

8 PROF. BENGT SUNDELIUS: Welcome back to our plenary. We  
9 have had two intensive sessions with breakout  
10 discussions, seminars, workshops and a light lunch in  
11 between. I'm pleased now to turn to the subject of  
12 success stories in collaborative science and technology  
13 research, and it's a privilege indeed to introduce the  
14 first speaker here, Dr. Detlof von Winterfeldt, who is  
15 sort of a walking success story when it comes to  
16 international collaborative research, being the founding  
17 director of CREATE, one of the just funded Centers of  
18 Excellence in Los Angeles but with part rollover in  
19 United States. Running that successfully now many  
20 years, now being the director of the National Institute  
21 of Advanced Studies in Luxembourg, pan-European Advanced  
22 Research Institute that you not only have to manage a  
23 number of American faculty members, scientists, but try  
24 to coordinate a number of European faculty members,  
25 disciplines and scientists, and also getting funding  
96

1 from many European parts. I'm sure that challenge is  
2 even greater than the challenge of running CREATE  
3 together with DHS. So Detlof has experience working  
4 with DHS, helping to build homeland security in the  
5 United States and also being a European now back in  
6 Europe, having considerable experience and knowledge how  
7 to build research institutes and centers of excellence  
8 on this continent. Most he likely can tell us about  
9 some of the pro and cons, differences and how to turn  
10 them into success that he's been able to do twice.

11 Please Detlof.

12 DR. DETLOF VON WINTERFELDT: Thank you very much, Bengt.  
13 It's kind of like coming home to me, both in terms of  
14 coming back to Europe in Luxembourg -- Austria where I'm  
15 residing in a beautiful castle -- and also coming back  
16 to homeland security which I haven't really worked on  
17 for the last eight months, nine months or so. I will  
18 talk primarily about CREATE and some of its experience  
19 related to international work as well as some of the  
20 substantive work that we did, and occasionally I might  
21 touch on my new experience at IIASA, but I can tell you  
22 that managing an international institution is a lot  
23 tougher than managing a national institution. And it's  
24 not only those pesky Europeans that I have to deal with,  
25 but I also have to deal with Russians and Japanese and

1 Koreans and Chinese and Indian and Pakistanis and South  
2 Africa and Egypt. Now, "having to deal with" is maybe a  
3 little pejorative. I enjoy it tremendously.

4 So what I'm going to talk about today is some of the  
5 activities that occurred at CREATE over the last six  
6 years. CREATE is, as you may know, was the first Center  
7 of Excellence funded by the Department of Homeland  
8 Security. Actually about six years ago exactly we  
9 submitted our proposal for CREATE in response to a basic  
10 ordering agreement -- a basic agency announcement that  
11 was sent out in August of 2003. And there were 72  
12 competitors. 72 universities wanted to get into the  
13 homeland security research business. And I actually had  
14 thought at the time that I would do this only for  
15 practice to write this proposal, because I was really  
16 interested in the fourth call which was for a behavioral  
17 center. By background I'm a psychologist and a  
18 mathematician, so that interested me. In any case, much  
19 to my surprise, we won. We had an interesting mix of  
20 engineers, economists, social scientists, and I don't  
21 know if you all remember the gentleman to the very left,  
22 but he was the first Secretary of Homeland Security,  
23 Secretary Ridge. Then Secretary Chertoff, who was  
24 secretary during most of my directorship of CREATE, and  
25 then I passed the baton to Isaac Maya as interim

98

1 director on 1st of January, to move to IIASA, and here  
2 he is shortly after he got the job with new Secretary  
3 Napolitano. So CREATE actually survived or went through  
4 three secretaries, which is quite remarkable by itself.  
5 And we are going to recompetition at the end of the  
6 year, and with some luck and some skill I hope my  
7 colleagues will manage to win the recompetition. So the  
8 theme of CREATE was risk and economic analysis and why  
9 is this an important theme for research. Here's a quote  
10 by Secretary Chertoff. We have to identify and  
11 prioritize risk, understanding the threat, the  
12 vulnerability and the consequences, and then we have to  
13 apply our resources in a cost-effective manner. I used  
14 to have a very complicated mission for CREATE, and these  
15 days I say the mission for CREATE was and is to help the  
16 Department of Homeland Security do this job better by  
17 providing the science, the research, the risk  
18 assessments, the economic assessments to do this task.  
19 CREATE is an interdisciplinary center. We have quite a  
20 few social scientists, lots of economists. I'm not an  
21 economist, so I was surprised how many different types  
22 of economics there are. If you put five economists in a  
23 room, you get about ten different opinions, I  
24 understand. We have political scientists, international  
25 relations folks and so on. We have a good component of

