

DCIA William Burns and MI6 Chief Richard Moore
With *Financial Times* Editor Roula Khalaf
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Roula Khalaf: Well, hello again. Welcome to the mystery session. For obvious reasons, we had to keep the session very hush-hush because we have two very hush-hush officials who are joining us. Please join me in welcoming Bill Burns who is the head of the CIA and Richard Moore, head of MI6. Their presence is what accounts for a lot more security than usual at the *FT* festival. Thank you both for being with us. You don't often come out of the shadows. I think I am right in saying that this is the very first time that the heads of your two agencies have been in the same place.

Richard Moore: Yeah. I think we've been at the same place really, but I don't think we've ever appeared in public together.

William Burns: That would be a first.

Roula Khalaf: On the stage together. So why? Why did you agree to this? I mean I'm delighted. I know you have a very special relationship, but why did you agree to this? Is it because of the state of the world? Is it because of the state of American politics? Is it because some people think that, you know, American support for European security has peaked? Tell me why.

Richard Moore: I guess, well, we might ask ourselves the same question about half-an-hour. Really, might not we? But no. I think, in all seriousness, it's important for both of us in the 21st century, in a democracy to come out and talk a bit about the work that our services do. By definition, we can't go into a lot of the detail of what our brilliant organizations do, but we can give some sense of what we're working on, the priorities. I think that's really important to sort of earn your license to operate in a democracy. Plus it's a great way of attracting talent and helping people to --

Roula Khalaf: No, wait a minute. This is like a recruitment drive?

Richard Moore: Yeah, yeah. Well, you never know. You never know. There may be one or two people beyond this tent.

Then finally I think for us this relationship, and we might go on to that in a minute, is so important to both of us that we thought it was a good opportunity to showcase that as well.

William Burns: I agree. I mean this is the first time we've done this publicly, the two of us. We've actually done this same kind of conversation in front of each of our workforces in Langley as well as in London because I think our partnership does matter enormously to both of our services but I think also to both of our countries. We have no better foreign partner in the world -- my agency doesn't -- than SIS. This is a moment when those partnerships in a very complicated and contested world matters more than ever.

I have great personal respect for Richard. I don't think there's been a better example of the significance of our partnership than the run up to the war in Ukraine. Going back to the fall of 2021, the two of us together - our services together - were able to provide credible early and accurate warning of the invasion that was coming. Which was not a small thing at the time because almost all of the other services around the world, our intelligence counterparts, thought this was a bluff on Putin's part.

I think that good intelligence enabled our leaders, our political leaderships, to mobilize a very strong coalition to counter Putin's aggression. It helped the Ukrainians to defend themselves. Then the two of us together employed at the direction of our political leaders a kind of novel approach to declassify some of our secrets in that period as a way of denying Putin the false narratives that I had watched him over so many years employ in the past and to expose the reality that this was naked aggression on the part of Russia.

So our ability to do that I think put Putin in the unaccustomed and uncomfortable position of being on the wrong foot. That was another demonstration of the importance of this partnership.

Roula Khalaf: We will get to Ukraine in a minute, but let's just talk for a sec about this famous special relationship. I'm interested in how does it work to the extent that you can tell us. Do you share everything? Do you divvy up the world?

Roula Khalaf: Which regions does Richard have particular strengths?

Richard Moore: It's a partnership which covers the full gamut of our activity. So we absolutely share intelligence across all of the main subjects we work on. We will share more with each other than we will do with anyone else because of the high levels of trust that built up over many, many years.

The partnership goes back in one form or another over a century. So that's pretty clear, but it goes much more than that. We do operations together. We will look at operational opportunities and we'll sometimes decide who's better placed to go for that operation. We call it the best athlete model.

Roula Khalaf: The best athlete model.

Richard Moore: The best athlete model, whoever is best placed to go after that. We try and do that in a non-competitive way which will get the result for both of us.

Then, finally, I would say we build capability together. We develop the sort of operational technology that we need together. We copied in many ways the agency. The agency was the first to go with In-Q-Tel into the world of looking to partner with venture capital, with startup tech, and with big tech. We have the National Security Strategic Investment Fund doing the same sort of thing. So across all of those things we collaborate very closely.

