

# TRANSNATIONAL THREATS UPDATE

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*“Globalization has broadened the number of threats and challenges facing the United States....The nation requires more from our Intelligence Community than ever before and consequently we need to do our business better, both internally, through greater collaboration across disciplines and externally, by engaging more of the expertise available outside the Intelligence Community.”*

—The Honorable J. Michael McConnell, Director of National Intelligence, Statement for the Record to the Senate Select Committee on Intelligence, February 27, 2008

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## Terrorism

### Bin Laden Aide Gets Life Sentence

Al Qaeda’s media chief, Ali Hamza al-Bahlul, was sentenced to life in prison after he was convicted on 35 counts of solicitation to commit murder, providing material support for terrorism, and conspiracy. The 39-year-old Yemeni boycotted the trial and prohibited his lawyer from presenting a defense case. The outcome was predictable; at the end of the trial Bahlul broke his silence to tell the court that he volunteered to be the 20th hijacker in the September 11 attacks and that he ran al Qaeda’s propaganda wing since 2000, sealing his already apparent fate. During his 45-minute diatribe, Bahlul submitted a poem celebrating the 2001 attacks and pledged that al Qaeda would continue its fight against the next administration.

Bahlul was the third inmate from Guantanamo Bay to be sentenced in a military commission and the second to stand trial. The other was Salim Hamdan, Osama bin Laden’s former driver, who was sentenced to just five years in prison for supporting terrorism. A third detainee, David Hicks, reached a plea agreement and was sent home to Australia. The court issued a much harsher verdict against Bahlul, though there was no evidence that he participated in a terrorist attack himself. Nevertheless, the

Pentagon contended that Bahlul deserved a harsh sentence for conspiring with al Qaeda, supporting terror, and soliciting murder via propaganda. These arguments, along with Bahlul’s tirade, compelled the court’s stiff ruling.

The case brought renewed attention to the United States’ controversial detainment facility at Guantanamo Bay. There are approximately 255 prisoners at the facility, but only 17 are facing war crimes charges. Former chief military prosecutor Colonel Morris Davis, who quit after clashing with the government over legal procedures with regard to detainees, openly doubted the value of the prison, arguing that three completed trials in seven years spells failure. U.S. officials are unlikely to make good on their pledge to pursue new cases against as many as 80 of the Guantanamo Bay detainees. President-elect Barack Obama has pledged to shut down the much-maligned prison, a promise that has garnered praise from Democrats and Republicans alike.

### Militants Raid American Convoy in Pakistan

Approximately 60 armed militants hijacked 13 trucks in the Khyber Pass carrying Humvees and military equipment for American-led troops in Afghanistan. Attacks against convoys carrying food, fuel, and other supplies have been frequent along the critical supply route, but this one was unique for its size, coordination, and target. The Pakistani military said that its security forces had recovered some of the stolen materials but declined to specify which. Fazal Mahmood, a government official in the Khyber tribal region, identified the attackers as member of the Pakistani Taliban.

The attacks highlighted the vulnerability of the Khyber Pass supply route. A significant amount of supplies for the 65,000 U.S. and NATO troops go through Pakistan. In the

past, U.S. and NATO forces have downplayed the severity of the attacks. Earlier this year, however, NATO announced that it was seeking to reduce its dependence on the route by exploring alternative routes through Central Asia. The Khyber region has been heavily infiltrated by the resurgent Taliban, prompting the U.S. to authorize unilateral missile strikes on militant targets in the area.

The effects of the recent militant attacks remain to be seen. Military officials declined to comment on whether the seized trucks carried weapons and ammunition. It has been speculated that the attacks may further strain relations between the U.S. and Pakistani governments. The United States has been frustrated by Pakistan's lack of commitment to dismantling extremist strongholds in its northern tribal areas. Likewise, unilateral American airstrikes have angered Pakistani leaders and locals alike, who believe too many civilians have been victim to reckless U.S. missile attacks. Indeed, there were unconfirmed reports that several civilians, many of them children, were killed in a retaliatory U.S. military offensive that followed the hijacking.

### **Hindu Terror Cell Uncovered in India**

While the dramatic terror attacks in Mumbai have captured recent headlines, for the first time in its history, India apprehended members of an alleged domestic Hindu terror cell in western Maharashtra State. Nine suspects were arrested and charged with murder and conspiracy in connection with a bombing of a Muslim-majority area in Malegaon in September that killed six, all Muslims.

