

“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

Counterfeit Goods Linked to Terrorist Financing

According to an Interpol report, counterfeit goods such as toiletries, cigarettes, brake pads, and music CDs snatched from markets in Europe provide financing to groups including Al Qaeda, Hizballah, the Irish Republican Army, and the Revolutionary Armed Forces of Colombia (FARC). Each of these groups, including Northern Ireland paramilitaries, could be responsible for the manufacture and distribution of these fake goods, which is nearly as lucrative as the drug trade. The European Union (EU) conducted its own study and found similar results.

A majority of these counterfeit goods arrive from Southeast Asian sweatshops and are sold to consumers in Europe. In England and France, fake handbags are quite common, since high-quality forgeries can easily be passed off as originals. Officials acknowledge that the demand for such goods across each country is expansive. This trade is seen as low risk to sellers since penalties are minimal and scrutiny by police is low. In England alone, it is estimated that nearly 100 million fakes are sold yearly, which costs UK businesses around £6 billion. Experts believe that

counterfeit goods comprise anywhere from 7 percent to 9 percent of global trade.

Equally startling is the influx of counterfeit medicines into Europe. Even with stringent regulations within the prescription drug market, no system is absolutely impenetrable. Acknowledged as a large problem in Africa and Asia, an increasing number of counterfeit drugs—such as Cialis (for impotence), Reductil (for weight loss), and Lipitor (for lowering cholesterol)—are being sold over the Internet and clandestinely in bars, clubs, and gyms. Experts say that these goods may also be financing organized crime as well as terrorist groups. *(Combined dispatches)*

Al Qaeda Maintains Presence in Horn of Africa

The Horn of Africa has been garnering more attention in the past few months with the implication of two men with links to Somalia and Ethiopia in the London attacks of July 7 and July 21. These findings come on the heels of a video obtained by an Italian intelligence agency, which shows a deadly Al Qaeda attack in Eritrea by a group calling itself the Movement for Eritrean Islamic Jihad. The video concludes with an appeal for support and funding.

Experts in Italy believe that the video’s release was coordinated with an intelligence report that Al Ittihad al-Islami (or Islamic Union), considered to be inactive, was conducting Al Qaeda-linked activity in Africa. It is thought that the group is planning attacks on oil fields managed by Italian and U.S. companies in Libya. Officials believe that when Osama bin Laden settled in Africa in the early 1990s, he brought veterans of the Afghan campaign against the Soviet Union with him to

help train members of Al Ittihad al-Islami in Somalia. At the time, the group claimed partial responsibility for shooting down two U.S. Black Hawk helicopters in Mogadishu in 1993, leading to the pullout of U.S. forces from the country that year.

The United Nations and the Belgian-based International Crisis Group (ICG) have identified a former member of Al Ittihad, Sheikh Hassan Dahir Aweys, as a key figure with links to Al Qaeda. He is now the leader of Somalia's Islamic courts. These influential bodies field heavily armed militias supported by powerful Somali businessmen. Aweys has threatened religious war if foreign troops are brought into the country, and he refuses to recognize any new government in Somalia. An ICG report also identifies a small but ruthless terrorist network growing in Mogadishu headed by an associate of Aweys, a man named Aden Hashi Ayro, believed to have trained in Afghanistan. This network has been accused of carrying out assassinations in Somalia. *(Combined dispatches)*

Terrorist Cells Operating in Australia

Australian officials believe that their country could be the target of a future attack because of its support for the United States. Australian Federal Police commissioner Mick Keelty says that his agency is monitoring up to 60 Islamic extremists, many believed to have trained in Pakistan and Afghanistan. He claims that possible terrorist cells could be operating in Sydney and Melbourne. The close monitoring has been implemented since the London bombings in July.

In reaction to comments by Keelty, Fijian Police commissioner Andrew Hughes indicated that it is possible that extremists are also using Fiji as a transit point, although the reasons for this are unknown.

