

*“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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## Terrorism

### Simple Internet Search Reveals a Terror Network

A simple search on the Internet today brings up a list of extremist sites, including the popular books *The Anarchist Cookbook* and *The Terrorist’s Handbook*. The latter teaches how to prepare a bomb and develop chemical agents. A number of extremist groups, including al Qaeda, rely more and more on the Internet to communicate, spread hatred, and recruit and train members. Terrorist Web sites offer online details on how to conduct kidnappings, how to kill, and how to prepare a “suicide-belt” bomb for use on a crowded bus. Terrorists also use the Internet to link up with bomb-makers. For example, Richard Reid, the so-called shoe bomber, is believed to have obtained his explosives from a dealer in Amsterdam, whom he found via the Internet.

According to the *San Francisco Chronicle*, the Internet is a limitless source of jihad-related videos, photos, handbooks, and articles that can “fill a large university library.” The latest version of “Encyclopedia of Jihad” is 600 pages and contains chapters such as “How to Kill,” “Explosive Devices,” “Manufacturing Detonators,” and “Assassination with Mines.” A

virtual caliphate already exists in cyberspace. The Internet has also become indispensable to Iraqi insurgents and their sympathizers. Review of the online material points to the presence of a complex terrorist network on the Internet that recruits suicide bombers for Iraq. Using the most up-to-date technology, accessible to anyone with a laptop computer, insurgents publish videos of hostage killings, online magazines reviewing violent acts in Baghdad, and guidebooks that detail “everything from how to enter Iraq illegally to how to make a suicide bomb vest or plan deadly explosives.” According to Evan Kohlmann, a New York-based terrorism analyst who monitors Islamist Web sites, there is ample evidence showing a parallel between insurgent propaganda and the recruitment of people into terrorist groups. Some Web sites serve as both the recruiting means and a morale booster for insurgents and their supporters.

Online forums indicate the presence of sympathizers of the recent London bombings. For example, [www.tajdeed.org.uk](http://www.tajdeed.org.uk), which spreads extremist beliefs, was flooded with euphoric messages several hours after the attack that killed 56 commuters in London. Kohlmann says that the “same way the Internet has revolutionized life in the United States, it’s also revolutionized the business of terrorism.”

Fully aware of the growing presence of extremist Web sites, the United States can do little to stop them. This is attributed in part to the extremists’ ability to swiftly rename their Web pages once they are disabled. (*Combined dispatches*)

## Presence of Terrorist Sleeper Cells in Canada

Recent reports indicate that Nouredine Nfia, one of the captured masterminds of the May 2003 terrorist attacks in Casablanca, Morocco, allegedly informed Moroccan officials that terrorist operatives were present in Canada, namely, in Montreal and Ottawa. Canadians, especially residents of Montreal, which hosts a sizeable North African community, share concerns with Europe over training of Moroccan extremists and application of their skills in Europe or North Africa. Barbara Campion, spokeswoman of the Canadian Security Intelligence Service, noted that “a number of terrorist groups, including those that support al Qaeda, clearly have a presence in Canada.”

According to a Canadian source, the information given by Nfia is “a rare piece of intelligence” because it points out Canada as a possible target, “adding credence to recent warnings issued by federal officials.” Canada has reportedly been identified in an al Qaeda training guidebook as the fifth most-significant “Christian Terrorist” target following the United States, UK, Spain, and Australia. The presence of an al Qaeda cell in Montreal had been confirmed in the late 1990s by the arrest of its members, including Ahmed Ressay, an Algerian national who tried to smuggle explosives into the United States to destroy the Los Angeles International Airport. (*Combined dispatches*)

## Rift in Anti-Terror Tactics of U.S. and UK Intelligence Agencies Exposed

The *Financial Times* reports that the UK and United States have differed in their approach to fighting terrorism, which sometimes causes tensions between the two countries. However, the overall relationship between U.S. and UK intelligence agencies is very good. According to American and European intelligence specialists, UK security agencies frequently keep suspects under extensive surveillance to collect information on their activities, while U.S. services take early action to detain suspects in order to prevent potential attacks and “unnerve other conspirators.” Some U.S. officials say that the UK services unnecessarily delayed arrests of radical clerics such as Abu Qatada and Abu Hamza al-Masri, who preached hate both in mosques and in public for years. The United States has moved fast on any target, albeit

“perhaps unwisely,” notes a former senior U.S. intelligence official. Different intelligence methods were visibly at odds between the two countries when the United States called for the arrest of an alleged British al Qaeda suspect, Abu Musa al-Hindi, which resulted in the arrest of 13 suspects in the UK.