Though Islamist groups have claimed responsibility for several attacks in India, these were the first to be linked to a radical Hindu fringe. India's former head of intelligence, Ajit Doval, warned that Hindu militancy represents a dangerous trend that could stifle efforts to further pluralism in India.

The arrests confirmed mounting fears over the last few years of the threat posed by Hindu extremism and retaliation against Islamic militancy. Professor Zoya Hasan of Jawaharlal Nehru University's Centre for Political Studies explains, "The important thing is not the rise of extremism in the Hindu right—they have always been extremist. The new development is the political will to investigate their links with terrorism." Indeed, Bal Thackeray, the head of a right-wing Hindu group, wrote a piece in the group's magazine encouraging Hindus to defend themselves against Islamist attacks by retaliating through suicide bombings.

The recent arrests have become the subject of intense controversy because of the identities of two of the suspects.

Police claim that they taped Pragya Singh Thakur, a Hindu nun and Bharatiya Janata Party (BJP) member, wondering aloud over the phone why the Malegaon bombing did not produce more casualties. Her lawyer claims she is innocent and several BJP members have come to her side. Several Hindu organizations have also rallied to garner funds to pay her legal fees. The other high-profile suspect is Lieutenant Colonel Shrikant Prasad Purohit. Because the Indian army prides itself on its religious impartiality, the arrest of Purohit has angered many in the military. Purohit has been accused of supplying weapons and training to the attackers.

The arrests and their aftermath demonstrate mounting religious tensions in India. Islamic militant groups like the Indian Mujahedeen have claimed responsibility for a series of attacks targeting Hindus, and Indian government officials have claimed that the Mumbai attackers were Pakistan-based militant Islamists. Indeed, the public outrage that followed the attacks may increase the appeal of Hindu terror groups in India.

The onus is now on Indian authorities to stem the rising tide of violence and prevent religious extremists from drowning out the voice of moderates. If they fail in this regard, India's reputation for secularism and nonviolence may be severely compromised.

### **Terrorism Trial Begins in Sydney**

Five men pled not guilty to charges of conspiring to commit acts in preparation for a terrorist attack. Prosecutors claim that the alleged Islamic extremists stockpiled weapons and explosive chemicals with the intent to wage "violent jihad" against non-Muslim Australians. Khaled Cheikho, Moustafa Cheikho, Mohamed ali Elomar, Abdul Rakib Hasan, and Mohammed Omar Jamal face possible life sentences if convicted of the alleged 2004 conspiracy. The pleas were entered on the heels of eight months of pretrial arguments and closed-door hearings.

There is substantial evidence backing the prosecution's case against the defendants. Prosecutor Richard Maidment explained that the men had stockpiled weapons and ammunition along with household and industrial chemicals that could be used to build explosives in preparation for their attack. Police also uncovered bomb-making instructions, graphic videos of ritual beheadings, and images of planes hitting the World Trade Center on September 11. Police believe that the defendants viewed Islam as under siege and planned the attacks as retaliation for Australia's support of the U.S. wars in Iraq and Afghanistan.

The proceedings thus far have demonstrated the difficulty of conducting fair trials for suspected terrorists. The court

was noticeably wary of public bias seeping into the trial. Presiding Justice Anthony Whealy issued 65 written judgments, withholding the contents of 63 of them. He also instructed the jury to weigh the circumstantial evidence against the defendants individually and without prejudice, warning the jurors, “the Muslim religion is not on trial here.”

### **Jihadist Manual Encourages Deception**

A Spanish newspaper published a translation of an anonymously authored jihadist manual. *Secrecy in Jihad is a Legitimate Duty: Security Manual* offers 30 pages of instructions to help jihadists avoid detection. The author stresses the importance of maintaining secrecy when creating new terrorist cells and planning attacks. The document was seized in Catalonia in 2006 from the home of Muhammad Mrabet, a Moroccan butcher arrested on charges of heading an al Qaeda cell that recruited and transported operatives to fight U.S. forces in Iraq.

