

“Defending our Nation against its enemies is the first and fundamental commitment of the Federal Government. Today, that task has changed dramatically. Enemies in the past needed great armies and great industrial capabilities to endanger America. Now, shadowy networks of individuals can bring great chaos and suffering to our shores for less than it costs to purchase a single tank. Terrorists are organized to penetrate open societies and to turn the power of modern technologies against us.”

President George W. Bush, 2002 National Security Strategy

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The government has cracked down on anti-U.S. preachers and has continued the USS *Cole* trial, despite strong anti-American sentiment. Saleh has offered to send troops to Iraq and allowed the CIA to launch a missile strike on Salim Sinan al-Harathi, an Al Qaeda operative. Recently, the U.S. military began training a Yemeni counterterrorism group. Some experts believe that the Yemeni government’s cooperation with the United States has only caused the government to appear out of touch with the Yemeni public.

Terrorism

“Is Yemen Turning into Third Terror Swamp?”

Cooperation with the United States in the “War on Terror” has proven to incite Muslim radicals in Yemen. The Abu Hafs al-Masri Brigade recently posted an announcement making reference to their desire to turn Yemen into another battleground for U.S. forces. “Our goals in the next phase: expanding the circle of conflict by spreading operations all around the world. (We will) drag America into a third swamp – after Iraq and Afghanistan - and let it be Yemen, God willing.”

The group takes its name from Abu Ali al-Harathi, one of Osama bin Laden’s lieutenants in Yemen, killed by U.S. forces last November. While it has claimed responsibility for a number of terrorist attacks, counterterrorism officials are unsure of its true abilities.

Yemeni president Ali Abdullah Saleh has been cooperating, albeit reluctantly, with the United States on a number of terrorism-related initiatives.

In addition to increased antigovernment sentiment within the country, Yemen has become mired in a number of domestic problems. The Southern Democratic Assembly, an opposition group in the south of Yemen which was a client state of the Soviet Union during the Cold War, is currently seeking to secede, citing grievances brought about by the 1990 unification. The government has also had to deal with a rebellion led by a radical Shiite cleric, Hussein Badr Eddin al-Huthi. Al-Huthi is part of the Shiite Zaydi sect and has assembled a small army that has been fighting Yemeni forces. While the sect is a minority in Sunni Yemen, Al-Huthi has garnered some support with his anti-American discourse. Recent reports indicate that President Saleh has suggested “foreign elements” have been providing Al-Huthi’s group with financial assistance.

These domestic crises only add more fuel to the fires of instability within Yemen. Concurrent cooperation with the United States and an increase in domestic and economic instability provide a distorted view of the “consequences” of cooperating with the United States. If the Yemeni government collapses under the weight of anti-American sentiment and domestic

unrest, the country will become an even greater hub for transnational terrorists. (*Combined Dispatches*)

Saudi Radicals Hone Terrorist Skills in Iraq

As older jihadists in Saudi Arabia with experience in the Afghan War are captured or killed, a younger generation of radicals, fresh from the battleground of Iraq, is assuming leadership of the underground terrorist network in Saudi Arabia. This steady stream of new terrorists, along with an increase in terrorist attacks against the kingdom, has caught Saudi officials by surprise. Until May of 2003, most officials never believed their country would be a terrorist target.

The goal of these new militants is the same as that of their predecessors: to uproot Western influence in the Kingdom. They have gained experience in guerrilla warfare and other tactics in Iraq and are now utilizing this experience to plan attacks in Saudi Arabia. One of the most prominent members of this new generation of terrorists in Saudi Arabia is Saleh Awfi, who joined Ansar al-Islam in Iraq last year and recently returned to Saudi Arabia. After Saudi authorities killed Abdulaziz Muqrin, leader of the Fallujah Brigade, a branch of the Al Qaeda network in the Arabian Peninsula group, who took credit for Lockheed employee Paul Johnson's death, Awfi appears to have become the new leader. Saudi authorities recently discovered Johnson's head in a freezer in one of Awfi's safe houses.