British authorities said that some intelligence techniques would be assessed to draw lessons from the July 7 attacks in London. The UK’s anti-terror laws are under review to include new measures such as outlawing “acts preparatory to terrorism” and imposing penalties for indirect incitement to commit terrorist acts, as well as for providing or receiving terrorist training. Prime Minister Tony Blair noted that a detention period longer than 14 days would be “perfectly reasonable in circumstances of great difficulty.” Ian Blair, Metropolitan Police Commissioner, said that an automatic three-month detention is not desirable. Civil liberties advocates argue that the investigations can continue if a suspect is charged. (*Combined dispatches*)

## Australia and Philippines Agree on CT

Australian and Filipino authorities signed a \$3.65 million protocol that will help improve the Philippine’s counterterrorism capability. The new agreement will facilitate sharing of financial intelligence as part of the fight against terrorism and money laundering. Frank Prendergast of the Australian police noted: “One component of the package is a computer database which will allow the Philippine crime authorities to collect and analyze intelligence data in real time.” The protocol stresses the underlying strategy of the Australian Federal Police (AFP) to “strengthen collaboration between Australia’s partners in the Asia-Pacific region and help develop their counter-terrorism and transnational crime capabilities.” Australia has signed similar agreements with 41 countries in Southeast Asia, the Pacific, South America, Europe, and North America.

The Philippine’ financial intelligence unit was admitted to the international financial intelligence units group—the so-called Egmont Group—in July and was taken off a list of noncooperative countries after it established laws on countering money laundering and terrorist funding. (*Combined dispatches*)

## ***Der Spiegel's* Analysis of al Qaeda Activities in Europe**

According to *Der Spiegel*, the latest bombings in London attest to a growing threat and to the fact that investigators have failed to penetrate the world of radical Islam in Europe. Al Qaeda in Europe is not a fixed structure that can be easily infiltrated or wiretapped. Rather, it is an ideology that attracts young extremists “from Gibraltar to Scandinavia” who operate in small and independent groups that are well networked across the whole continent. They usually speak several languages and have jobs, concocting terrorist plots in their spare time. Overall, Europe is confronted with two main problems: dealing with young Muslims embracing global jihad and dealing with “their own, self-imposed restrictions.” In a recent interview with the UPI, Claude Moniquet, director of the European Strategic Intelligence and Security Center, admitted that alienation of the Muslim community in Europe makes it “the weak link in the fight against terrorism.”

According to *Der Spiegel*, security officials face a less of a challenge from fresh immigrants turned extremists than they do from those who have grown up in Europe. Terrorism specialists agree that the “numbers of hardcore jihad sympathizers are high in almost all Western European countries, ranging from about 300 in Germany to an estimated 1,000 in Great Britain.” Europewide, they are believed to number between 5,000 and 15,000. The war in Iraq is also a major thorn in Europe’s efforts to pursue terrorists. German and French intelligence services allege that there are “several dozen returnees [and] the British and French authorities believe they have about 40 in each of their countries.” They are considered especially dangerous.

