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MEMORANDUM FOR THE RECORD

Event: Marc L. Varri (FBI Miami Field Office SSA) Interview

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Special Access Issues: None

Prepared by: Lance Cole

Team number: 6

Location: FBI, Miami Field Office

Participants Non-Commission: FBI Assistant General Counsel Robert S. Sinton

Participants – Commission: Lance Cole and Barbara Grewe

Background. Marc L. Varri is the Supervisory Special Agent (“SSA”) for the FBI’s Miami Field Office “T-1” counterterrorism squad. The T-1 squad is responsible for Osama bin Laden and al’Qaeda matters. Varri “grew up overseas” in Europe and Latin America, and speaks fluent Spanish and a little Italian and German. He attended the University of Wisconsin at Madison, where he studied industrial engineering and computer science. After college Varri worked for three or four years for a government contractor on submarine warfare before he joined the FBI. He decided to apply to the FBI because he was living in Washington, D.C. and his roommate was applying, so Varri applied too. He said it “was really a fluke” that he happened to apply to the FBI.

Pre-9/11 FBI Experience. Varri joined the FBI fourteen years ago and was initially assigned to the Philadelphia Field Office. At that time there was a critical need for Spanish speaking agents to work on Columbian drug cases. After working for four years in Philadelphia, Varri transferred to San Juan, Puerto Rico, where he worked on drug and money laundering cases. Varri did not work on any terrorism cases in Puerto Rico.

In 1998 Varri transferred to Miami and initially worked on the drug squad. After about a month on the drug squad he moved to the extraterritorial squad for Latin America, which was then called the “E-1” squad and primarily worked on hostage-taking cases in Latin America. That work involved hostages who were held for ransom, such as American business executives and oil industry workers. It was considered to be criminal work, rather than terrorism-related work. Varri became the squad supervisor in

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November 2002 and served in that capacity for about a year. After the 9/11 attacks he was moved to the former "NS-3" squad, which is now the "T-1" squad. He was moved to that squad because of an "internal management problem" in that counterterrorism was not a focus of the squad prior to the 9/11 attacks. The prior supervisor had left in May 2001, so there was an acting supervisor in place at the time of the 9/11 attacks. The squad had no al'Qaeda cases open prior to the 9/11 attacks. Prior to the 9/11 attacks the Miami office was not running many FISA surveillances. Varri recalls only one pre-9/11 case that used FISAs.

Varri said that counterterrorism intelligence cases are "much more difficult" than the extraterritorial hostage-taking cases that he had previously worked. Nonetheless, he is glad that he made the move to the counterterrorism squad. Varri had no counterterrorism training prior to his move to the counterterrorism squad. He believes the office reorganization [in October 2002] has helped make the Miami office more effective in fighting terrorism, and he said that the office should have reorganized more quickly after the 9/11 attacks.

Varri acknowledged [at the end of the interview] that the training he has received on al'Qaeda since becoming the SSA for the T-1 al'Qaeda terrorism squad has been "limited" and most of it has been "on my own" rather than formal FBI training. He has had what he called "structural" training on FISA, the PATRIOT Act, and other legal matters since becoming SSA.

Post-9/11 Investigation and Office Reorganization. After the 9/11 attacks the Miami office did a great deal of work on leads and other matters relating to the 9/11 attacks. At that time the NS-3 squad was "the terrorism squad" in the office, so it focused on the PENTBOMB investigation leads. To respond to the "huge volume" of [terrorism-related] work after the 9/11 attacks, the office formed new squads, which "created management problems" in the office. Varri worked with the ASAC and the other supervisors in the office to design a new structure for the office. The "T-4" squad, which is a "general intelligence" squad, was created "to follow up on leads." The JTTF representatives are expected to "serve as conduits" for transmitting information to their agencies. An "airport squad" was created to respond to the large volume of leads coming out of the airport.

Another significant post-9/11 change is that there is more counterterrorism training available now. Varri was not able to attend the recent national JTTF conference because he was in Atlanta for a two-day conference on "the new 315 file" that is being put into place for FBI terrorism investigations. Varri described the Atlanta conference as "a complete waste of time," and in his view nothing of value was imparted at the conference. Varri thinks the agents still don't know what to do with the new 315 file, although the concept of such a file makes sense because the old system of parallel investigations wasted resources. As an aside, Varri noted that at present it is not yet possible to open a new 315 file in the FBI's computer system, but the old 199 and 265 files for "criminal" and "intelligence" terrorism cases have already been taken off the

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system. As a result, Varri said, it presently is not possible to open a new terrorism case file in the FBI computer system.

A difficulty that Varri has noted since the Miami Field Office reorganization is that cases tend to cut across the divisions between [redacted] squads in the office. As a result, it is sometimes hard to assign a case to a particular squad. Another difficulty is making the connection to terrorism in particular cases. It is often easy to show that criminal activity is occurring, but more difficult to demonstrate that the activity is related to terrorism.

Varri said the "Rapid Start" system for lead tracking and management was "a disaster," as was the intake form for that system. As a result, he has found that using the ACS system as a lead tracking mechanism works much better than the Rapid Start system.