The statement by Keelty confirms comments made by former Australian Security Intelligence Organization (ASIO) operative Michael Roach, who advocated active vigilance on the part of authorities to fight the emergence of these cells. Roach also believes that the public should be instructed to report the suspicious activities of people of Middle Eastern "appearance" to the police. These comments have enraged Muslim groups and led leaders, such as Waleed Kadous of the Australian Muslim Civil Rights Advocacy Network, to

counter with claims that the "comments undermine the developing working relationship between ASIO and the Muslim communities and makes it very hard for us to work with them." Others have warned that racial profiling is counterproductive and could lead Muslims to become more radicalized.

Meanwhile, Prime Minister John Howard signaled his intention to engage Australia's Islamic community in the fight against homegrown extremists. Howard said that he wants to "get inside the communities where these potentially hostile groups may be" and announced his intentions to meet with Australia's Islamic leaders to help government efforts to detect possible terrorist cells. *(Combined dispatches)*

Terrorist Cells and Recruitment in Bosnia

Experts have indicated that there are Al Qaeda linked cells operating in Bosnia preaching the radical beliefs of the Wahhabi school of thought, the same form of Sunni Islam advocated by Osama bin Laden. Several experts have mentioned that there are secret training camps operating under the cover of social and sports activities.

This information is the result of two recent cells being uncovered. The first involved the arrest of a man in the Bosnian village of Gornja Maoca, who was accused of having links to an alleged terrorist, Redzematovic Seid, who belonged to the Active Islamic Youth Group. The man was planning a suicide attack in Italy during Pope John Paul II's funeral. The second cell was a joint exercise by Italian secret services and Bosnian and Croatian police in the same town. A house was raided and a convicted criminal was found with missile launchers and explosives. Authorities believe these weapons were to be smuggled to Europe via human smuggling routes through Slovenia and the northeastern Italian port city of Trieste.

Various intelligence sources have linked cells in Bosnia to 9/11 and the Madrid and London attacks. Sources within the German Federal Intelligence Service (BND) have indicated that Muslims from Spain, Germany, the Netherlands, and the UK are traveling to Bosnia via other Balkan countries to become "fanaticized." The BND cites the King Fahd Mosque in a suburb of Sarajevo as a hotbed of violent extremists.

However, other experts see a more dangerous trend emerging. Darko Trifunovic, a professor at Belgrade University and a leading Serbian terrorism expert, says, “The main purpose is to radicalize local youths—especially those who had lost their parents in the Bosnian civil war—first for logistical support, and ultimately for terrorist actions in Europe.” Trifunovic mentions that these local European youths have a “non-Arabic look” and can pass unnoticed in Europe. He goes on to explain, “what we have in Bosnia today is the creation of an embryonic ‘white al-Qaeda’ which might become its main striking force in the future.” His statement has been confirmed by messages posted on Islamist Web sites over the last year that have called for “white” mujahideen to help wage jihad in Europe.

Gregory Copley, president of the International Strategy Studies Association, claims that training camps exist in Bosnia as well as a few in Kosovo. He says that “many work in conjunction with narco traffickers to operate in Albania, Kosovo, southern Serbia, and through into the Goradze corridor in Bosnia.” Copley cautions that the borders are more porous and that the United States, the European Union, and NATO should acknowledge the problem. (*Combined dispatches*)

Chechnya Cultivates Global Jihad

Although the Russia-Chechnya conflict began as a struggle for Chechen independence, experts now believe that the region has become a breeding ground for the global jihad, attracting many foreign fighters and Islamic sympathizers. Chechnya is becoming the new Afghanistan since Mujahideen from many Arab countries travel to obtain training from other Arab leaders who have adopted the Chechen cause as their own.

The first Chechen war occurred from 1991 until 1996, when Russian troops retreated and an autonomous government was established. But in 1995, Umar Ibn al-Khattab, a militant trained in Afghanistan during the 1980s, brought a band of Arab mujahideen to the region and joined the fight against Russia. Chechen commanders were unsure how to perceive this help. Some welcomed the foreign mujahideen into the Chechen struggle, but others were more wary of an Afghan Arab contribution and felt that their help was not needed.