1 engineering, and I'm actually pleased that operations  
2 research, which is primarily an engineering discipline,  
3 is on the list of topics for the recompetition, and  
4 computer scientists, public policy, decision science and  
5 so on. Here is a list of our current partners, and  
6 CREATE officially is a national center. We call it the  
7 National Center for Risk and Economic Analysis of  
8 Terrorism Events, but we also have four international  
9 partners. We have a very important partner in Australia  
10 at Monash University. Peter Dixon, who is one of the  
11 foremost economic modelers of major interruptions and  
12 changes using computer role generalized equilibrium  
13 models. We have a partner at the London School of  
14 Economics, a partner in Israel. This was one of the  
15 projects that we bid on through the international venue  
16 of science and technology and one of the first ones that  
17 they founded. And here we're dealing with our skills in  
18 risk and Technion's risk in Israel with liquid  
19 explosives, and we're studying how can we detect liquid  
20 explosives and how can we manage the flow of liquid  
21 explosives better. And then IIASA is of course my new  
22 institution, and I managed to snip off a small piece  
23 just to keep my interest in terrorism, and this is a  
24 subcontract from FEMA. This is not coming out of S&T  
25 but from FEMA on emergency preparedness.

1 IIASA itself does not do terrorism research or security  
2 research partly because it is such a wide far-flung  
3 international institution. I was not trying to  
4 introduce that at this stage of the game into the  
5 topics. The main research topics at IIASA are, in the  
6 new strategic plan that we just passed, energy and  
7 climate change, food and water scarcity, and poverty.  
8 So global problems and how to tackle those. CREATE  
9 is -- coming back to CREATE, our research framework at  
10 CREATE was a focus on risk assessment, economic  
11 assessment and risk management. Risk assessment is  
12 essentially determining in a quantitative way the  
13 threat, the vulnerability and the consequence of  
14 terrorist attacks. Economic assessment looks at the  
15 direct economic impacts in terms of business  
16 interruption, losses to structures, losses to lives.  
17 But, most importantly -- and this is where I think  
18 CREATE has developed its skill -- indirect economic  
19 impacts due to behavioral changes in consumption  
20 patterns, demand patterns, et cetera, and often that we  
21 find, as you'll see in a minute, the indirect impacts  
22 often overshadow the direct ones. Risk management deals  
23 with the questions, well, now that we know what the  
24 problem is, what can we do about it? And that's  
25 actually often a liberating step that I will mention at

1 the end. We do a lot of risk management work.  
2 In August of 2006 the science and technology division  
3 was reorganized, and these are the three -- the  
4 directorate was reorganized, and these six divisions  
5 were created, and we were asked to align with one of the  
6 divisions. And I really tried. I tried very hard, and  
7 I reluctantly came to the conclusion that we're really  
8 serving all the divisions and proposed, and this was  
9 eventually accepted, that we ought to be able to support  
10 all six divisions of the Department of Homeland Security  
11 Science and Technology Directorate in risk assessment,  
12 economic assessment and in risk management. And we do  
13 and we did, and if you look at our projects they  
14 splatter through this whole table. And we have at any  
15 given time about 30 projects, and they're all over the  
16 place.

17 The kinds of models that we build in risk assessment are  
18 based on probabilistic risk analysis, game theory,  
19 economic assessment, impact models, also economic  
20 analysis of terrorist behavior, and then resilience is  
21 an important topic. And in risk management we have some  
22 advance tools of defender/attacker decision trees, game  
23 theoretic models for inspection and controls -- I'll  
24 talk about that in a minute. The three that I bolded  
25 here I will chat about in a little bit more detail.

1 First let me talk about risk analysis. There is about  
2 30 years of experience in risk analysis, so this was  
3 nothing new when 9/11 occurred, but many people like  
4 myself, many researchers in risk analysis, thought that  
5 terrorism is different in many ways but also similar in  
6 many ways to other risks in the world. So we look back  
7 at the sort of analyses that were done in nuclear power  
8 plant risk, environmental risk, natural disasters. We  
9 also see of course the bridge between natural disasters  
10 and terrorism in organizations like FEMA which are part  
11 of DHS, and that was kind of a natural transition.  
12 There were many attempts to apply risk analysis to  
13 terrorism. Our focus is primarily on probabilistic risk  
14 analysis. I'll talk about that in a minute. We also  
15 have a game theory team at CREATE and so on. The  
16 hardest part of risk analysis is threat analysis. We  
17 mentioned earlier threat vulnerability consequences is  
18 triplet. Threat analysis is the most difficult one, and  
19 initially I shied away on doing threat analysis because  
20 I thought it was too complex and I wanted to get my  
21 footing first with the CREATE team in terms of  
22 vulnerability analysis and consequence analysis. Turns  
23 out that consequence analysis is very well covered by  
24 the national laboratory, so we went out of that  
25 business. We'll just buy it from them when we need it.