A lack of common counterterrorism strategy and a lack of harmonization among anti-terrorist laws in Europe, added to the difficulty of tracking terrorists across Europe’s open borders, contribute to Europe’s failure to stop the growing threat. Individual countries have been slow to carry through resolutions adopted in Brussels, and a cross-agency information exchange has been passive in many cases. The European Union has yet to address the legal and bureaucratic obstacles to effectively fighting terrorism. (*Combined dispatches*)

## **Czech Anti-Terrorist Intelligence Unit Officially Confirmed**

An eight-member Czech anti-terrorist group, which began holding meetings before the November 2003 NATO summit in Prague, received official status in June. The group, led by the head of the special department at the Government Office, includes UZSI civilian intelligence and representatives of the BIS civilian counterintelligence, military intelligence service, interior and foreign ministries, criminal police and investigation service, and the Squad for Uncovering Organized Crime.

This special group will facilitate the information exchange needed for anti-terrorist efforts between Czech intelligence officers and other institutions. The Interior Ministry report states: “In connection with developments in the world in the past few years, a close and systematic cooperation between the intelligence services, police, and other relevant authorities turns out to be necessary.” The group’s primary focus will be issues of terrorism, illegal migration, and organized crime facing the Czech Republic. According to the group’s rules, only individuals with secret-level clearance can attend its meetings.

Terrorism is a legitimate concern for the Czech Republic. Being a part of the European Union makes the country vulnerable to terrorist attempts to use it as a conduit for arms and terrorist recruits to carry out attacks in Western Europe. A more immediate and pressing issue, however, is an economic one. According to Czech Interior Minister Frantisek Bublan, fraud and embezzlement are the most prevalent crimes in the country, and the role of foreigners in these crimes is significant. Foreigners also engage in theft, robberies, and murder in Prague and Central Bohemia.

The Czech police are increasingly alarmed by ties between foreigners and organized crime, evidenced by the presence of several criminal gangs in the country with an estimated 200 members. Russian-speaking gangs, with a solid financial base, are the most menacing because of their brutality and increased activity in the Czech Republic. Other gangs are responsible for illicit drug and weapons trading, human trafficking, and illegal migration. Those convicted have often been Ukrainians and Slovaks. Police have been repeatedly implicated in crimes as well. The Interior Ministry report details that

police officers have committed 325 crimes, which is 274 fewer than in the previous year. (*Combined dispatches*)

## Trafficking

### Human Trafficking in Decline in Kosovo

Belgrade-based Beta news agency reports that a Kosovo police representative, Lt. Refki Morina, announced that human trafficking has fallen by 15 percent in the province, although no accurate figures were available on the number of trafficked victims. According to the U.S. State Department's recent report on human trafficking, Kosovo was designated "a transit area, destination, and recruiting station for children and women used by traffickers for sexual exploitation and, to a lesser extent, forced labor." The report points out that the number of registered victims began decreasing after successful arrests of 77 trafficking suspects in 2,386 raids, freeing 48 victims. However, traffickers are now more cautious and are developing new ways to evade arrests.

The Kosovo Albanian newspaper *Koha Ditore* presents a less optimistic picture on human trafficking in Kosovo. According to the paper, trafficking of women for the purpose of prostitution is "flourishing" in places such as Mitrovica. An organized criminal network with "multi-ethnic cooperation" is suspected of being involved in this activity.

Police searches show that mainly young foreign women work in Kosovo's bars as "waitresses." More recent figures also indicate a rise in local victims. The International Organization for Migration stated in a recent report that a majority of women prostitutes in the province are brought from former Communist countries, mainly from Moldova and Romania. According to the police database as of spring 2004, 53 percent of foreign victims were Moldovan, 23 percent Romanian, 13 percent Ukrainian, 5 percent Bulgarian, 3 percent Albanian, 2 percent Kosovar and 1 percent Russian. Most of them are lured with promises of jobs in Kosovo due to the heavy international involvement in the province. Lofty revenues from trafficking and prostitution attract various ethnic groups to such businesses. (*Combined dispatches*)

### Drug Smuggling a Major Problem for Bosnia

Serbian authorities claim that drug trafficking is a "major security risk and threat to South-Eastern Europe." A recent report by the Serbian Interior Ministry, covering its activities from November 2004 to April 2005, stated that drug smuggling was the most common form of organized crime. According to Serbian Police Minister Dragan Jovic, 60 percent of the acetic anhydride consignments (a chemical used in the production of heroin) that have been confiscated worldwide had ties to a production facility in Serbia-Montenegro. Police carried out 2,462 raids and seized 414.8 kilograms of drugs during this time. The police's biggest accomplishment so far was cutting off a channel at the Gradina border, which was used to transport 88.7 kilograms of heroin to Germany from Turkey.