Roula Khalaf: I actually have a specific question on this for Bill. Of course, the CIA is seven times bigger in terms of staffing. But are there capabilities that Richard has that you either wish you have? I mean does he have something you don't actually have?

William Burns: We'll test the limits of partnership here. No. I mean, as Richard said, honestly, we learn a lot from one another at this moment on the geopolitical landscape. Which, 40 years in public service in the United States, it's as complicated a moment as I've seen. Added to that is the revolution of technology which is changing the way we live, work, fight and compete across human society, but it's also transforming the profession of intelligence, too.

So as Richard said, we learn from one another as we grapple with a lot of those challenges. We learn from one another in other areas too - how we recruit new officers for both of our

agencies and how we ensure that we have diverse workforces because we live in a world where, that is not only the smart thing to do, it's also the right thing to do in terms of our workforce.

Roula Khalaf: I want to get to AI a bit later on in our conversation.

Richard, let's talk about your adversaries. There are exchanges of military technology between China, Russia, Iran, and North Korea. But do they also share intelligence? Is this becoming a more institutionalized relationship alliance? How do you think about it?

Richard Moore: How do I think about it? How would I frame it? We see a lot of pragmatic cooperation between those countries. You can see it, of course, sadly on the battlefield in Ukraine. You can see North Korean weaponry. You can see Iranian drones. You can see the sort of help that the Chinese have provided through sort of dual-use type material. You see all of that playing out.

Roula Khalaf: But is it more opportunistic, do you think?

Richard Moore: In our world, yeah, there are signs clearly of them cooperating. And, yes, we have to recognize that and sharing some experience. I would just say it's of a completely profoundly different quality to the type of relationship that we have across the two services, the type of relationship we have within the FVEY Community, the type of relationship we have with other friendly services. For example, ourselves across Europe. I mean the same would be true for Bill. That's different because it's based on values. The thing that's driving it - the cooperation between Russia, China, Iran, and North Korea - is not based on shared values. It's on a sort of rather dark and more pragmatic basis.

William Burns: The only thing I would add really on that subject is that it is nonetheless troubling. I mean we see the way in which China and Russia, Russia and Iran, Russia and North Korea are working together. They're two-way streets to defense partnerships. It imposes a real danger on innocent Ukrainian civilians, but it also poses danger because it's a two-way street to friends and partners in the Middle East, too, in the case of Russia and Iran.

The other thing I'd say though, as troubling as it is, we do have to keep it in perspective because historically there's a fair amount of mistrust between Russia and China. Much as Russia didn't chafe at the idea of being the junior partner of the United States after the end of the Cold War, it's a safe prediction that over time Russians are going to chafe at being the junior partner of China too.

So it is troubling. We're both very well aware of this and do the best we can to provide our policy makers with insights on how best to deal with it.

Roula Khalaf: We always seem to be on the cusp of China providing direct military aid to Russia, but not quite. Has that moment already arrived? Do you see any direct military assistance?

William Burns: Well, I'd say two things. First, I don't think either of us see direct evidence today as we sit here of the provision of weapons and munitions from China to Russia for use in the war effort in Ukraine. But we see lots of things just short of that, as Richard said, in terms of dual-use items. The kind of things that have enabled Putin over the course of the last 18 months or so to significantly rebuild his defense industrial base. That poses a real danger.

Roula Khalaf: What about the pipeline, the gas pipeline? Do you think that the Russians will ever -- do you see that this pipeline will ever be completed? The one that would provide gas to China. We've had some stories about that.

Richard Moore: I mean I think because of the sanctions after the invasion of Ukraine because of the way that Europe in particular is reorienting away from Russia as a supplier, they would like to see something of that kind. But, of course, it's a huge logistical infrastructural effort. I think they're a long way away. It's much easier to move stuff which is fungible, like oil, and put it in ships.

One of the things that we're very focused on is trying to identify and reduce Russia's ability to use so-called ghost ships to circumnavigate and get around sanctions. So I think they might aspire to it, but it seems to me to be quite some way off.

Roula Khalaf: On Russia-Iran, Bill, you mentioned that as well. We have seen some military hardware. But has Iran sent ballistic missiles to Russia yet?

William Burns: I mean all I will say on that is that should Iran ship ballistic missiles of whatever kind, close range or other kinds, it would be a dramatic escalation of the nature of that defense partnership.

Roula Khalaf: But it hasn't yet?