1 And they give it to us, quite frankly. Vulnerability  
2 analysis with (unintelligible) tools. And then I think  
3 it was sometime in, oh, I think it was 2006 or so, maybe  
4 early 2007 that I saw a report that was issued by  
5 Senator Lugar, and he had asked about 90 people, 80  
6 people for probabilities of terrorist events occurring.  
7 And my first reading of the report I was very critical  
8 of it, but here are some of the results so just to give  
9 you some thought. The question was, what is the  
10 probability of a major nuclear, biological, chemical or  
11 radiological attack in the next five or 10 years in the  
12 world. It wasn't in the United States. It was in the  
13 world. But it wasn't quite clear what "major" meant and  
14 so on. It's one of the big issues with these analyses.  
15 If you're not clear about the question, the answer can't  
16 be all that precise either. So there are some issues  
17 with this.

18 So, for example, the median response, the 50 percent  
19 above/50 percent below response for nuclear attack was  
20 ten percent in the next five years. Seems outrageously  
21 high to me. I really worry about this. So I have some  
22 issues about this, and the next question I asked myself  
23 was, who are these people who gave these answers? And  
24 here are some of them. You probably recognize almost  
25 everybody on this list. But one time I gave this talk

1 at the Rand Corporation a few years ago, and somebody  
2 raised their hand right then and said, these are not the  
3 right people to ask. And I would agree with that. I  
4 think these are people who probably do not know at this  
5 time or even in 2007 when they were out of their  
6 respective jobs what terrorists wanted, what terrorists  
7 could do. And so I returned question to my Rand  
8 colleague and said, who should we ask? And he said,  
9 well, you should ask the terrorists, and that's of  
10 course a little bit difficult. But you can do the next  
11 best, and the next best is two types of people, actually  
12 three types of people. You can ask the intelligence  
13 analysts, and that's what we ended up doing. We went to  
14 the intelligence community to ask these sort of  
15 questions. Much better questions, but these sorts of  
16 questions. You can ask social scientists who study  
17 terrorists and radicalism and so on like in the START  
18 Center that we have or you can ask journalists. For  
19 example, what's the CNN journalist? He actually came to  
20 our meetings a couple of times. The guy who interviewed  
21 Osama bin Laden. You can ask them and -- yeah, exactly.  
22 Peter Berg. So we ended up trying to get a better  
23 handle at threat by asking intelligence analysts, and I  
24 was kind of emboldened because I thought we can  
25 certainly do better than the Lugar study. And we

1 started off a few years ago with looking at the threat  
2 of bioterrorism, and we used a very structured process  
3 called expert elicitation to estimate the threat or the  
4 relative likelihood of use of 28 agents. We had in the  
5 experimental phase only four bioterrorism experts, and  
6 we developed a protocol to do this. Here's sort of a  
7 typical result. This is very hypothetical. The only  
8 thing that's real about it is the shaded areas. These  
9 are the top 20 I think agents, and the numbers on the  
10 right column are the relative probabilities that this  
11 one expert gave to this agent being used in a terrorist  
12 act in the next ten years. And the shaded ones are  
13 anthrax, botulism, Ricin and Yersinia pestis. Turns out  
14 that any way you ask this question, many experts you  
15 ask, the shaded ones tend to flow to the top. This is  
16 no secret. There are reasons why this occurs, and I'm  
17 not going to go into that. So I developed a sense that  
18 there's some stability there so I felt a little bit more  
19 comfortable. And we concluded that ranking and rough  
20 relative judgments of threats are possible. Few  
21 biological agents flow to the top and so on. And this  
22 type of procedure was then later used with some of our  
23 help in 2006 for the biennial presidential report on  
24 bioterrorism and also again in 2008. And it was  
25 attempted in the DHS-wide Risk Based Resource

1 Allocations, as we call RABOT, and then I left and I had  
2 some issues with RABOT also, and this is something that  
3 is still under discussion.

4 Let me very briefly talk about the second leg of CREATE,  
5 the economic assessment. We have about 15 economists.  
6 One of our mainstays is very simplistic or very simple  
7 input-output models. These are very standard models.  
8 The nice thing about them is they're off the shelf and  
9 you can run them very quickly. It doesn't take a lot of  
10 effort. But we have also more advanced models,  
11 computable generalized equilibrium models and developed  
12 behavioral models. And we have one innovation at CREATE  
13 which is the economic modeling impact forum where we  
14 bring different modelers together to do the assessment  
15 of the economic consequences on the same topic. So we  
16 did the last one on 9/11 and there's a new one that  
17 occurs this year. You might think that the economic  
18 consequences of 9/11 are well understood. Trust me,  
19 they're not. There are still arguments about what  
20 exactly they are, although I think our last economic  
21 impact forum did pin that down as I will show in a  
22 second.

23 Here's some of our -- we did about 20 of these kinds of  
24 studies. Indirect economic impacts, for example, of a  
25 dirty bomb attack on Los Angeles and Long Beach due to

1 the port shut down is about 34 billion for 120 days. As  
2 it continues, it's approximately 10, 20 billion a month  
3 until the system has restabilized by having ships sent  
4 to other ports, which by the way does turn out to be  
5 difficult because L.A./Long Beach have about 40 percent  
6 of all container goods in the United States.