In addition to fresh training, this new turnover of leadership brings an "idiosyncratic" characteristic to terrorist target selection. Saudi authorities that have studied previous terrorist tactics will have more difficulty in trying to uncover new targets. Saudi investigators are receiving technical assistance and training from their Western counterparts, however, and are currently in the process of reorganizing their antiterrorism capabilities.

Some Western officials worry that as Iraq stabilizes, a larger surge of newly trained terrorists will leave Iraq and return to Saudi Arabia and other countries, mirroring the trend of postwar Afghanistan during the 1990s. Saudi foreign minister Prince Faisal blamed the earlier conflict in Afghanistan for brainwashing many Saudis. This "University of

Afghanistan" enabled the Saudi fighters to be "mentally reformed and turned into killing machines." One can only wonder what the "University of Iraq" will teach new jihadists about guerrilla warfare against their home countries. (*Combined Dispatches*)

Al Qaeda Presence in Oil-rich Nigeria

According to *Jane's Islamic Affairs Analyst*, intelligence services in the West believe that Osama bin Laden is now focusing his efforts on Nigeria and West Africa. Bin Laden suggested in February that Muslims should overthrow the "apostate regime" of current Nigerian president Olusegun Obasanjo and that Nigeria should be "liberated" from U.S. "enslavement."

Reports indicate that the Algerian Al Qaeda affiliate, Salafist Group for Preaching and Combat (GSPC), has penetrated into Africa north of Nigeria and has recruited a number of Nigerians. According to *Jane's*, "the presence of Nigerians among Salafists should ring alarm bells among counter terrorism agencies." Experts suggest that a number of factors have contributed to Al Qaeda's expansion into West Africa.

First, Nigeria, Africa's most populous country with a population of 130 million, is currently awash in sectarian violence, and the collapse of this state would have global consequences. Nigeria's population is split in half between Muslims in the north and Christians in the south. With the collapse of the repressive military regime in 1999, violence between religious and ethnic groups actually increased. Over 5,000 people have died due to religious violence in the country since 1999. Authorities suggest there is evidence that foreign radical Islamists have become involved in the Nigerian conflict. The country is ideal for extremist recruitment, which is being encouraged by radical Islamic preachers. Al Qaeda can easily capitalize on this situation, just as it has in other conflict-ravaged areas such as Afghanistan.

Second, the presence of oil in Nigeria provides incentives for foreign involvement in the state. Nigeria is the largest oil-producing state in Africa and could account for up to 25 percent of U.S. oil

imports in the near future. The Pentagon announced in 2003 that it was planning to decrease its forces in Germany in order to build up its African and Caucasus forces, explaining that it was “driven by the increasing importance that the USA is placing on protecting key oil reserves in Africa and the Caucasus...as well as addressing concerns about combating terrorism.”

U.S. involvement in West Africa contravenes Al Qaeda’s goal of ridding the Muslim world of Western influence. Coupled with its ability to capitalize on sectarian violence in Nigeria, a heightened Western presence in Nigeria could further encourage Al Qaeda involvement in the state. *(Combined Dispatches)*

Terror Finance

Romanian Network Tied to Middle East

While exploring links between terrorist financing and criminal networks, Romanian investigators recently exposed a vast money-laundering network in Romania with links to the Middle East. In response to this discovery, Romanian officials are creating a new department that will combat arms smuggling, drug dealing, and money laundering within Romania.

Romanian general prosecutor Ilie Botos announced that his General Prosecutors Office (GPO) and Romanian intelligence investigated over 100 cases of organized crime in which they uncovered terrorist financing activities and are now monitoring sympathizers of Gamaa al Islamiyya and the Muslim Brotherhood. Currently, the GPO is examining a case in which an Arab group developed scores of front companies in Romania to launder millions of U.S. dollars. According to Romanian authorities, these front or ghost companies were established by Syrians and focused on buying goods. They used fraudulent checks to pay for the goods, resold them, and shifted the money to other ghost companies.