William Burns: All I'll say is that it would be a dramatic escalation.

Roula Khalaf: So do we have a dramatic escalation as we speak?

Richard Moore: It's really important to remind ourselves, isn't it, with the drones that we definitely know are there. I mean if stuff goes onto the battlefield really, it will become very obvious very quickly. I mean this stuff lands, it explodes. It kills Ukrainian civilians. It destroys the electricity infrastructure. That to say we have to be reminded. This is what Iran is choosing to do. It is choosing to help Russia to do these types of --

Roula Khalaf: Then the question is: What would Russia be sending to Iran?

William Burns: As I said, it's a two-way street. Russia has the ability to do a number of things that helped perfect Iran's ballistic missiles to make them more dangerous for use against our friends and partners across the Middle East. I think the same is true with Russia and North Korea. North Korea we know is already providing short-range ballistic missiles that are used on the battlefield in Ukraine. That experience is going to make them more dangerous threats to our allies in Japan and South Korea as well. So it's a really troubling set of developments.

Roula Khalaf: Let's talk about Ukraine. This has been the area of intense cooperation between you. Richard, what is the victory plan in Ukraine? The approach sometimes looks to me to be that at some point Western demonstration of resolve will make Putin give up. But is that sustainable? Is it even working inside Russia?

Richard Moore: I think it's totally sustainable. It's absolutely critical that we do sustain our support to Ukraine. It's really difficult. It's hard particularly in Eastern Ukraine. This is

attritional warfare where there is a huge amount of suffering on both sides. Putin is pushing forward in a sort of attritional Pyrrhic campaign of taking village by village as he goes forward. When he takes those, there's nothing left. That's why I deliberately used the term Pyrrhic. There is nothing left because everything is utterly destroyed. But that is the Kremlin way of war. That's what they did in Grozny. It's what they did in Aleppo. And it's what they're now doing. So it is tough.

But it's also important to remember that our Ukrainian friends have an absolute will to fight. It's important to remember how this started in this phase with Putin mounting a war of aggression in February 2022. Two-and-a-half years later that failed. It continues to fail. The Ukrainians will continue to fight. We will continue to help them to fight. It's difficult, that's no doubt at all.

But, as final comment, the move into Kursk, it's too early to say how long the Ukrainians will be able to hang on in there and how that --

Roula Khalaf: Do you think that was a good idea, to move into Kursk?

Richard Moore: Say it again?

Roula Khalaf: Was that a good idea?

Richard Moore: I think it's typically audacious and bold on the part of the Ukrainians to try and change the game in a way. I think they have to a degree changed the narrative around this. As we were saying, Putin pushing forward, grinding forward village by village and just having the sort of mentality that I'll just hang on to what I grab, I'm not interested in negotiations, I'll just gradually increase it. The Ukrainians by going in and taking Kursk have really brought the war home to ordinary Russians.

He has gone into this war two-and-a-half years ago. Not only has he seen things like NATO get two more members. He's now lost a part of his own territory. So I think we'll have to see how it develops, but I think it's bold. Clearly, we'd be supporting our Ukrainian friends.

Roula Khalaf: Bill, I wanted to just ask you to comment on something specific about Putin. You've written that the Ukraine war is quietly corroding Putin's power, but also that his grip

doesn't seem likely to weaken any time soon. So which is it? Sometimes, it seems to us that the Prigozhin rebellion was more of a time off or was more as a one off.

William Burns: I think what you've seen first, as Richard said, is the Kursk offensive is a significant tactical achievement. It's not only been a boost in Ukrainian morale. It has exposed some of the vulnerabilities of Putin's Russia and of his military. Much as Prigozhin's short-lived mutiny a little more than a year ago did as well, it did raise questions on the part of people we could see across the Russian elite about where is this all headed.

That underscores the point Richard made, that Putin's whole narrative right now is a very cocky and very smug one. It's times on my side. It's only a matter of time before the Ukrainians are going to be ground down, and all of their supporters in the West are going to be worn down and I'll be able to dictate my terms for a settlement.