7 The MANPADS study was a study of the economic  
8 consequences of a MANPADS attack, surface to air missile  
9 attack on a commercial airplane. There the consequences  
10 come primarily from the reduced passenger volume, and we  
11 used as a benchmark the reduced passenger volume of 9/11  
12 as a comparison. And the input-output model came up  
13 with a result which was quite staggering to me, about 2  
14 hundred billion to 420 billion in indirect economic  
15 losses. Now, if you think about this, this is primarily  
16 through the ripple effects of tourism industry to the  
17 hotels, to travel and so on. Anything that's connected  
18 with travel is affected. So this number, by the way, in  
19 the economic impact forum was down-revised to about 150  
20 based on a number of discussions that the folks had.

21 We're now down probably somewhere between 100 to 150 in  
22 indirect economic impacts of 9/11, so we've pretty much  
23 narrowed this down. The first time we reached a  
24 trillion dollar area, 2 trillion, 2 and a half trillion  
25 or 1.24 trillion -- these are the first two rows -- was

1 when we looked at a complete border shutdown due to  
2 pandemic flu attack, either terrorist induced or  
3 natural. And somebody apparently had the idea -- I'm  
4 glad that I don't know who had the idea, but somebody  
5 had the idea that the solution to a pandemic would be to  
6 shut down the borders of the United States to people  
7 coming in, to people going out, to goods coming in or to  
8 goods coming out, except oil from the Middle East and  
9 electricity from Canada. Otherwise we would just  
10 completely fall apart. And there was an initial study  
11 that said this is not a big deal, and when we heard this  
12 we just thought we couldn't believe it. So we did a  
13 study, and our input-output model showed that it was  
14 well over 2 trillion and certainly 30, 40 million in  
15 this analysis of unemployed. And then a second study  
16 showed this was 1.4 trillion and 22,000 -- 22 million  
17 unemployed. These two numbers were two different  
18 models, one input-output model which doesn't make any  
19 adjustments to prices and changes and the other one an  
20 equilibrium model which does. Typically equilibrium  
21 models are about half the impact because they take into  
22 account more changes of prices, price signals and  
23 consumer behavior. And down at the bottom we see also  
24 the September 11 attack. We estimated about  
25 \$108 million GDP loss. That's kind of a pretty stable

1 number now, between 10,150. And the last element I want  
2 to briefly touch about -- I know I'm running out of time  
3 here -- is risk management. And there I wanted to give  
4 you just one example how science can turn into  
5 technology and technology can turn into rapid runaway  
6 application. And this was an idea that a Ph.D. student  
7 had to randomize security measures and patrols,  
8 randomize them to make them unpredictable, but to do  
9 smart randomization and mainly based on the value of the  
10 targets that you want to protect. It's a mathematical  
11 algorithm behind it. It was implemented in a technology  
12 called Armor, which is a computer program. This  
13 computer program works together with the researchers who  
14 developed it and police officers at Los Angeles Airport  
15 to generate the randomized schedules. There is some  
16 interaction process that can be done. There's a  
17 template that the police officers use. They can put it  
18 into their weekly schedule. They can make adjustments  
19 if they want to, but my understanding is they never did.  
20 They just accept the randomized schedule, and then the  
21 bottom line is basically it becomes very unpredictable  
22 how you conduct your inspections and patrols. Newsweek  
23 picked this up. This is September 28, 2007. "The  
24 elements of surprise. To help combat the terrorism  
25 threat, officials at the Los Angeles International

1 Airport are introducing a bold new idea into their  
2 arsenal: Random placement of security checkpoints. Can  
3 game theory keep us safe?" This is one small example of  
4 how you can get from rather esoteric science -- this was  
5 based on a game that I didn't even know called the  
6 Stackelberg game to something that is implemented. TSA  
7 is using it now to schedule their air marshals. There  
8 are other users of it already. We've got about five or  
9 six users of this type of tool.

10 So, in conclusion, I'd like to make a couple of comments  
11 in looking back on the CREATE work and reflecting a  
12 little bit on it, now having been away for eight months.  
13 I think looking backwards by far the toughest job is  
14 still the risk assessment job. In particular in the  
15 threat assessment part, because adversaries seek  
16 vulnerabilities and high impact, and they're looking for  
17 the surprises, and the surprises by definition are not  
18 something that we expect. And, moreover, probabilities  
19 of threats and attacks shift with our defensive action,  
20 and that's a very big problem. Once you secure one  
21 building or one aircraft, then terrorists will move to a  
22 different path. Economic impacts are critical. The  
23 indirect economic impacts often overshadow direct ones.  
24 9/11, 50 billion direct, 100 to 150 billion indirect.  
25 Shut down the port, the direct impacts are very little,

1 just contamination and possibly some health effects; but  
2 the indirects are enormous.