The document explains how, throughout the history of Islam, the *ulema* has allowed the use of deception and lies to further religious beliefs and punish infidels. To that end, the author encourages followers to “change the[ir] way of dressing, place of residence, car, daily routes, arrival and departure times, places, and meetings” and “use nicknames, false names, and codes” to avoid arousing suspicion. The level of specificity in the manual is unique; it goes so far as to urge readers to use invisible ink when composing sensitive documents and take fraudulent passport photos without a beard. It also encourages “using army clothing” to gain access to guarded locations and studying different Islamic groups to understand different methods of eluding the police.

Central to the manual’s instructions is an emphasis on obedience. The author urges followers not to receive instructions, answer questions, or plan operations without approval from their leaders. This recommendation underscores the organizational setbacks terrorist organizations have endured since the global response to September 11.

Though relatively simplistic in its message, the manual can aid counterterrorism officials in understanding al Qaeda’s tactical strategy. Several counterterrorism experts have recognized the value in understanding the short- and long-term objectives of extremists and exploiting that knowledge to craft a more focused response.

### **Terrorists Increasingly Resorting to Kidnapping**

Hesmatollah Atharzadeh, an Iranian diplomat, was kidnapped in Peshawar, Pakistan, on November 13, a day after an American aid worker was murdered by militants in

the same area. Atharzadeh, the commercial counselor at the Iranian Consulate, was stopped on a bridge near his house and attacked by gunmen who opened fire on his vehicle, killing his driver and capturing him. Though no group has claimed responsibility for the attack, it has been speculated that it was the work of the Pakistani Taliban, which claimed credit for a series of suicide bombings that preceded the kidnapping. The Iranian government has condemned the kidnapping as a terrorist attack and called on Pakistan to up its efforts to recover the Iranian national.

Kidnapping has become a tactic of choice for persecuted terrorists in Pakistan’s lawless tribal areas. In February, Pakistan’s ambassador to Afghanistan was kidnapped while returning to Kabul and held in a Taliban prison. In September, the Afghan ambassador designate was kidnapped and remains missing. Frequent kidnappings in Hayatabad, an area adjacent to the Federally Administered Tribal Areas (FATA), have compelled many to flee their homes. The trend is believed to be motivated by the increased pressure placed on the Taliban by the Pakistani military and U.S. airstrikes. Extremists view kidnappings and prisoner swaps as an efficient way to overcome their trouble attracting new recruits. Hostages can also be exploited for ransom payments, an appealing prospect to the financially challenged Taliban.

The recent attacks have been especially alarming and audacious. Militants appear to have inside intelligence that has enabled them to strike high-profile targets, some of which have been truly tragic. Stephen Vance, an aid official who was working on creating jobs and improving the infrastructure in the tribal areas, was shot and killed on his way to work by militants. Stemming the rising tide of abductions also proves to be a difficult task. More manpower could help, but the forces of religious extremism run strong in the tribal areas. Kidnappings in Pakistan’s FATA have been a symptom of the broader insecurity that plagues the area. Consequently, it is no surprise that CIA chief Michael Hayden pointed to Pakistan as the central front in the fight against terrorism.

### **Report Raises Concerns about Terrorist Financing**

A new study published by experts at the Washington Institute for Near East Policy expresses concern that international commitment to combating terrorism finance may be fading. *The Money Trail: Finding, Following, and Freezing Terrorist Finances* explains that the United Nations, Persian Gulf States, and Europeans made important contributions to stemming terrorist finances in response to the September 11 attacks. However, as years have passed and the threat has become less clear, international resolve to combat terrorist financing appears to be waning.

The report makes several important findings. It notes an increase in al Qaeda contributions from “private sources” but finds no evidence that this funding is traceable to petrodollars. In general, it demonstrates the difficulty of tracing funds to their original source. For example, seven years on, investigators still cannot conclusively finger the funders of the September 11 attacks. Since then, tracking terrorist finances has become harder because groups have turned to more secretive ways of making transactions, steering clear of banks in favor of cash, cash couriers, and cell phones to transfer funds. To overcome these obstacles, the report recommends a “risk-based structure,” wherein the United States focuses its counterterrorism efforts on states most vulnerable to terrorist financing.

The report dubs Syria and Iran state sponsors of terrorism. It also argues that Iran, an active supporter of Hezbollah and Palestinian Islamic Jihad, also serves as a passive supporter of al Qaeda. The authors explain that Iran turned a blind eye to al Qaeda members transiting through its territory en route to Pakistan and Afghanistan before September 11. Al Qaeda has also become less dependent on state sponsorship than in the past; whereas before September 11, al Qaeda raised funds from its central base in Afghanistan, today various cells raise money independently.