Role of the Miami JTTF. Varri stated that in his view the Miami JTTF "doesn't really work." After the 9/11 attacks "every agency wanted to be involved" in the JTTF, but now people "are called off constantly" to work on other things. Varri believes the JTTF representatives "are a good liaison," but they don't run cases. The representatives are "overwhelmed" with work from their home agencies and are often pulled off FBI matters to work on matters for their home agencies. This makes it appear that "resources are there when really they are not." Varri thinks this may be less of a problem in the New York Field Office, where the JTTF representatives work full-time on FBI matters and are on long-term assignments to the JTTF. Varri believes that in Miami the main problem in this regard is management – the performance appraisals for the representatives are done by their supervisors at their home agencies, not by the FBI JTTF squad supervisors.

Role of the Miami Intelligence Squad. Varri believes that the Miami intelligence squad does threat assessments but should also be doing counterterrorism intelligence analysis. Varri sees some evidence of progress in this area. The work of his squad is now "leaning to 50-50" between proactive preventative work and reactive criminal prosecution work. Varri thinks "there is no way they [the I-4 intelligence squad] could possibly" review all intelligence information that is collect by the office – 302s, FISA take, etc.

The intelligence analysts on the T-1 squad report to Varri, not to the SSA for the T-4 intelligence squad. All of the work of the analysts on the T-1 squad is "case-specific tactical work" and is "not strategic." The greatest use of their time is on telephone call records analysis. In Varri's view the problem with the present FBI analytical support structure is that analysts spend a lot of time on telephone call records analysis because there is no lower level support position to which that work can be assigned. Varri described this as one of the "big problems" the FBI is facing as it reorganizes to respond to the threat of terrorism. Other big problems are high turnover in management positions at FBI Headquarters [discussed below] and the FBI's pay structure and "perks" system.

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Surveillance and Undercover Work. FISA "take" summaries are now widely distributed to other FBI field offices who have a need for the information. Varri tries to avoid creating "information overload" by sending too much information to too many offices. His squad has one FISA target now and no Title III surveillance targets. They have a number of pending FISA applications, however. [REDACTED]

9/11 Classified Information

Varri said his squad is becoming much more "tactically proactive" in targeting al'Qaeda. He believes that developing sources is particularly important for detecting possible terrorist activity that doesn't involve criminal activity. Varri believes the FBI must focus on groups and associations for source development. [REDACTED]

9/11 Classified Information

Coordination with the CIA.

9/11 Classified Information

[REDACTED] Varri said he receives "memos from them on a daily basis"

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Problems with the New Role of FBI Headquarters. Varri believes there are problems with the current role of FBI Headquarters in counterterrorism cases. One problem is the "massive inflow of bodies to Headquarters" that has taken place since 9/11 with the creation of new terrorism units there. While Varri agrees that the new Headquarters units were needed, they have pulled resources and experience from the field offices. Another problem is the high turnover at Headquarters in the counterterrorism units. Varri's point of contact at Headquarters for al'Qaeda matters has changed six times in a period of a few months. He believes that more continuity is needed at Headquarters in the counterterrorism units.

Varri said the "big problem" with FBI Headquarters is that Headquarters has taken charge of all terrorism cases. Varri thinks this "doesn't make any sense." He thinks that "there is no way" for Headquarters to actually run the cases - they don't have the detailed knowledge that is necessary to do that. Varri said it "can't happen" because Headquarters "cannot make the day-to-day decisions" in cases. What is needed is closer coordination between Headquarters and the field - that "is good" and Varri believes "we

should have that" in the counterterrorism area. The field also needs "analytical support" from Headquarters. In Varri's view, the main role of Headquarters in terrorism investigations should be as an arbiter of who has primary responsibility for a case and how it should be handled. For example, Headquarters should decide when to prosecute suspects and when to continue surveillance.

The "big benefit" of the new level of involvement of FBI Headquarters in terrorism cases is in the area of international cooperation. It is hard to obtain international cooperation and assistance from other countries in a field office, so the increased involvement of Headquarters is a significant benefit when international cooperation is needed in a case.

Varri expressed reservations about the new "flying squads" that operate out of Headquarters. He indicated that so far the feedback on them in overseas cases "has not been good" – the personnel on the squads have not been well prepared and have not had enough information to conduct effective interviews. Varri is skeptical that "conceptually" the flying squads will "address all issues." Most of the agents on the flying squads are young, because of the long-term deployments to "unfriendly places" that are required for those assignments. Another problem is that language training in basic Arabic is not sufficient to prepare agents to conduct effective interviews.

Varri said the support units at Headquarters, such as the "TFOS" unit, were a good idea initially, but now they are starting to direct the field – they are becoming operational. This creates problems for the field. Support units should not be operational.

PATRIOT Act and Legal Authorities. Varri said he could not think of any PATRIOT Act powers that have been especially important to the work of his squad since the Act was passed. He said "nothing stands out" as particularly important. When asked if his squad was using more national security letters ("NSLs") now, he said they are but not because of the PATRIOT Act changes – it is because they have more active investigations now. Varri expressed some frustration that the process for obtaining an NSL is "very cumbersome" and "requires several levels of review" inside the FBI before they are approved.