3 Also public responses are often the vehicle to large  
4 indirect consequences. Like not flying, for example.  
5 Risk management focus can help, and here I feel very  
6 strongly that when you focus on what can be done you can  
7 make some progress. If you just keep on worrying about  
8 the problem, there won't be any progress. So  
9 identifying options, identifying decisions and  
10 implementing the good ones is important. There can be  
11 also what some people call paralysis by analysis. We  
12 analyze, we do research, but often I tell my scientists,  
13 my researchers, my analysts, don't try to optimize this  
14 problem to the Nth degree. Just make sure that you  
15 identify the real losers and get rid of them. Often  
16 it's as important to identify those options that are not  
17 good as it is to identify the real good ones because if  
18 you have eliminated the real bad ones, you're probably  
19 going to be relatively safe with the remaining choice.  
20 And, as usual, it's not up to the decision theorists,  
21 the analysts and the researchers, but often to politics  
22 what the ultimate choice is. So thank you very much.

23 This was a bit of a tour de force. In all of these  
24 projects we had international help. LSE helped us with  
25 the economic analysis. We're working closely with IIASA

1 on threat. And we have been working with Australia on  
2 the economics. The way this works is we're identifying  
3 all partners in the international arena, come to us,  
4 develop projects, and it can be funded through CREATE.  
5 So thanks very much. It was a pleasure to be here. And  
6 happy to answer questions, but I also don't want to  
7 steal the time from Starnes Walker.

8 PROF. BENGT SUNDELIUS: Sit over there for now. Thank  
9 you very much. Excellent. We had a question on the web  
10 this morning I'm going to pick back up I hope. But  
11 first I want to call a veteran to the podium, Starnes  
12 Walker. Starnes has some success stories to relate.  
13 What is interesting with Starnes is he has bridged other  
14 boundaries. Not only good work at DHS, as we heard  
15 about, but also many years in Office of Naval Research  
16 and in the private sector. Sometime you should talk  
17 about tales from Oklahoma. (Unintelligible.)

18 DR. STARNES WALKER: Thank you. Well, actually this was  
19 a good segue to talk about some of our success stories  
20 and the importance that the work that CREATE has been  
21 doing to scope out the areas of vulnerability and, as we  
22 just heard, the areas of seams where vulnerabilities  
23 occur. And understanding that gives us at least a  
24 measure for what areas we ought to try to focus on that  
25 are extremely important for enhancing the nation's

1 security and global security. So I think the -- I  
2 continue to look forward to see more and more work  
3 coming from CREATE that will help guide us in the future  
4 in the areas that we would like to look at. And also we  
5 could overlay the discoveries in science and technology  
6 that we would see that we perhaps could have solutions  
7 in a reasonable time frame to address these  
8 vulnerabilities, but also what areas of investment we  
9 should make in phenomenologies that are beginning to  
10 mature, become exciting, where we see things that would  
11 be derived from those discoveries. So think that's an  
12 area that we're excited about, and I brought forward a  
13 few examples.

14 The other thing that I think that we had just heard too  
15 that -- the complicated areas of how society works, when  
16 you think about within the United States and within  
17 Europe, the Baltic areas, you have the -- in the United  
18 States we look at 18 different sectors of how our  
19 society operates and the overlaying of electrical power  
20 and natural gas distribution, energy, water, all of  
21 these things. And each of these systems, maybe it's a  
22 simple way to look at it, but I've always looked at each  
23 of those infrastructures as being kind of a two-  
24 dimensional plane, let's say, and they have critical  
25 nodes of how they operate and those vulnerabilities of

1 those nodes. And then if you were to then construct a  
2 three-dimensional model where you overlaid 18 different  
3 planes and then you look at a ripple effect of if I  
4 attacked one node of industry or economy and how does  
5 that ripple and affect the other sectors? And then you  
6 begin to define maybe there's more of a strategic thing  
7 that you have to make investments in that if we could  
8 solve that problem, then make it reasonably what we'll  
9 call a hard target where it's difficult to breach that  
10 and cause a disruption of society and harm for our  
11 populations, then that would make good projects to look  
12 at and see if we can move forward with. I brought  
13 forward a couple of examples that we have underway, and  
14 we have many more. And from an organizational  
15 standpoint it's kind of an overlay across all three  
16 sectors of transition, innovation and I'll call it basic  
17 research, or research, where we find there's an  
18 opportunity for all of this to come together as we  
19 address some of these critical vulnerabilities that come  
20 from the analysis that we have just heard about. See if  
21 we can call up the -- I've got a few slides here if we  
22 can bring those up. If not, I can walk you through  
23 these verbally. Doesn't look like they're going to be  
24 able to find that, so I'll start off talking about each  
25 of these individually then. One is our program we call