Experts believe that most Chechens do not share the global strategic vision of Islam; their interest is independence from Russia. Islam in Chechnya follows a more moderate Sufi tradition that actually discourages the strict and oftentimes extremist views of jihadis. More recently, some Islamic leaders in the region rejected the mujahideen as holy warriors and branded them as ordinary terrorists who have distorted Islam and used it to support a nonreligious nationalist struggle against Russia. However, several prominent Chechen commanders, such as Shamil Basayev, became radicalized and followed the Islamic ideology of Ibn al-Khattab, working to convert more Chechens.

Recognizing the importance of propaganda, Ibn al-Khattab produced and distributed dozens of tapes illustrating the Chechen jihad to networks of mosques. Images were used on Web sites to advocate the Chechen cause and recruit new fighters. As word spread, Arab fighters traveled to Chechnya to train at several military and religious camps established by Ibn al-Khattab. In 1998, along with Basayev, Ibn al-Khattab created the Islamic International Peacekeeping Brigade, to establish an Islamic regime in Chechnya.

Magnus Ranstorp, director of the Center for the study of Terrorism and Political Violence at the University of St. Andrews in Scotland recognizes that Chechnya has become an “ideological magnet.” Ranstorp suggests that actions be taken to reverse the notion that Chechnya has an international dimension. “Russia must find a political solution to the Chechnya problem.... As long as this conflict continues, new generations of extremists will emerge—and they might later cooperate with other extremists outside Chechnya.” (*Combined dispatches*)

Organized Crime

U.S. Crackdown on Street Gangs

U.S. federal and local law enforcement agencies have increased efforts to identify and arrest violent gang members. Operation Community Shield focuses on deporting illegal immigrants who may have connections to various organized crime groups, including Mexican drug organizations, Asian groups, and the Russian Mafia. Trends indicate that gangs are spreading from urban areas into the American South and Midwest.

Both Attorney General Alberto Gonzales and Homeland Security Secretary Michael Chertoff have voiced their concerns over the rise of street gangs. Gonzales cautioned that gang membership is on the rise and that they "...are more competitive, regimented, and sophisticated. This gang culture brings with it more violent and targeted techniques for intimidation and control, as well as a flourishing subculture and network of communication." Secretary Chertoff echoed these comments, saying that gang violence was "...a very serious threat to the public welfare and the public safety of our communities."

Operation Community Shield is accompanied by a national antigang strategy at the Department of Justice, which includes the intention to have U.S. attorneys designate an "antigang coordinator" to work with local and state law enforcement. Recent arrests confirm that gang activity is spreading into the South and Midwest. Raleigh, North Carolina, has seen the most arrests, while cities in Alabama, Texas, Minnesota, and Iowa have larger numbers of arrests than some major U.S. cities. (*Combined dispatches*)

Businessmen Sell Contraband Cigarettes in UK

Fake cigarettes are smuggled by the thousands into the United Kingdom by organized crime groups and distributed by local businessmen. Organized crime groups transport the cigarettes by air, land, and sea from places such as Spain, Cyprus, and China. John Kinghorn of HM Revenue estimates that nearly 80 percent of the contraband cigarettes seized is from organized criminal groups. The other 20 percent is from individuals who travel abroad and attempt to bring more than their share home with them in order to make a little money.

Contraband cigarettes are popular in the UK because cigarettes are heavily taxed and make up a large portion of the Exchequer's budget every year. By not paying the government-levied tax, sellers gain a sizeable profit. Organized crime gangs are turning toward the contraband cigarette trade because of greater profits and shorter prison sentences if caught.

Though the fake cigarette industry rakes in sales of £1 billion a year, analysts warn that the public's health is also at risk. Ed Stephen of St. Andrew's University found that counterfeit cigarettes originating from Asia

contain six times the amount of cancer-causing chemicals when compared to genuine brands.