Romanian intelligence mentioned that Syrian national Omar Chama, who was arrested in Bucharest last year for money laundering, was in charge of this network, which also included Syrians,

Saudis, Iraqis, and Moroccans. Chama brought a number of Arabs to Romania who established the front companies, which would transfer around \$1 million each month to Syria, Lebanon, the U.A.E., and Jordan. *(Combined Dispatches)*

Nexus: Diamonds and Terrorism

The FBI has found evidence linking Al Qaeda and the smuggling of diamonds from Sierra Leone. Evidence indicates Al Qaeda operatives have visited Liberia and Sierra Leone to access the diamond trade. The smuggling of conflict diamonds became an international issue after rebel Revolutionary United Forces (RUF) took over the country’s main diamond mining areas during the 1991 to 2002 civil war. While diamond certificates were instituted to standardize and legitimize global diamond trading, it is estimated that \$70 million to \$100 million worth of rough gems are still smuggled out of Sierra Leone.

UN war crimes prosecutors claim that Aafia Siddiqui, who is believed to be Al Qaeda’s only female leader, visited Liberia in June 2001 to assist in the diamond trading operation. Furthermore, UN and Belgian police believe that Al Qaeda sold at least \$19 million of stones from Sierra Leone on the Antwerp market prior to 9/11. UN documents state: “It is clear that Al Qaeda has been in West Africa since September 1998 and maintained a continuous presence in the area through 2002.”

While the 9/11 Commission has recently concluded that there was no “pervasive evidence” that Al Qaeda funded itself through trafficking in diamonds from African states, U.S. officials continue to examine alleged financial links between Charles Taylor, the exiled former president of Liberia, and groups such as Hizballah and Al Qaeda.

Hizballah has been suspected of siphoning profits from the West African diamond trade by extorting Lebanese diamond merchants. The funds then made their way to the Palestinians’ Al Aqsa Martyrs Brigade. It is estimated that more than 100,000 Lebanese, mostly small traders, live in West Africa. However, State Department officials and U.S. embassies in West Africa have played down this

connection, and Hizballah vehemently denies these allegations.

With increased pressure from law enforcement in South America, terrorist groups such as Hizballah have moved their activities to central and western Africa. The U.S. military has launched the Pan Sahel Initiative (PSI) to train soldiers in four Muslim-dominated west and central African countries — Mali, Chad, Mauritania, and Niger — to prevent the establishment of terrorist bases in the region. Another initiative is aimed at disrupting terrorist funding managed through African banks involved in the sales of gold and diamonds. *(Combined Dispatches)*

War on Terror

Economics Behind the War on Terror

The “War on Terror” has proved to be taxing on those countries involved from both a military and economic perspective. The Philippine decision to remove its troops from Iraq in response to the kidnapping of a Filipino truck driver indicates a new trend in which the economic well-being of one country could be deemed more important than the national security of another.

In July, Angela de la Cruz was kidnapped by terrorists who threatened to behead him unless the Philippines withdrew its small group of troops from Iraq. Philippine president Gloria Arroyo chose to withdraw the troops with the hope that in doing so, she was protecting the safety of Filipinos working in the Middle East and therefore protecting the stream of revenue coming from these workers.

Around 7 million Filipinos work in the Middle East and send remittances back to their families in the Philippines. Protecting the safety of these foreign workers, therefore, is vital to the Philippine economy, which would be hurt by a sizeable drop in worker remittances.

