.S. law enforcement agencies in pursuit of international terrorists. In these efforts, the DCI will promote close cooperation with allied and friendly intelligence services.

Consistent with existing authorities, the FBI shall collect, analyze and disseminate intelligence on terrorist groups and on activities of international terrorists operating in the United States.

The Directors of Central Intelligence and FBI together shall personally ensure that their Agencies achieve maximum cooperation regarding terrorism, as legally permissible. They shall share, where appropriate, terrorism-related intelligence and law enforcement information expeditiously and efficiently. The DCI shall disseminate external terrorist threat warnings for use by U.S. Government officials only. The State Department shall issue warning of overseas terrorist threats for purposes of public information. The Director, FBI shall disseminate internal threat warnings.

- J. Intelligence Community and Law Enforcement Cooperation: The CIA and FBI shall ensure timely exchanges of terrorist information and close cooperation in exploitation thereof. I have ordered the establishment by FBI of a domestic counterterrorism center (DCTC). CIA and FBI shall conduct a study with the aim of developing procedures to ensure the greatest coordination between the DCTC and the existing DCI Counterterrorist Center. (S)
- K. $\underline{\text{Costs}}$: Agencies directed to participate in the resolution of terrorist incidents or conduct of counterterrorist operations shall bear the costs of their participation, unless otherwise directed by me. (U)

4. Weapons of Mass Destruction

The United States shall give the highest priority to developing effective capabilities to detect, prevent, defeat and manage the consequences of nuclear, biological or chemical (NBC) materials or weapons use by terrorists. (U)

The acquisition of weapons of mass destruction by a terrorist group, through theft or manufacture, is unacceptable. There is no higher priority than preventing the acquisition of this capability or removing this capability from terrorist groups potentially opposed to the U.S. (U)



- A. <u>Intelligence</u>: The Intelligence Community shall assign high priority to the collection and analysis of foreign intelligence about terrorist activity in connection with weapons of mass destruction abroad. The FBI shall have lead responsibility for domestic intelligence collection related to materials or weapons of capable of mass destruction.
- B. Response: DOD and FBI shall maintain robust plans and capabilities rapidly to remove or destroy weapons of mass destruction in the hands of terrorists, when ordered to do so. Toward that end, DOD, FBI and DOE shall provide high budgetary priority to supporting units specializing in NBC weapons incident response.

The CSG and lead agencies shall ensure that their guidelines address contingencies involving weapons of mass destruction. CSG guidelines, military and law enforcement rules of engagement, and standard operational procedures of concerned Agencies shall be consistent with each other and shall address:

- -- authorization procedures for weapon retrieval and in situ disablement;
- -- plans for transportation and disposal of weapons of mass destruction that have been rendered safe. (5)
- C. Crisis Support: The FEST and DEST shall include rapidly deployable components to assist in nuclear, biological or chemical incidents. In addition, DOE shall be responsible for providing technical expertise and shall be able to deploy the Nuclear Emergency Search Team (NEST). Similarly, the Public Health Service, Environmental Protection Agency, FEMA and DOD shall have an integrated rapid response capability for a chemical or biological terrorist incident. DOD shall ensure that adequate air transportation capability is available on an emergency basis to support the deployment of Domestic and Foreign ESTs, the NEST and an integrated biological/chemical response team. DOD shall provide such other support as may be required by lead agencies during domestic or international counterterrorism contingencies and shall seek the legal authorities and appropriations required for this mission. Furthermore, DOD shall examine: a) the process by which agencies submit requests for DOD support in domestic terrorism related events; and b) the command and control structure that would be applied in domestic military employment (given posse comitatus exemptions). DOD should report the results of this examination to me within 60 days.
- D. <u>Consequence Management</u>: FEMA, with appropriate support agencies, shall review the adequacy of the Federal Response Plan





to respond to an NBC related terrorist incident. The ability to implement these plans shall be reviewed on an urgent basis, and any shortfalls in stockpiles, capabilities or training shall be identified and remedied. This review shall assess the adequacy of: a) stockpiles of antidotes and other special medicines; b) National Disaster Medical System; and c) procedures for direct DOD support, including support for medical facilities and decontamination. A report on the status of these efforts should be submitted to me in 180 days.