Maritime Security

Combined Patrols Begin in Malacca Strait

Indonesia, Malaysia, Singapore, and Thailand have combined naval and air forces to patrol the Malacca Strait to guard against piracy, armed robbery, and terrorism. These states seek to decrease security fears in a region of the world known for its maritime security threats. In early September, Indonesia and Malaysia played down fears over the security of the strait, which is 600 miles long and only 1.2 kilometers wide at the narrowest point. The two countries claimed that the strait is safe and were adamant that the only countries that should be responsible for security in the area are the three littoral states and their closest neighbor, Thailand.

The combined patrols include five ships and two surveillance planes from each country, operating seven days a week. Hotline stations will also be established in each country in order to coordinate patrols among the ships in the strait. The airborne surveillance has been dubbed "Eyes in the Sky" by Indonesia. Each country will also create centers to coordinate patrols that number up to two per week. The littoral states and Thailand believe that these measures should enhance security through the strait tremendously. When asked if the states would be receptive to foreign assistance, Colonel Surya Wiranto of Indonesia commented that each state would accept personnel training and technical exchanges, but the daily patrol would only be conducted by the four states.

The International Maritime Bureau (IMB) has identified the Malacca Strait as one of the world's waterways that is most susceptible to pirate attacks. Indeed, countries around the world have voiced concerns that terrorists could increase their activity in the area. Around 50,000 ships pass through the strait per year, carrying nearly one-third of the world's trade and one-half of the world's oil supplies. (*Combined dispatches*)

Cyber Terrorism

China Advocating Cyber Warfare

The congressionally mandated U.S.-China Security Review Commission (USCC) has indicated that since China cannot militarily match U.S. forces, the People's Liberation Army is attempting to hack into U.S. computer infrastructure at military, government, and civilian levels. It is believed that China is attempting to exploit perceived vulnerabilities to launch viruses, crash networks, collect intelligence, and spread disinformation.

U.S. officials have indicated that any hacker could launch an attack simply by breaking into the poorly defended Chinese servers and that attacks from a Chinese server may not necessarily emanate from China proper. However, a book written in 1999 by two Chinese colonels, entitled *Unrestricted Warfare*, describes, "understanding and employing the principle of asymmetry correctly to allow us always to find and exploit an enemy's soft spots." Officials believe this signals cyber espionage against the United States.

The Chinese hacker ring has been dubbed "Titan Rain" by federal investigators. Although they agree the threat to U.S. computer structures is serious, authorities will not divulge any other specifics, citing the information as classified. However, other government officials have voiced concerns that Titan Rain could potentially shut down or take over a number of U.S. military networks. Others claim the military is not the only target, citing civilian communications systems and electronic nervous systems of economic institutions, such as the New York Stock Exchange.

South Korea also claims its security institutions have been compromised from hackers operating in China. Unknown persons accessed Web sites of a local education office and computers at the Korea Institute for Defense Analysis, the National Maritime Police Agency, and the Korea Atomic Energy Research Institute. Some of these computers contained defense secrets, officials claimed. Cyber attacks against Korean sites are up almost twofold from 2004. (*Combined dispatches*)

Antiterrorism Measures

Russia Pursues Cooperation Deals with Austria, Turkey, and Afghanistan

Russia and Austria have agreed to cooperate in their efforts to curb international terrorism and organized crime. Austrian officials were impressed with the eagerness and openness of their Russian counterparts in discussions over increasing security and relations between the two countries. Representatives from each of the respective Interior Ministries signed a protocol of interaction, which included agreements to fight illegal migration, drug trafficking, and transnational crime, along with terrorism. This move is seen as anticipatory of Austria's European Union presidency in early 2006. Austrian interior minister Liese Prokop said, "there can be no security for the EU without Russia's participation."