Without access to a central base or state financing, terrorist groups are turning to criminal activities to garner funds for their missions. For example, the 2004 Madrid bombing was financed through the sale of hashish. Likewise, the London 7/7 attacks raised money partly by defaulting on a bank loan. In the past, al Qaeda was averse to such criminal activities because they attract unwanted attention from law enforcement agencies. Today, it has no choice but to partake in these risky ventures.

The report concludes that tracking terrorist finances must be accompanied by a strong intelligence component. The authors argue that freezing terrorist finances when they’re discovered is not the optimal course of action in every case; in certain situations, it makes more sense to trace funding back to its source. In this way, tracking terrorist finances can be used as an effective means of tracking terrorists themselves.

## Human Trafficking

### UK Human Trafficking Ring Broken Up

Authorities in the United Kingdom have arrested members of the largest human trafficking ring in the country’s history. About 200 security staff members from nine separate agencies assisted in Operation Ruby, a sting mission to apprehend the perpetrators and recover the victims. Police arrested three members of the organized crime gang believed to be behind the illegal operation, in which 60 mi-

grant workers were exploited for labor. They raided 21 houses in the Kettering area in their efforts to break up the illegal ring. Police also investigated the grounds at Market Harborough, a nearby business, and arrested five others.

The 60 victims, aged between 15 and 67, were of Eastern European descent. They were recruited through advertisements offering travel to the United Kingdom and promising jobs. When they arrived, however, their travel documents were seized by the gang and much of their wages withheld to cover their travel and living expenses. The victims have been taken back to Kettering, where they may be treated as potential witnesses.

Human trafficking represents a serious threat to the United Kingdom and other Western European nations as well as an egregious moral hazard. Simon Excell, UK Border Agency regional deputy director, explained, “Human trafficking of any kind, whether for sexual or labor exploitation, is an appalling crime where people are treated as commodities and traded for profit.” Thus, the United Kingdom’s successful effort to break up its largest known human trafficking ring was no small achievement.

## Cyber Threats

### Pakistan Adopts Harsh Cyber-Crime Laws

Pakistani president Asif Ali Zardari issued a decree imposing strict penalties for cyber criminals. The Prevention of Electronic Crimes Ordinance, which took effect retroactively September 29, declares that anyone convicted of “cyber terrorism” that “causes death of any person” will be punishable by life in prison or even the death penalty. The law also stipulates that evidence of the intent to commit an act of cyber terrorism would constitute a crime. Penalties for smaller internet crimes range from steep fines to several years in prison, depending on the severity of the offense.

The new ordinance defines a terrorist act as an effort to “alarm, frighten, disrupt, harm, damage or carry out an act of violence.” In cases where the crime does not result in casualties, offenders will be punishable with 10 years imprisonment or a fine of at least 10 million rupees. “Terroristic intent” is vaguely defined as an “act with the purpose to...carry out an act of violence against any segment of the population, the government, or entity associated therewith.”

The law was revealed to mixed reviews. The government hopes that the strict penalties linked to cyber terrorism will deter such acts. However, the vague language may reduce the law’s enforceability and effectiveness. A similar decree was issued by Zardari’s predecessor, Pervez Mushar-

raf, but was widely criticized as a pretext for broadening the government's authority. If loosely interpreted, the law could be manipulated to justify crackdowns in domestic dissidents.

## Drug Trafficking

### Troops Make Major Drug Bust in Afghanistan

Afghani and NATO troops dismantled a drug-production facility in Kandahar and destroyed 40 tons of hashish found at the site. Officials believe that the facility was operated by the Taliban to raise funds to finance its insurgency. Forces were searching the southern province for insurgent and drug-trafficking activities when they came on the site. Colonel Greg Julian, the spokesman for U.S. forces in Afghanistan, praised the raid, explaining, "The huge amount of drugs destroyed today will greatly hinder the Taliban's ability to fund their ongoing hopeless struggle to subjugate the Afghan people."