Another important channel that brought cocaine from Venezuela was severed. Police successfully seized drugs destined to Western Europe during the January–April period of 2005. Drug trafficking to Western Europe through Serbia, known as the Balkan route, is one of the most pressing problems.

The Serbian Ministry claims that the area is "traditionally tied to organized drug trafficking by groups consisting solely of ethnic Albanians from Kosovo and southern Serbia." Albanian mobsters are believed to be responsible for 60 to 80 percent of drugs that end up in Western Europe. (*Combined dispatches*)

## Maritime Security

### Major Drop in Ship Hijackings

The International Maritime Bureau (IMB) reported that global ship hijackings have fallen 30 percent. Compared to 182 incidents reported in the first six months of 2004, only 127 were recorded in the same period in 2005. Piracy is still a challenge, however. There are also emerging hot spots that face serious hijacking problems such as the east coast of Somalia, the waters off Iraq and the Gulf of Guinea. Four "serious incidents" were reported between April and June in Iraq and eight violent attacks by "increasingly audacious hijackers" in Somalian waters. The Malacca Strait, which is used by an estimated 50,000 ships a year transporting one-third of global trade and half of the world's oil supplies, is still

the most problematic. The strait is so dangerous that armed escorts are increasingly being hired to protect ships. In 2004, 37 piracy incidents took place in the strait, which resulted in burnt vessels and kidnapped crewmen.

To boost the security of the Malacca Strait, on July 13 the Indonesian Navy began a three-month operation code-named Gurita (Octopus). The operation involves 90 patrol boats and naval ships, four planes, two helicopters, and 2,973 personnel, including infantry and marine units, frogman teams, amphibious scouts, and intelligence teams. Last year, Malaysia, Indonesia, and Singapore agreed to collaborate on protecting the strait by “conducting coordinated patrols.” Malaysian Prime Minister Abdullah Ahmed Badawi noted recently that no foreign military patrol would be allowed on Malacca Strait, but he called for international assistance in providing equipment such as surveillance aircraft. (*Combined dispatches*)

## Terrorist Financing

### Terrorists Creative in Raising Funds

Although investigations of the money trail of the terrorist attacks in London have not produced accurate figures, it may have required only small amounts of money to carry out the attacks. According to a December report by a UN panel, tracking terrorist funding is increasingly difficult because the “evasion techniques of terrorists are highly developed and many terrorist funds have a legal origin and are hard to regulate.”

There are no accurate data on how much al Qaeda raises, and frozen accounts symbolize only a small fraction of terrorist financing. In fact, terrorists have largely avoided using the global financial system because “transactions leave too much of a paper trail.” Referring to the 2004 Madrid bombing, “where the attackers used credit card fraud and marijuana smuggling to fund their activities,” Michael Chandler, who until recently worked for the UN’s anti-terrorist funding division, noted that terror cells in Europe have become self-financing to a large degree. Cash-based financing and informal money transfer systems, known by the South Asian term “hawala,” are the most popular methods of finance. International and domestic

charities are also suspected of continued sponsorship of terror despite the increased pressures after the September 11 attacks in the United States. At a meeting in The Hague, members of Europol agreed that terrorism is often funded with the help of local criminal networks, including organized crime.