E. <u>Diplomatic</u>: The State Department shall determine what arrangements or agreements with other governments are required to respond to terrorist contingencies involving weapons of mass destruction, prioritize them and negotiate them on an urgent basis. Negotiations with nuclear weapon possessing states shall be given highest priority. A report on the status of these efforts should be submitted to me in 180 days.

5. Implementation

The Cabinet Committee chaired by the Attorney General shall report its initial recommendations on domestic vulnerabilities to terrorism (see section one of this directive) to me no later than 120 days from today. The Readiness Reports (see section 2C) shall be submitted to me through the Assistant to the President for National Security Affairs (APNSA) 180 days from today and annually thereafter. The APNSA is responsible for ongoing review of implementation of this directive and for ensuring the proper functioning of the interagency counterterrorism system.

William J. Chinton

Attachment
Tab A Interagency Groups

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The Deputies Committee Coordinating Subgroup on Counterterrorism (CSG)

The CSG will coordinate, on behalf of the Deputies Committee, Counterterrorism issues and will review on-going crisis operations/activities concerning foreign terrorism and domestic terrorism with significant foreign involvement. As the interagency coordination committee for these matters, the CSG will ensure the implementation of this directive. State, Defense, Justice, CIA and FBI will designate members at the Assistant Secretary level. The Office of the Vice President will also be represented. The Department of the Treasury, to include OFAC, Secret Service, ATF and Customs, will be present at meetings of the CSG where their specific expertise or jurisdiction is involved. Because of the sensitive nature of these issues, meetings will normally be held on an Agency principal-plus-one basis. The NSC staff will chair the group. (C)

Additional agencies or entities participating when their expertise or jurisdiction is involved will include:

The Department of Transportation (FAA, USCG)

The Department of Energy (Defense Programs/Military Applications)

The Department of Health and Human Services (HHS)

The Federal Emergency Management Agency

Office of Management and Budget

Interagency Working Group on Enduring Constitutional Government

When any member agency of the group requests the chair to convoke an emergency meeting, the CSG shall meet (in person or via teleconference) as soon as possible and in not less than two hours. For this purpose, the command/operations center of each agency shall at all times be aware of the identity and location of its on-call CSG representative in the Washington metropolitan area and be able to contact that representative immediately.

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Interagency Working Group on Counterterrorism

The IWG-C/T will provide interagency coordination of diplomatic activity, regular bilateral diplomatic consultations, public and legislative affairs and other on-going activities in support of counter-terrorism policy. In addition, it shall constitute interagency sub-groups, as necessary, on such issues as interagency exercises, counterterrorism research, the rewards programs for information leading to arrests and convictions of wanted terrorists and the FEST.

The IWG-C/T shall be chaired by the Department of State and shall include members from OSD, JCS, DOJ, FBI, Department of the Treasury, USIA, CIA, OMB, FEMA, DOE, Department of Transportation and HHS.

The chairs of the CSG and IWG shall ensure proper coordination between the two committees. (G)

Interagency Intelligence Committee on Terrorism (IICT)

The IICT will serve as the forum for interagency coordination and cooperation on requirements, the exchange of intelligence, warnings, research and development and the production of Community coordinated assessments. It will provide impartial review, comment and advocacy regarding programs that impact on the national Intelligence Community's Counterterrorism mission.

The IICT will be chaired by a Community officer appointed by the DCI and shall include members from the intelligence, law enforcement, regulatory and military communities with a counter/anti-terrorism mission. The State Department will be included as appropriate.



20631 THE PRESIDENT HAS SEEN

THE WHITE HOUSE

June 21, 1995

PRESIDENT:

The attached is a proposed PDD on U. counterterrorism policy.

It covers five main topics: (i) reducing U.S. vulnerability to terrorism at home and abroad; (ii) deterring terrorism; (iii) responding to terrorism, with specific agency responsibilities assigned (for preventing, handling and managing the consequences of attacks; (iv) weapons of mass destruction; (v) deadlines for the AG's report on vulnerability and readiness reports from FEMA and DOD.