I think what these events have done, the Kursk offensive most recently, is to put a dent in that narrative. It does raise questions in the Russian elite about what is all this for. If you remember, the video that Prigozhin released the Friday morning of his mutiny was as scathing an indictment as I've seen from anyone about Putin's conduct of the war. This is someone who was very close to Putin and an intimate in this regime. He said three things. First, that there was no Ukrainian threat that prompted this war. That's all a lie. Second, he said the military conduct of the war Russian generalship has been abysmal. Third, he said that corruption is the root of this political system.

That we could see at the time created some debate within the Russian elite. The Kursk offensive has prompted that too. Does that mean that Putin's on his last leg? No. I don't think either of us would.

Roula Khalaf: Do you see his grip on power weakening?

William Burns: I don't. I mean I'll start. I don't see any evidence today that Putin's grip on power is weakening. He does one thing really well, and that's repress people at home.

Richard Moore: Yeah. Just don't ever confuse a tight grip with a stable grip. For somebody who's lost a chunk of his country and who has seen a mercenary group that he fostered

marched halfway up the road to Moscow, yes, absolutely he's got a very tight grip. But that doesn't mean quite the same thing as being as stable.

Roula Khalaf: So let's talk about a slight difference in the way that your two governments have approached the war. I'm going to take Storm Shadows for example. The UK seemingly thinks that these long-range missiles should be used against targets inside Russia. The U.S. seemingly doesn't. It's always favored more of a sort of drip-drip approach to Ukraine military aid.

I want to quote something that Lawrence Freedman said about escalation. He said the Americans are caught in a trap of their own making and they don't know how to get out of it. Now, Bill, you can tell us perhaps if you know something about Russian escalation that Richard doesn't know.

William Burns: I'm sorry. About Russian --

Roula Khalaf: Escalation.

Richard Moore: About escalation that I don't know.

Roula Khalaf: Is there something you're not sharing with Richard about Russian escalation?

William Burns: There's nothing I'm not sharing with Richard.

Roula Khalaf: I'm just trying to get to the bottom of this difference.

William Burns: Well, first, I would take issue a little bit with the comment that you cited. I mean the United States has provided massive support for Ukraine throughout this war and we will continue to. President Biden has been very clear about that. That has enabled the Ukrainians to fight with such courage and tenacity.

None of us should take lightly the risks of escalation. There was a moment in the fall of 2022 when I think there was a genuine risk of the potential use of tactical nuclear weapons. I have never thought however, and this is the view of my agency, that we should be unnecessarily intimidated by that. Putin's a bully. He's going to continue to saber rattle from time to time.

The President sent me to talk to one of our Russian counterparts, Sergey Naryshkin, at the end of 2022 to make very clear what the consequences of that kind of escalation would be. We've

continued to be very direct about that. So I don't think we can afford to be intimidated by that saber rattling or bullying. We got to be mindful of it, but I think the record shows that the United States has provided enormous support to Ukraine. I'm sure we'll continue to. I'm sure the president will consider other ways in which we can be supportive in the months ahead.

Richard Moore: I mean it's really hard to argue.

Roula Khalaf: Richard, would you like the U.S. to be less cautious?

Richard Moore: It's really hard to argue with the plain facts of the amount of financial contribution, the amount of military material that has been provided by the Ukraine, and the lion share is from the United States.

My comment on the escalation thing is that there's only one party here who was talking about nuclear escalation, talking about nuclear (indiscernible), and it is Putin. It is deeply irresponsible and reckless. No one else is. As Bill said, nobody in the West is going to be intimidated by such talk or any other behavior by the Russian state because we all recognize we've got to stay in this. We have to try and help the Ukrainians to restore their independence and sovereignty.

Roula Khalaf: There is another issue which I think you've been dealing with, both of you and several agencies in Europe as well. As you wrote in today's *FT*, you're working to disrupt the reckless campaign of sabotage across Europe being waged by Russian intelligence. How are you doing that? Because many of these attacks seem to be carried out by proxy, so there's always deniability. How do you deter them?

Richard Moore: I'll go first, Bill. You do it by really good old-fashioned security and intelligence work. You do it by identifying the Russian Intelligence officers behind it. You do it by identifying the criminal elements that they are using. The fact that they are using criminal elements shows you that they're becoming a bit desperate. They can't use their own people. They're having to do it through criminal elements. Criminals do stuff for cash. They're not reliable. They're not particularly professional. Therefore, usually we're able to roll them up pretty effectively. And that's what we're doing today.

Roula Khalaf: So it's become more amateurish in a way?