1 resilient tunnel detection. Or demonstration rather.  
2 All across the world we have a lot of tunnels that are  
3 used in different modes of transportation. And the  
4 construction and materials used make them sometimes  
5 vulnerable to both either a natural disaster or a  
6 man-made disaster where explosives, as an example, could  
7 cause a breach of the tunnel. If that were to happen,  
8 then how would it be possible for us to retard the flow  
9 of water into those areas? And this is an area that we  
10 have a program underway right now where we've been  
11 working with international partners, with West Virginia  
12 University, where we could take a look at some of the  
13 advancements in materials science, and sensing of course  
14 of a breach, where we could provide a plug that could be  
15 expanded volumetrically very rapidly so that it would  
16 stop the impending flow of water into this area so we  
17 could restrict the amount of damage and the loss of life  
18 that would occur as result of this breach. And of  
19 course I'd like to remind everyone that as we make  
20 further advances in materials science, then the ability  
21 to withstand or withhold higher back pressures of  
22 materials and water, it's only going to become better.  
23 So having a demonstration where we could see how rapidly  
24 a plug could be deployed and how effectively it would be  
25 in retarding any type of fire and water, smoke and other

1 things, then this would be a very useful thing to have  
2 in our arsenal of reducing vulnerabilities of some of  
3 these critical nodes. So this is I think something that  
4 we'll probably see products being developed rapidly, but  
5 also improvements as we make more discoveries in  
6 materials science.

7 The second one that I would like to talk about is again  
8 with international partners, and I started my discussion  
9 off with the fact that we do have to worry about both  
10 natural and man-made disasters. One of the things  
11 that's very difficult is in the areas of hurricane  
12 science. As you know, we've all seen the disaster that  
13 occurred with Katrina. And with the other areas of  
14 typhoons and hurricane predictions, we don't really have  
15 everything understood well enough from the basic science  
16 that allows us to predict with a much higher degree of  
17 confidence either the strength or -- the growing  
18 strength or subsidence of hurricanes or typhoons.

19 Likewise, I'll call it the cone angle of onset onto a  
20 shoreline, being able to say where that is going to hit  
21 a shoreline. We could do a lot better job. But here  
22 this is an example of where we can be working with  
23 international partners, with NOAA, other government  
24 agencies that we can take a look at how we could get  
25 more sophisticated measurements and better models that

1 would allow us to understand these issues. And this is  
2 only going to come from better atmospheric and ocean  
3 measurements. As you probably realize, the growth or  
4 subsidence of storm many times depends upon the  
5 temperature of the ocean, but then you have to worry  
6 about the mixing that occurs, the wave action. There's  
7 all sorts of very complicated phenomena that go on that  
8 really control the amount of energy that is going to be  
9 placed into that storm and how it's going to be retained  
10 or dissipated. So we have a very good program underway  
11 now for making more sophisticated measurements, running  
12 these into the models, and then going through -- I'm  
13 sure that these type things from a CREATE standpoint,  
14 you begin to do what we call parametric systems  
15 analysis, and you do sensitivity studies to understand  
16 what are the critical parameters that control the growth  
17 or subsidence of storm. Likewise, if we were able to  
18 better predict that and the onset, then if you have very  
19 precious resources to be deployed, government agencies,  
20 state organizations then would be able to more  
21 effectively safeguard both the infrastructure and save  
22 lives, because you only have a limited amount of  
23 resources. If we can deploy that more effectively, then  
24 that would be very good. So that's the second program  
25 we have underway that we're very pleased about.

1 The third one, example is of course I think we've all  
2 heard about the issues of border security and being able  
3 to either be able to control and understand the movement  
4 of illicit goods or the movement of human people, of  
5 people moving back and forth in a covert manner. If we  
6 could -- and many of these occur through tunnels. Many  
7 times, as you know, it's very difficult to discover  
8 these, and we surprisingly see these show up, but if you  
9 could imagine being able to look at a clandestine type  
10 of tunnel that has been structured, then all of a sudden  
11 you have to worry about the soil composition, moisture,  
12 technology such as ground penetrating radar or very  
13 sensitive gravimeters, breakthroughs that we make  
14 being able to look at voids and either acoustical or  
15 physical sensing and monitoring. We don't have all the  
16 tools, so we're working again in partnership with  
17 universities, international partners, so that we can do  
18 a better job. We don't have the solutions that we have  
19 today, but with the advancements in new types of sensing  
20 technologies, data fusion, because there's probably no  
21 one single sensor but many different approaches,  
22 bringing that information together would allow us to be  
23 able to discover the use of these tunnels that again, if  
24 you can bring -- of course, a lot of it is to bring  
25 drugs into countries, but you could also bring bad

1 people or weapons of mass destruction. So it's very  
2 important for us to be able to have technologies to be  
3 able to control and enhance our border securities for  
4 any area, any nation. So this is a third program we  
5 have underway, and again it's international in scope and  
6 it reaches across other government agencies as well as  
7 with academia. So this is I think an exciting area,  
8 again fertile for discovery, and it's again looking at  
9 ways that we can help protect and enhance the nation.