NSC resolved one significant interagency dispute in the preparation of the PDD. Treasury wanted a seat on the Coordinating Sub-Group (CSG), which coordinates our counterterrorism policy. FBI resisted, for reasons Tony spells out, and Treasury was left off the CSG, though the PDD makes clear that Treasury (including the Office of Foreign Asset Control, Secret Service, ATF and Customs) will be included where its expertise or jurisdiction is involved.

Treasury is not happy about being left off the CSG, but has agreed to support the PDD in light of the language spelling out when it will be invited to CSG meetings. All other relevant agencies have cleared the PER E.O. 12958, PDD. Leon concurs.

If you approve, please sign the PDD.

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THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN

6.21.95

ACTION

June 12, 1995

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MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKER

SIGNED

SUBJECT:

Presidential Decision Directive on U.S.

Counterterrorism Policy

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2004-1613-m

Purpose

To sign the attached Presidential Decision Directive on U.S. counterterrorism policy.

Background

The Counterterrorism PDD (Tab I) characterizes terrorism as both a criminal act and a potential national security threat, which we will fight on our own and with friendly countries. It addresses itself to domestic and international terrorism and states that we will not make concessions to terrorists.

The PDD text is made up of five sections:

- Reducing Vulnerabilities. This section states, in general terms, what agency heads must do to reduce our vulnerability to attack.
- Deterring Terrorism. This section calls for strong public statements of our policy toward terrorism, aggressive measures to disrupt terrorist activities, the return of indicted terrorists from other countries to the U.S., pressure on states that sponsor or acquiesce in terrorism, and enhancement of our counterterrorism capabilities.
- Responding to Terrorism. This section assigns specific responsibilities to agencies for preventing attacks, handling them when they occur, and managing their consequences once they are over. It spells out FBI's lead responsibility for handling domestic incidents and State's role in handling overseas contingencies. CIA and FBI will continue to share responsibility for intelligence collection. FEMA is given overall responsibility for dealing with large-scale damage resulting from an attack. Defense is assigned supporting roles at home and abroad and is required to assume the cost of its support, since neither FBI nor FEMA have the resources to reimburse DOD.

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cc: Vice President Chief of Staff



- Weapons of Mass Destruction (WMD). This part instructs agencies to intensify intelligence collection on potential terrorist users of WMD, negotiate agreements with other countries on handling incidents, refine our response capabilities, rules of engagement, and procedures for retrieving, disabling, transporting and disposing of WMD.
- Implementation. The last section sets deadlines for the Attorney General's report on the vulnerability of U.S. facilities to attack and the FEMA and DOD readiness reports. It also stipulates that the National Security Advisor is responsible for the proper functioning of the counterterrorist system.

Interagency Disputes

In drafting this PDD, the NSC had to reconcile a conflict between Treasury and the FBI over Treasury's role in the NSC chaired group that coordinates U.S. counterterrorism policy; the so-called "Coordinating Sub-Group," or "CSG." Treasury pressed hard for a permanent seat on the CSG. FBI resisted strongly, however, in part because Louis Freeh believes Treasury's presence would create confusion over responsibility for managing domestic terrorist incidents, and in part because the CSG coordinates sensitive operational matters that are beyond Treasury's purview. The attached PDD does not give Treasury the membership in the CSG it was seeking. The PDD does, nonetheless, provide strong assurances to Treasury that it will be present at CSG meetings whenever its expertise or jurisdiction are implicated.

A separate problem regarding the CSG was raised by the FBI, which argued that under certain remote conditions the Bureau's freedom of action would be unduly constrained by the CSG's coordinating role and its involvement in handling of domestic terrorist incidents originating overseas. They would have removed all reference to a CSG coordinating function in all domestic incidents. The FBI conceded, however, that the CSG operates effectively now and enhances FBI's ability to do its job by ensuring the full support of State, Defense, and CIA. Examples in the domestic arena are the World Trade Center bombing and Oklahoma City in its early stages. Since the text now makes clear that the CSG does not make decisions, direct agencies to take action, or get involved in criminal investigations or prosecutions, FBI has withdrawn its objection. The attached PDD, therefore, confirms the CSG's role in coordinating the U.S. response to domestic incidents with significant foreign involvement.





RECOMMENDATION

That you sign the attached Decision Directive on U.S. Counterterrorism Policy.

Attachment

Tab I. Decision Directive on U.S. Counterterrorism Policy