Richard Moore: Sorry. Again?

Roula Khalaf: It's become a bit more amateurish.

Richard Moore: Well, it's all amateurish. It's just a bit more reckless. I mean I think Russian intelligence services has gone a bit feral, frankly, in some of their behavior. In the UK this is not new. We all very well remember 2018 and Salisbury. If you think about not just the attack but the fact that those intelligence officers - in that case, Russian military intelligence - left a large file of a deadly nerve agent Novichok lying around to be picked up, it could have killed an entire school. In fact, it killed an innocent British civilian.

So I'm afraid it is rather emblematic of their approach to these things. It's really important that some of the reckless end of this is dealt with. We're on it. We're working together. It's a classic example of partnership actually.

William Burns: It is. Amateurish can actually be more reckless and more dangerous as well. So sharing intelligence with our allies and partners, not just between us, and then working together to disrupt a lot of those plots I think is the best way to deal with it. That's what we're very effectively engaged in.

Roula Khalaf: It's one way to deter stepping up your own sabotage operations, your own cyber operations? I mean I don't expect you to give me details, but in general, as a general principle.

Richard Moore: I'm glad you're not expecting us to go into detail. I'm struggling a bit really because, where we use cyber as a tool in our business, of course we are doing it to collect intelligence to disrupt terrorist groups. It's just of a different order to what I was just describing in my earlier answer.

Roula Khalaf: Okay. There is one area of sabotage which I think we hear about but we're never quite certain. So the head of the U.S. Army's Northern Command said recently that there are more Russian military intelligence agents in Mexico than in any foreign country. Is there any sign that Russia is facilitating migration, illegal migration, into the U.S. across the Mexican border? Is that something that you see?

William Burns: It's something we're very sharply focused on. I mean along with our domestic law enforcement counterparts as well. Part of this is a function of the fact that so many Russian intelligence officers been kicked out of Europe over the course of the two-and-a-half years after the war. So they're looking for places to go and looking for places in which they can operate. But we're very sharply focused on that.

Roula Khalaf: I want to move to the Middle East. Bill, you have been intimately involved and spent endless hours in trying to get a ceasefire and hostage deal in Gaza. What is the obstacle to reaching a deal? American officials often blame Hamas. If you read the Israeli papers, Netanyahu appears to be the obstacle.

William Burns: Well, let me take a step back first. I mean at the end of last May President Biden put on the table a three-phase framework which would ultimately, if all three phases are realized, get to the release of all hostages in exchange for a very large number of Palestinian prisoners, a permanent ceasefire, the withdrawal of the Israeli Defense Forces from Gaza and then the reconstruction of Gaza.

The focus since then has been very much on the first phase - six weeks of ceasefire, the release of a number of Israeli hostages for a large number of Palestinian prisoners, and then a very significant infusion of desperately needed humanitarian assistance into Gaza. We're working very hard with the Egyptians and the Qataris, the two mediators right now, to try to refine that framework. Add more details to it and put it in a form, a good enough proposal. Because in all my years of experience negotiating with the Middle East, perfect is never on the menu. But a good enough proposal that both leaderships will see the value of moving ahead.

I cannot sit here today with all of you and say that we're going to succeed in that. I cannot tell you how close we are right now. It is a fact that, if you look at the written text, 90 percent of the paragraphs have been agreed to. But, in any negotiation I've been involved in, the last 10 percent is the last 10 percent for a reason, because it's the hardest part to do.

So all I can say is three things. First, we will continue to work as hard as we can with the other mediators on this because there's no good alternative to getting to that ceasefire and the release of hostages. Second, I think we all have to remember what's at stake here. There's a

lot at stake, of course, for Palestinians and Israelis and their future. There's a lot at stake strategically in a region that has no shortage of fragilities or dysfunctions right now or dangers of escalation. But above all what's at stake in human terms, for the hostages who are still alive, who are living in hellish conditions in tunnels beneath Gaza, for their families.

Here I think of the parents of Hersh Goldberg-Polin who was executed a week ago by Hamas along with five other hostages, Rachel and John, who are among the bravest people I've ever met. But then at the same time I also think of countless mothers and fathers in Gaza who are dealing with their own terrible losses, who are dealing with the humanitarian situation which is getting worse every day as well. So this is not an abstraction for those of us dealing with this. This is not just about brackets in a negotiating text. It's about real human beings.