Recent reports indicate that salary remittances to the Philippines are actually falling. In May, inflows fell 7.4 percent to \$696 million dollars. While the Philippine Central Bank attributes the fall in remittances to new terror financing initiatives and

actually predicts a rise in remittance payments, this prediction hinges upon its expectations of higher Philippine deployment abroad. One can assume that with the increased kidnappings in Iraq, fewer Filipinos will be willing to work in the Middle East. *(Combined Dispatches)*

Spanish Enclaves Incite Extremism

The Madrid train bombings have drawn attention to the rising presence of Islamic extremism in Europe. According to the Spanish newspaper *El Pais*, the Spanish government has been aware of this problem in the North African Spanish enclaves of Ceuta and Melilla since 2000. The Spanish government views these communities as “hotbeds” of Islamic radicalism that have contributed to the worldwide Islamist terrorist network.

Located on the North African coast of Morocco, Ceuta and Melilla have been considered Spanish territory since the fifteenth century. Close to one-third of their combined population of 145,000 is Muslim. Unemployment is around 20 percent, and both communities are considered part of Spain’s poorest region. Corruption thrives in these communities, and both are known for dealing in hashish, which authorities believe is a means for radical networks to launder money. Furthermore, Ceuta has at least 30 mosques, many of which are led by Moroccan imams and therefore virtually unmonitored by Spanish authorities.

Many members of these communities feel disconnected from Spain and see Morocco as a more legitimate source of direction. According to Spanish judge Baltazar Garzon, Morocco represents the greatest threat to Europe due to the large number of Al Qaeda members that could easily move into Spanish territory and assimilate via the Spanish enclaves. “Ceuta is the umbilical cord” that connects Moroccan extremists to Spain, said Jesus de la Morena, the former Spanish commissioner of information.

El Pais further noted that despite the Spanish government’s awareness of this problem, security forces in neither community were equipped with specialists in Islamic extremism. Hopefully, the recent attacks in Spain will provide an impetus for

improving these security forces, as well as the economic situation in both Ceuta and Melilla. (*Combined Dispatches*)

Spanish Authorities Ignored Extremist Mosque

According to a Spanish expert on Muslim extremists, immediately following the March 11 attacks in Madrid, the Spanish government consciously disregarded a mosque in the Spanish capital, known for preaching Wahhabi doctrine and which was attended by suspects implicated in the Madrid train bombings.

This mosque, known as the Islamic Cultural Center, was financed by Saudi Arabia, and according to Jesus Nuñez, director of the Institute of Studies on Conflicts and Humanitarian Action, Spanish officials ignored the mosque because Saudi Arabia provides Spain with oil. Nuñez explained that, like the rest of the West, Spain ignored the danger of Wahhabi teachings. According to investigators, a number of Madrid bombing suspects prayed at the mosque, including Serhane Ben Abdelmajid Fakhret, who committed suicide when approached by Spanish authorities. (*Combined Dispatches*)

Drug Trafficking

Changes in Drug Trafficking Patterns

Recent maritime activity suggests there has been a significant change in drug trafficking patterns due to a U.S. government crackdown on the drug trade.

In early July, French authorities captured a Togolese tugboat off the Ghana coast heading from Venezuela to Europe. They arrested seven people and confiscated over two tons of cocaine with a street value of \$48 million to \$144 million. This operation was jointly launched by French and Togolese authorities with the help of Spanish intelligence. Officials in Ghana have also uncovered other operations in the country including a recent seizure of 700 kilograms of cocaine.

Authorities indicate this new trafficking route avoids North America and instead originates from the “Amazonian triangle” in South America and

heads eastward to West Africa. Traffickers stop in West Africa, where the drugs are repackaged and sent to Europe via land or sea. After September 11, drug traffickers have had a much more difficult time in attempting to cross the U.S. border and are therefore shifting away from larger ports of entry and air routes. This new southern route for European market drugs effectively avoids highly secure U.S. ports and provides traffickers with ports that are much more porous. (*Combined Dispatches*)

Arms Trafficking

Bosnian Green Line Provides Conduit for Arms

Regional counterterrorism officials have lately been concerned that Al Qaeda and other groups could be plotting attacks on the Summer Olympics and using the Balkans as a base. While there has been no concrete evidence of an Al Qaeda presence in the region, experts do note the region is at high risk for such activity due to its virtually open borders, large number of Islamic militants, and immense arms market.