Russia has also moved to establish ties with Turkey and wants to set up bilateral discussions, aimed at adjusting the two countries' antiterror legislation. Russia would also like to sign a pact on information sharing, joint military exercises, and construction of military vehicles. Russian defense minister Sergei Ivanov is keen to share intelligence on terrorism, as this has been an obstacle between the two countries in the past. Turkey had accused Russia of indifference regarding support for the Kurdistan Workers' Party (PKK) and Russia has accused Turkey of the same action regarding terrorists in Chechnya. Ivanov called upon the Black Sea Maritime Cooperation Working Group (Blackseafor) to step up its joint efforts against transnational threats. Members of Blackseafor include Turkey, Russia, Romania, Bulgaria, Ukraine, and Georgia.

Russia's Federal Drug Control Service plans to set up a representative office in Kabul to slow the flow of drugs from Afghanistan. The office will open in early 2006 and will help coordinate efforts by Afghanistan, the United States, and Europe to halt heroin production in the country. Russia has seized more than 50 tons of heroin since the start of this year. Over 90 percent of the heroin supplied to Europe is from Afghanistan. Defense minister Ivanov cited the increased production of heroin emanating from Afghanistan as indication that the international community is not fighting the threat effectively. Russian foreign ministry spokesman Mikhail

Kamynin said that Russia will create antidrug “security belts” around Afghanistan, in contribution to the Paris process of 2003, a conference that outlined drug routes from Central Asia to Europe. (*Combined dispatches*)

EU in Disagreement over Counterterrorism Legislation

UK interior minister Charles Clarke has proposed measures that he would like to see supported and passed by EU lawmakers during his country’s six-month presidency of the union. However, members of the European Parliament have voiced concerns over the severity of the measures, which they argue limit civil liberties to an unacceptable level. In addition, some believe that these measures will create more insecurity. Clarke has proposed measures for EU intelligence operations and cross-border prosecutions, joint efforts for drug and people trafficking, a data retention bill, a European Criminal Intelligence Model, and increased action to crack down on money laundering.

French leftist and member of the European Parliament (MEP) Francis Wurtz believes the proposals are too brash: “the end does not justify the means...Europe’s motto must not become de facto ‘control, suspect, reprimand!’” Another MEP, Graham Watson said, “human rights are indivisible. Freedom and security are not alternatives, they go hand in hand...much as the public may dislike it, suspected terrorists have rights.”

Clarke has sparred with MEPs over the necessity of measures such as data retention and extending biometric information from passports to drivers’ licenses. However, he insisted that the EU must be willing to give up some liberties if the terrorist threat is to be challenged effectively. The EU remains undecided over how to counter the continent’s growing terrorist threat, and Britain’s desire to have these proposals implemented during its presidency appears increasingly unlikely. (*Combined dispatches*)

European Countries Announce Biometric Programs

Britain and the Netherlands are testing biometric passports, initially requested of all Visa Waiver Program countries for entry into the United States. They plan to have their systems operational by October

2006. On that date, anyone traveling to the United States must have a computer chip in their passport containing their biometric information in order to enter the country without a visa. In anticipation, the Passport Office in Britain has been conducting a roadshow to allow the public to test the biometric technology. New e-passports will be issued containing facial recognition technology that checks the distances between a person’s eyes, nose, and mouth to give their unique measurements. This technology would be difficult for forgers to copy.

However, testing in Holland has revealed technical problems, leading to concerns over reliability. The Netherlands has been pushing to become the first European country to introduce biometric passports containing facial and fingerprint data. After an initial six-month pilot study, 1.6 percent of 14,500 new passports had photographs that made it difficult to distinguish the facial features of their holders. The Dutch foreign ministry said reflections of lenses from glasses, unclear backgrounds, and insufficient contrasts led to the problems.

Despite potential problems, the Czech Republic has also announced it will also invest in a biometric program, to be implemented in 2007. Its program will be designed to join with the visa information system of the European Union. Although it will begin sometime in 2006, the biometric data will be entered into the system beginning in 2007 with a goal of completion by 2015. (*Combined dispatches*)

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