The last thing I would say is as hard as we're going to work on texts and creative formulas for finding that good enough proposal, and hopefully that'll happen in the coming days, we have to all remember that despite all of that work that needs to be done, this is ultimately a question of political will. This gets to your question, whether or not leaders on both sides are prepared to recognize that enough is enough and that the time has come finally to make some hard choices and some difficult compromises. I hope, I hope profoundly that both of those leaders are going to make that decision because, as I said, there's an enormous amount at stake here in human as well --

Roula Khalaf: Do you think that a decision has not been made by the two parties?

William Burns: Well, I think we will make this a more detailed proposal - I hope - in the next several days and then we'll see. My hope is that they'll recognize what's at stake here and be willing to move ahead on that basis.

Richard Moore: Absolutely. Thank you for applauding what Bill just said because he has put the most extraordinary amount of personal effort into this and to try. The human side of this is the thing that drives all of us in this business to keep on trying. We're very clear that, without getting to a ceasefire, to get those hostages home, and stop the killing in Gaza. We will continue to be in this very highly fragile place in the Middle East with all the risks that go with that. We have navigated, you know, touch wood again past another crisis point between Israel

and Iran. But as long as we don't get to a ceasefire, that risk is there. For all the horror of Gaza, a wider conflagration in the Middle East would be vastly worse.

Roula Khalaf: I mean, as you both know, in negotiations you also have to put pressure on both parties or you have to provide incentives for both parties. So in a way sometimes you have to enforce the terms of a ceasefire for example. Is the U.S., is the UK willing to put the pressure necessary to get a ceasefire?

Richard Moore: I'm going to let you have it.

William Burns: Well, I mean I think we have to be and I think we have been. Just speaking for the policy makers in the U.S. administration, I think there has been a very hard push. The President himself has been very actively involved in all this. That's a critical role for the United States to play. I agree.

I believe for the Egyptians, for the Qataris, for everyone else who has a stake in the horrific human conditions that we're all recognizing, anyone with any influence over Hamas has to push hard in that direction too. They should not want to be the obstacle in the path of the humanitarian assistance and the possibility of genuinely improving what are horrific conditions in Gaza.

Roula Khalaf: What's your assessment, Bill, of Hamas' capabilities? Would you say it's decimated or destroyed? What's your assessment of Hamas's capability? Do you say it's decimated or destroyed?

William Burns: What I will say is the following. I think over the last 11 months what the Israelis have done in response, as Richard said about Ukraine, you have to remember how this started. This started with a barbaric Hamas attack which killed hundreds and hundreds of innocent Israelis. I think what the Israeli military has succeeded in doing is severely degrading Hamas' military capabilities over the last 11 months.

The problem with the term that's sometimes used about destroying Hamas is that it is of course true that Hamas is a despicable terrorist organization. You can severely degrade their military capabilities. It's also a movement and an idea. In my experience, the only way you kill an idea

is with a better idea. That's why it's so crucial to offer some sense of hope for the day after not just in Gaza but for Palestinians and Israelis.

Roula Khalaf: That is that you say a solution has always been on the table but appears to be as distant as ever.

William Burns: Yeah, it's elusive. I've been around this issue for a very long time, as has Richard. It is a very elusive goal. The only thing I would say is show me what's a better alternative for Palestinians and Israelis to live together in peace and security for both of them and to do it in a way which is going to contribute to at least some hope for regional stability as well.

Roula Khalaf: Richard, I wanted to ask you. What is your assessment of Iran's intention? Do you think it will still retaliate for the assassination of Ismail Haniyeh? Because it said it would and we haven't seen that yet.

Richard Moore: I suspect they will try. We won't let our guard down for the type of activity that the Iranians might try and prosecute in that direction. The Iranians have a whole playbook, a destabilizing playbook around their region. We see that in their sponsorship of Lebanese Hezbollah and their support to Hamas which enabled them to do the horrors that we saw on October the 7th, what they do with the Iraqi Shia militia who are under their control, what they do with the Houthis in terms of disrupting international shipping through the Red Sea, and plus, a track record of going after dissidents including in this country to try and kill them.

So we are dealing with a power that continues to try to intimidate its opponents and to take revenge for things that have happened to it. So it remains a focus for both of us to try and understand this country and to try and understand the threats that might come out of Tehran.