Several sources of the *Defense and Foreign Affairs Daily* have noted that a large number of agents from various Islamist groups have recruited fighters for Iraq and acquired arms in Bosnia-Herzegovina. Much of the arms smuggling takes place along the “green route” or “green transversal,” which is an Islamist-controlled corridor that connects Albania, Macedonia, Kosovo, and Metohiga (Serbia) and Raska (Serbia and Montenegro areas) into Bosnia. According to authorities, Emir El Aziz, one of the chief mujahideen commanders in Bosnia, controls the channel in which Islamist recruits are directed towards Iraq. El Aziz is headquartered in Maoca, a small village near Brcko that is almost completely controlled by mujahideen forces. Sea Kahrman, nicknamed “Ali Baba,” is one of El Aziz’s principal arms smugglers, and sources note that Kahrman purchased rocket-propelled grenades and antiaircraft missiles in Bosnia in May and June of 2004 and sold them to Iraqi buyers.

Local police are now largely in control of monitoring the areas after the Serbian-Montenegro army was withdrawn recently. However, sources maintain that many members of the local police force are involved

in arms and drug smuggling themselves. To augment regional counterterrorism efforts in anticipation of the Summer Olympics, NATO's intelligence force (Stabilization Force- SFOR) is working in the area and has intercepted a number of arms shipments from the Bosnia-Herzegovina region. *(Combined Dispatches)*

Homeland Security

Preventing Terror in the Skies

Recent estimates by academia and Western intelligence sources indicate there are a large number of surface-to-air missiles (SAMs), also known as MANPADs, in circulation throughout the world. With the most recent attack on a civilian aircraft in November 2003 when a SAM hit a DHL A300 freighter at takeoff in Iraq, officials across the world are working to find effective ways to protect against such terrorist attacks.

Recently, the Graduate Institute of International Studies in Geneva released a report that estimates there are around 100,000 SAMs disseminated throughout the world that are able to target in-flight aircraft. This report also indicates that 13 "non-state groups, some of which have been identified as terrorist organizations, possess the weapons."

The CIA estimates that terrorist groups, including Al Qaeda, could possess a number of U.S.-made SAMs called Stingers. The agency also indicated it believes SAMs could be purchased on the black market for around \$100,000 per weapon. The FBI conducted a sting operation in 2002 that uncovered an attempted Stinger purchase in Hong Kong.

Shoulder-fired SAMs were developed in the 1960s and 1970s by the United States and the former Soviet Union. During the Afghanistan war, the CIA provided around 1,000 Stingers to guerrillas fighting the Soviets. After the war, the United States attempted to buy back the weapons but was only able to reacquire a small number.

To protect against such attacks, some airlines in the past have relied upon an anti-SAM system in which flares are released when the heat-sensing missile approaches. These flares are supposed to confuse

the missile and direct it away from the aircraft. This system is illegal in the United States, however, due to the danger involved if flares hit other airplanes or buildings.

In response to the attack on an El AL airplane in Kenya, Israel's Rafael (Armament Development Authority) worked to find a new and improved system to protect Israeli airlines from terrorists using SAMs. Rafael and Elbit Systems eventually developed the "Brightening" system that uses a laser beam to jam the target-seeking electronics in the SAM. The program is costly and has had significant technical problems. Other defense companies are also working on new anti-SAM systems, including Northrop Grumman, United Airlines, and BAE Systems cooperating on the "Directional Infrared Countermeasures (DIRCM) anti-missile protection turret." The U.S. government also acknowledges the threat of attack by SAMs and has allocated part of the \$32 billion Homeland Security Bill toward spending on civilian anti-SAM research. *(Combined Dispatches)*

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