Speaking at a meeting of finance ministers in Brussels, Gordon Brown, Britain’s finance minister, criticized European countries for not doing enough to stop terrorist financing, notably, for failing to shut down suspicious accounts that could possibly supply cash to terrorists. UK Treasury officials noted that there were no initiatives planned at this point. However, during Britain’s EU presidency, more efforts would be put to implementing the “existing measures such as seizing suspects’ assets, exchanging data between financial authorities, and introducing a code of conduct to prevent abuse of charities.” (*Combined dispatches*)

### U.S. Calls Saudi Arabia “Significant Source” of Terrorist Funds

In testimony before the U.S. Senate Committee on Banking, Housing, and Urban Affairs, Undersecretary of the Treasury Stuart Levey stated that affluent Saudi individuals continue to remain “a significant source” of funds for Islamic terrorists worldwide. Levey noted that terror funding from Saudi Arabia was “among the most daunting” his agency dealt with in its attempts to win cooperation of Islamic countries in controlling banks and charity organizations. “Wealthy Saudi financiers and charities have funded terrorist organizations and causes that support terrorism and the ideology that fuels the terrorists’ agenda. Even today, we believe that Saudi donors may still be a significant source of terrorist financing, including for the insurgency in Iraq,” Levey said.

Three Saudi-run charities with worldwide presence—International Islamic Relief Organization, the World Association of Muslim Youth, and the Muslim World League—are particularly worrisome to the United States. Although the Saudi government created an oversight commission for its charitable institutions and ordered a stop to the unrestrained collection of charitable donations in mosques, U.S. officials are demanding tangible evidence of implementation of those plans. In response to U.S. statements on the Saudi-based Islamic organizations, the Muslim World League’s secretary

general, Abdullah al-Turki, said the league “rejects anything linked to terrorism and is committed to Islam’s stand, which prohibits terrorist acts.” He added that the league has ties with the UN and other global entities and has presented its “strategy” to fight terrorism to the European parliament and other legislative institutions around the world. Leaders of the World Association of Muslim Youth had similarly denied any connections with Islamist extremists. Adel Jubeir, a foreign policy adviser to King Abdullah bin Abdul Aziz, stressed on July 13 that his “government punished institutions and individuals suspected of providing financial support to terrorists.” (*Combined dispatches*)

### **Al Qaeda Used Ireland to Raise Money**

Ireland’s *Sunday Independent* recently reported that al Qaeda and other terrorist groups used Ireland for raising and funneling money, as well as for providing identity documents and visas and harboring terrorists, including suicide bombers, in safe houses. Responding to the report, Bertie Ahern, the Irish prime minister, admitted that there are al Qaeda sympathizers present in Ireland, who should be taken “very seriously.” According to senior officials, the Irish national police, the Gardai, “have uncovered evidence of credit-card scams, counterfeiting, and the provision of fake identities linked to long-serving figures in al Qaeda.”

Last year, Spanish authorities found documents linked to Ireland, including maps of Dublin, following a raid of a suspected al Qaeda base in a Madrid apartment. The suspects fled and no information is available on their location. Reportedly, an al Qaeda cell in Ireland “actively recruits and indoctrinates young men with the intention of them becoming suicide bombers.”

The FBI is particularly concerned about fund-raising activities of al Qaeda in Ireland as they exploit a range of financial tools to send small amounts of money to al Qaeda in the Middle East, sometimes through the unofficial Hawala system. Investigations revealed a link between the Dublin al Qaeda cell and its counterparts in other parts of the world when a branch of fake charity, used for international money-laundering operations with registration in Dublin, was found. According to the FBI, local offices of the fake charity in Somalia and Kenya served as money laundering conduits for terrorists who attacked the

U.S. embassies in Nairobi and Tanzania in August 1998, killing over 300 people.

The FBI, British and other security agencies expressed concern over the soft approach of the Irish authorities to the security situation. Reportedly, both the Gardai and Irish army lack enough resources, while the government does not consider groups such as al Qaeda a threat to Ireland. Recently, Gardai put more than 200 foreign nationals living in Ireland on a terrorist list. The fear is not that Ireland may be a target but that it may be a “rest and recuperation” site for international terrorists intent on attacking Britain and other European countries. The Paris-based Financial Action Task Force (FATF) has conducted a “wide-ranging review of terrorist finance and money laundering” in Ireland this month. FATF will issue a report in six months. (*Combined dispatches*)

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