10 The last one that I'm going to discuss will be the one  
11 on the -- we talked about the resiliency of  
12 infrastructure, and we also have heard over the last two  
13 days the concern we have with the terrorist's choice  
14 weapon of improvised explosive devices. A lot of people  
15 are harmed by the breakage of the glass and the shards  
16 that are created in an explosive detonation as that  
17 shock wave hits a window, breaks in fragments into very  
18 small pieces of glass that are moving at high velocity,  
19 and they literally can cut you in two. So a lot of  
20 people are harmed by that. So if we could come up with  
21 a composite window that gave us the optical properties  
22 that you all desire and maybe even good thermal  
23 properties so that they're, as we would say, a low E  
24 window, "E" being E massivity, but providing good energy  
25 parameters for new construction, but also would not be

1 fragmented upon detonation. So we again have a program  
2 underway using advancements in materials science,  
3 international in participation, and at the same time  
4 taking a look at how these new materials that are being  
5 developed, how those would be then placed in. So we  
6 have a testing program underway that looks -- I think  
7 we're going to see some exciting breakthroughs, but  
8 again it's how can we make the infrastructure more  
9 resilient, how can we protect people. So this is  
10 something that we're trying to accelerate in our  
11 demonstration program.

12 These are four examples of many that we have underway.  
13 Again, I think the work that CREATE is doing allows us  
14 to quantify in a better way let's work on the ones that  
15 seem to be the most serious in terms of how it will  
16 affect society and how more people could be harmed and  
17 we have solutions. Let's pick some demonstration  
18 programs where we think we've got a good, solid science  
19 footing. We also see that there are discoveries  
20 occurring that may be able to be addressed and shown to  
21 be very helpful in that, and then move forward with  
22 these projects. And, again, it's something that  
23 integrates across all of our directorate where we have  
24 innovation. We have our six divisions that become  
25 involved, and likewise we bring in university programs.

1 As you know, our Centers of Excellence, as I said  
2 yesterday, encompass about 240, 250 academic  
3 institutions, with reaching out internationally as we  
4 just heard with CREATE -- this is true for all of our  
5 centers -- and we are looking at emphasizing the  
6 importance of international collaboration. So I just  
7 wanted to give you at least a cross-sectional view of  
8 four areas that we're working on. And as we see other  
9 opportunities, we're going to continue to have  
10 additional demonstration programs which brings the  
11 international community together in a way that improves  
12 and safeguards all of our nations. So I guess with that  
13 I'll stop and probably be able to have a little bit of  
14 time for some questions. Thank you.

15 PROF. BENGT SUNDELIUS: Thank you very much, and we have  
16 an unusual opportunity here. We have two very seasoned  
17 scientists of independent minds, so we can pick their  
18 brains for a few moments. While you think about some  
19 questions you want to raise, we had a question from our  
20 global audience this morning. I thought it was a good  
21 question and I bring it up now. There have been many  
22 subjects discussed over the last two days, and  
23 everything is important, but what should really be  
24 prioritized? What's the most urgent? We all have our  
25 favorite topics, but research requires sometimes long

1 term investments and will not yield results for a number  
2 of years. So if you put the question on urgency, if you  
3 had the 10 million dollars now or more, urgent, what are  
4 the most urgent priorities? Shall we start with the  
5 social scientist?

6 DR. DETLOF VON WINTERFELDT: All right, let's start with  
7 the decision analyst and risk analyst. That's me also.  
8 The way I would address the question is not by picking  
9 particular technologies but by answering to develop or  
10 to suggest that those technologies are to be looked at  
11 where one can make a difference. Maybe not now, but at  
12 least have a chance at success, and if they're  
13 successful they make a difference. So I would ask two  
14 questions. What's the chance of this technology being  
15 successful and what difference does it make?

16 PROF. BENGT SUNDELIUS: Impact, impact.

17 DR. STARNES WALKER: Let me describe another program we  
18 have underway that relates to both the critical  
19 infrastructure but also takes a look at improving energy  
20 efficiency and giving us a way where we think in  
21 addressing this it might be important from several  
22 different factors. And that is what we are calling our  
23 resilient electric grid, and that's where we're taking  
24 the advances in superconducting technology, materials  
25 science, that allow us to go to higher and higher

1 temperatures of superconductors to provide a means to  
2 move power efficiently, but also to be able to put it  
3 installed in a parallel path where we have in an urban  
4 area where you have a very complex underground  
5 environment, as you would know with an existing city,  
6 where if power should fail, and it would affect  
7 hospitals and a number of critical sectors that are  
8 important for emergency response, to have some  
9 redundancy in the system. Well, here, as we make the  
10 advances in superconducting technology, it's possible  
11 we've seen now for us to be able to take what I would  
12 say would be a cross-sectional size of cabling to bring  
13 power from one midstation to another, something on the  
14 order of the size of the screens behind us, and replace  
15 it with one cable running through phases, something on  
16 the dimension of around six inches in diameter, and what  
17 impact that would have. So this is an example of a  
18 program that addresses many different areas of  
19 infrastructure that are important, and at the same time  
20 it can be on the cutting edge of science. And then  
21 maybe some day, as our materials scientists and  
22 physicists make further breakthroughs, if we ever have a  
23 room temperature superconductor, then that changes  
24 almost the whole world. That will be far reaching and  
25 maybe some day we'll have that. But here's a good first

1 step which takes a look at something we know is  
2 important in emergency response. As we saw the attacks  
3 at 9/11 with the World Trade Center, disruption of power  
4 affects emergency services. Here's a good example of  
5 bringing that together. So I think that's something  
6 that again decision-making and, as we've just heard,  
7 making maybe some choices in terms of working on the  
8 most important things, but dovetailing that into  
9 something we could do today.