Roula Khalaf: We've always talked about the risk of a regional war. This year I think we came very, very close to that. The risk is still there. Do you think, Bill, that from an Israeli perspective, there is perhaps an intention or that they are not as worried today about a regional war as they might have been in the past?

William Burns: I mean my sense is there's genuine concern certainly amongst the people that we deal with in the Israeli intelligence and security services about the potential for a much wider regional conflict. I think that's why a ceasefire in Gaza becomes so important. That's why it's also important to see what's possible if beyond even a ceasefire, if we're ever able to achieve that, you could take steps which could result in the normalization of relations for example between Saudi Arabia and Israel. That would in a way be the ultimate counter to the Iranian ambitions that Richard described before.

It is easy to be a pessimist about the Middle East. I've spent a lot of years working on this issue. The Middle East is a place where a pessimist always feel right at home. But I think there is a possibility here, too, which strategically would offer not only Israel but a lot of our friends in the Arab world the ultimate counter to the ambitions of this particular Iranian regime.

Richard Moore: This is why the focus on the ceasefire is so important. If you could get the ceasefire in Gaza, you have the chance to reverse the momentum. You have the chance to open up the potential for a deal over the blue line between Israel and Lebanon. You have the chance to address the disruption to international shipping in the Red Sea. A number of things flow, but we do need it desperately. It's why Bill and others devote so much unrelenting effort to trying to bring it to pass.

Roula Khalaf: So there is one thing we have yet to talk about and is the biggest issue for both of you. That is China which you both consider to be the most significant strategic challenge and intelligence challenge. Your agencies dedicate more resources to China than to anywhere else.

So my first question is: Are the U.S. export controls as effective as you would like, Bill, or has China been very effective at circumventing them including getting hold of the most advanced Nvidia chips?

William Burns: No. I mean I think what this administration has done in that area, recognizing that in a way the revolution and technology is the main arena for us at least in competition with China, has had some impact as well. Certainly, at CIA, as you were suggesting before, Roula, we've reorganized ourselves to reflect that priority.

We have the only single country mission center which is one of the 12 or so building blocks of our agency. The only single country mission center is devoted to China. We have in the last three years tripled the size of our budget devoted to the China challenge. It represents about 20 percent of our overall budget now. So, you know, I learned a long time ago you don't have priorities unless budgets follow them. So we're devoting a lot of focus and I can safely predict we'll continue to do that over the next decade and beyond.

Roula Khalaf: Do you both see any impact on Xi from the economic problems that China has gone through over the past year - economic headwinds?

Richard Moore: Well, I guess for any ruler of any country, how your economy is performing is an important issue you need to focus on and worry about.

Roula Khalaf: But in terms of his power inside the system?

Richard Moore: I think my sense, Bill will have a view, my sense is that Xi Jinping is probably the most powerful Chinese ruler since Mao. He has a very tight control over his political system. He has an ambitious agenda both at home and also overseas. That's why we devote so much effort to understanding China, because it is such a hugely important actor on the international stage. It's one that in many cases contests our interests, contests often our values. Therefore, it's really important that we provide our political leaders with the best possible insights into what is often a rather opaque difficult to read country.

Roula Khalaf: And we're very, very interested in your insights.

Richard Moore: Yeah. We're always interested in our insights. It's very important. But it's also important to engage with them. I mean both Bill and I talk to our Chinese counterparts. It's essential that you get across some of the messaging.

We were talking about Ukraine earlier on. We both sat in front of them and talked them through where we think we would like to see greater Chinese engagement with preventing the passage of dual-use goods for example.

William Burns: Yeah. I've been to China twice over the course of the past year because keeping those intelligence channels open is really important in even the most adversarial or

competitive of relationships to avoid unnecessary misunderstandings and inadvertent collisions. For the United States, managing responsibly that big hugely significant competitive relationship is our biggest challenge. Keeping those intelligence channels open I think is an important part of dealing with it.

The same is true of what people call intelligence diplomacy, what we both do with allies and partner intelligence services across the Indo-Pacific too. That is a huge asset for us in dealing with that challenge of the People's Republic of China. So we invest a lot of time and effort in that.