Afghanistan has been a central focus of international efforts to control transnational drug trafficking. The war-torn state produces about 90 percent of the world's opium, most of which is refined into heroin and sold elsewhere. It is also the world's second-largest producer of hashish after Morocco. Afghanistan's drug trade has become a multi-billion dollar industry. Western officials believe that a significant share of drug profits, perhaps as much as \$100 million, is used to finance the Taliban insurgency along the Afghan-Pakistan border.

The most recent drug bust was the second of its kind this year. In June, authorities seized and destroyed 237 tons of hashish in Afghanistan, the biggest known single stash of the illicit drug in the world. The seized drugs were estimated to be worth as much as \$400 million. Antinarcotic activities are critical in Afghanistan. Bereft of state sponsorship, the Taliban has reverted to drug trafficking and kidnappings to finance its insurgency, the former being the more profitable venture. Squeezing Afghan drug trafficking therefore represents an appealing means of cutting off the Taliban's lifeline.

### Morocco Tackles Drug Trade More Aggressively

Backed by new technology, Morocco has made strides combating domestic drug traffickers. Through October of this year, customs officials and police have seized 163.1 tons of cannabis, 88.4 tons of cannabis resin, 25.2 kilograms of cocaine, 5.9 kilograms of heroin, and 35,673 units of psychotropic drugs. Authorities have halved the amount of land used to grow cannabis and reduced the production of cannabis resin by 61 percent. With the advent of advanced scanners, Morocco has been able to

monitor ports, airports, and borders more effectively and efficiently. The high image quality and speed of the scanners has facilitated the job of customs officials, enabling them to make seizures in sensitive locations. For example, two thirds of all drugs seized this year were found in small vehicles.

With more drug busts has come greater criminal prosecution. Authorities have detained about 1,200 people, including approximately 600 foreigners, for interrogation concerning the drug trade. Morocco has also been more aggressive in breaking up drug rings. For example, in early November, the Interior Ministry reported it had seized 7 tons of hashish in a raid in southern Morocco in which police arrested four suspects. The government has also enlisted foreign help to combat its transnational problem. In early November, it reached an agreement with Spain to conduct joint operations and discussed the possibility of creating a joint committee to combat drug trafficking. Much of the drugs produced and refined in Morocco are smuggled through Spain into various European nations.

Though Morocco has made strides hampering drug traffickers, the drug trade remains prominent within its borders, particularly in poor areas. Thousands still make their living off on illicit drug production. The government has made some efforts to discourage this; it has urged farmers in the north to cultivate other legal crops. If it can persuade farmers to take its advice, the government may come one step closer to flushing the drug trade out of Morocco's borders.

## Maritime Security

### Somali Pirates Up Ante in Recent Attacks

Somali pirates seized the *Sirius Star*, a Saudi supertanker, and demanded a \$25 million ransom. The ship was carrying about 2 million barrels of oil valued at approximately \$100 million. Pirates were also holding a Ukrainian arms vessel nearby, for which they initially demanded \$35 million, later lowered to \$3 million. Somali officials claimed that agreements had been reached to recover both vessels, but the amount of ransom to be paid remains unclear. Somali president Abdullahi Yusuf Ahmed said that the Saudi oil tanker would be released without ransom, and the spokesman for the pirates who seized the Ukrainian arms ship declined to specify the price of the vessel's release, though it was speculated to be in the range of \$3 to 5 million.

Despite international pressure, pirates remain defiant off the Somali coast. The United States, Russia, India, NATO, and the European Union all have sent warships to patrol Somali waters, but to little avail. In late November, the

Indian Navy sunk an alleged pirate ship, which now appears to have been a Thai fishing trawler. The piracy threat has compelled some firms to reroute to the Cape of Good Hope, increasing costs and shipping times.

Stemming the rising tide of piracy has proven a difficult task for Somalia and the international community. Devoid of a functional central government since 1991, Somalia lacks the requisite resources and manpower to effectively enforce maritime laws off its coast. Worse still, piracy has grown into a prosperous industry in Somalia. In the Gulf of Aden, approximately 1,000 pirates plan and execute attacks that garner millions in ransom payments. These payments, in turn, serve to finance further attacks. It is thus unsurprising that pirates have shifted from attacking smaller ships to large oil tankers and arms vessels. Unless the international community matches the audacity of Somali pirates with the manpower and resources necessary to deter future attacks, Somalia's piracy problem stands to worsen still.

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