10 PROF. BENGT SUNDELIUS: Thank you. Another good  
11 question popped up. You have it in front of you.  
12 What's the biggest obstacle to increased cooperation of  
13 science and technology research among the U.S. and  
14 international partners? What is the major obstacle to  
15 increased cooperation? Seasoned, experienced...

16 DR. DETLOF VON WINTERFELDT: Well, I struggled with this  
17 question when I started my directorship at IIASA because  
18 I was interested in trying to bring some of the research  
19 that we had started in CREATE or that the DHS had  
20 started with the Centers of Excellence in general, like  
21 behavioral work, into IIASA. And there is one aspect,  
22 not just in terms of international relations in this  
23 work, but also even starting just in the United States  
24 as a matter of universities working on security issues,  
25 and that is that you very quickly get into sensitive and

1 potentially into the neighborhood of classified  
2 information. And that will I think create some issues  
3 both at the university and as well as in international  
4 collaborations: What is classified, what is not  
5 classified, what can be exchanged, what is sensitive?  
6 How do you deal with sensitivity? I think all of this  
7 can be overcome, and I'm very pleased that there hasn't  
8 been a major scandal yet in this particular topic area.  
9 I have not heard of any stories that said somebody  
10 revealed sensitive or close to classified information at  
11 this research, but I think it's an issue that you have  
12 to pay attention to.

13 DR. STARNES WALKER: I agree with my distinguished  
14 colleague that it's also possible as we look at the  
15 opportunities to break it down into basic research,  
16 applied research, and if you break the problem down,  
17 then you can have researchers in the international  
18 community working on certain areas coupled with other  
19 work going on that's, say, behind a firewall where you  
20 end up with the product, but it still is an involvement.  
21 If you break the problem down, you always can put it in  
22 a framework that allows I think enhancing international  
23 collaboration and cooperation. The one thing that I  
24 think it really comes down to is people having a  
25 personal commitment to -- it goes down to the individual

1 and if you would like -- science and discovery knows no  
2 bounds, no geographic bounds, so it's really important  
3 to bring, as I said yesterday, an international  
4 community together as a catalyst. I think you will find  
5 more creativity coming from people working at  
6 different -- at the same problem from different  
7 perspectives. So it comes down to the personal  
8 commitment of the leader saying this is important to do  
9 this. And if we continue to have leadership as we do  
10 today, I think that's going to continue to grow because  
11 the world is flat, the web has enabled technology and  
12 understanding to be done within nanoseconds as you move  
13 information and electron packets from one part of the  
14 world to the other. So I think this is just going to  
15 continue, and I really don't see there's going to be  
16 major roadblocks to international collaboration.

17 PROF. BENGT SUNDELIUS: A third and final question that  
18 we have from the web. We have viewers in Australia,  
19 South Africa and Latin America. This panel was about  
20 success stories in international collaboration, and the  
21 question is then raised we need better ways to measure  
22 and describe success. How do you know that you have  
23 success stories? What criteria do we use for success in  
24 conducting research and leveraging for security  
25 solutions? Please.

1 DR. STARNES WALKER: I think there's always a struggle  
2 in proposing metrics that will really allow you to  
3 measure what is important, but I've always looked at  
4 what goes on within a laboratory and how successful it  
5 is to be able to put it into practice. The other is the  
6 importance of having tactical and operational values  
7 within those metrics so that there's a feedback between  
8 what a demonstration program is doing back to the basic  
9 research that's going on within a laboratory. So  
10 metrics have to really be carefully defined to measure  
11 the movement of information and understanding and  
12 discovery from the laboratory into the field, and then  
13 from the field back to the laboratory. And I think that  
14 there are many different successes that can be shown  
15 that if you keep those benchmarks in front of you.

16 DR. DETLOF VON WINTERFELDT: I would like to respond  
17 perhaps a bit like an economist might, and that is that  
18 at least in terms of what CREATE set out to do, I said  
19 that in ten years of CREATE's existence I would like to  
20 be able to say at least two things: One, that we have  
21 saved the country a lot of money from investments that  
22 weren't so great, and I'll just give you one example. I  
23 thought our analysis indicated that putting  
24 surface-to-air missile defenses on airplanes was  
25 probably too expensive for the return you get. Or, two,

1 that we show that certain risk reductions can be  
2 achieved and implemented at a rather reasonable cost.

3 So those are two flip sides of the coin.

4 PROF. BENGT SUNDELIUS: Thank you very much. Two highly  
5 accomplished scientists that care about the results and  
6 impact on the real world, save lives, save property.

7 Thank you very much.