Roula Khalaf: One area of great competition, of course, is AI. Richard, as I understand it, you're using AI to game out operations and how adversaries may respond and to also predict human behavior in certain situations. My question is: What AI? Are you developing your own models? Are you using ChatGPT?

Richard Moore: I think you'd worry if you were just using ChatGPT, not least, because everyone in the world would then be able to see it. AI is totally transformative. It already is in our societies. It will become even more so over time. That very well overused word, exponential, you really have to think through the math of that. You know it is a graph like that. If we weren't on top of that, we would very quickly lose relevance. So we are all really committed to being on top of emerging technologies.

AI enables us to do some really interesting things around exploitation of data. One example on counterterrorism, you try and find a way of identifying targets who you could approach or disrupt who might be involved in a terrorist group. Out on the internet, there is a kind of ocean of extremist bilge. Large language models are brilliant at wading through that a lot and distilling it and giving you, if you like, the sort of vernacular that case officers and operational officers can then use as they frame and approach to some of these characters. So that's just one example.

I know time is short, but I mean it's a hugely important area and increasingly we're doing it in partnership. I mean one of the differences I guess in the modern era is that, compared with the 1950s where a lot of key emerging technologies came out of defense in government, now

they're coming out of the private sector. So partnering with those people and enabling -- in my case, I mentioned NCIF earlier on, also, National Security Engineering Center and HMGCC.

We're now putting some of these problems out into the public. We're putting our problem out there and saying, look, these are the issues we're struggling with, come and help us. And we're getting a fantastic response.

Roula Khalaf: Do you think that if we get to do an AGI Bill, there should be a kill switch in case the AI goes --

William Burns: If we get to where, I'm sorry?

Roula Khalaf: To AGI, to artificial general intelligence, which a lot of people are working on today. Do you think there should be a kill switch in case it goes rogue?

William Burns: Yeah. I mean I think there are huge challenges. As you look at the exponential pace of development in AI, I think, for us, we've been working at this a quarter of a century ago. We set up In-Q-Tel which is aimed at building stronger partnerships in the private sector. We've vastly expanded that over the last three-and-a-half years as well because it's the only way we're going to be able to not just keep pace but get ahead of competitors like China as well.

We can see it in the work of our operation officers on counterterrorism issues and, as Richard said, our ability to navigate smart cities and the use of biometric data against our officers in ways which still allow us to be a very successful human intelligence service. The same is true for our analysts, to be able to digest massive amounts of open-source material as well as clandestinely acquired information.

AI is not going to replace our best human analysts, but it's going to enable them to focus their attention on what matters most to the President and policy makers. Which is the answer to the so what question. So why should I care about this and what are my options for dealing with it as well.

Roula Khalaf: We have actually run out of time, but I'm just going to end on a lighter note. What's your favorite spy gadget, Richard?

Richard Moore: Thank you. I can't name a current one by definition. Otherwise, I'm in trouble.

Roula Khalaf: You try.

Richard Moore: But I'll tell you what, I'll reach into history. Alan Turing worked for that organization I mentioned, HMGCC, before he went to Bletchley Park. I was teasing Bill about it earlier on. He took a huge and the very first secure speech system which is an American one. It weighed tons. It was room-sized. He turned that into a suitcase-sized secure telephone. We have some of the plans of that still, of what he did. So that would be my example.

Roula Khalaf: Bill?

William Burns: The only problem over that time was I think Alan Turing had accidentally electrocuted himself a few times as he was trying to do that.

Richard Moore: Many times.

William Burns: I can assure you that we have now miniaturized that system so it's no longer big.

I guess what I would say is for all my focus on technology at CIA, as my daughters could tell you, I remain technologically challenged myself. James Bond may drive or had driven an Aston Martin DB5 fully equipped by Q with all sorts of things.

Richard Moore: Yeah, absolutely.

William Burns: I drive a 2013 Subaru so far as I know not fully equipped by Q. Unarmed. So that's my gadget.

Roula Khalaf: You don't have a single letter. Right? I mean do you wish you have? Because you're C. But you're what?

William Burns: The problem is SIS has taken all the good single letters. They have C, Q, M. You know we have three letters. It's CIA which in American bureaucratic terms is actually very concise. You should see some of our other acronyms.

Roula Khalaf: Well, thank you so much for being with us.

Richard Moore: Thank you.

William Burns: Thank you.

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