



TRANSNATIONAL THREATS UPDATE

Center for Strategic and International Studies ■ Washington, D.C.

Volume 5 • Number 9 • November 2007

“We know that the nation requires more from our Intelligence Community than ever before because America confronts a greater diversity of threats and challenges than ever before. Globalization...does facilitate the terrorist threat, heightens the danger of WMD proliferation, and contributes to regional instability and reconfigurations of power and influence.”

The Honorable John D. Negroponte, Former Director of National Intelligence,
Statement for the Record to the Senate Select Committee on Intelligence, January 11, 2007

CONTENTS

Terrorism	1
Money Laundering	3
Drug Trafficking	3
Human Trafficking	3
Nuclear Threat	4
Organized Crime	4
Cyber Threats	5

TERRORISM

Al Qaeda Terror Financier Delisted by the United Nations and United States

On November 16, the UN Security Council removed Ahmed Idris Nasreddin and 12 of his companies from its list of terror financiers. The UN’s decision was immediately preceded by the Treasury Department’s removal of Nasreddin from the specially designated nationals (SDN) list. Neither body publicly announced the delistings or provided an explanation for them.

Nasreddin and his companies had been designated as terrorist financiers by the U.S. Treasury Department and the United Nations in November 2001 after being accused of providing financial support to al Qaeda. By April 2002, Nasreddin’s assets were frozen, at which point the Treasury Department issued a press release stating that Nasreddin had provided direct support to Youssef Nada. Nada was an integral part of

al Qaeda’s financial network and, together with Nasreddin, cofounded and directed an institution called Bank al Taqwa.

According to the Treasury Department, the primary basis for Nasreddin’s earlier designation was his association with Nada. Nasreddin, however, recently submitted signed statements to the Treasury Department certifying that he had terminated his business relationships with Nada, Bank al Taqwa, and any other designated individuals or entities. He further certified that he will have no such dealings in the future. These declarations were reportedly the basis for his delisting. Nada and Bank al Taqwa both remain on UN and U.S. lists. *(Combined dispatches)*

Members of Italian-based Islamist Network Arrested

Police in Italy, Britain, and Portugal arrested 14 individuals suspected of belonging to an Islamist network that allegedly trained recruits in explosives and tactics. Upon completing the training, the predominantly North African recruits were dispatched from Europe to battle zones in Iraq and Afghanistan to act as suicide bombers. Italian investigators coordinated with U.S. agencies, providing intelligence that enabled U.S. troops in Iraq to capture some of the recruits soon after they arrived from Italy.

The cell reportedly grew out of a network dismantled last year that had plotted bombings in France and It-

aly. Authorities, however, did not find any evidence indicating the cell was planning to conduct attacks in Europe. The case nonetheless demonstrates the supporting role that Europe's North African diaspora plays in terrorist operations in Iraq and Afghanistan.

Further, some of the suspects in Italy were members of Hizb ut-Tahrir, a disciplined and highly structured fundamentalist group with strong ties in the Middle East, northern Europe, and Central Asia. Although the group advocates the establishment of a global Islamic caliphate, its members have rarely been implicated in violence. Although authorities have yet to determine the group's connection to the Italian network's operations, Colonel Mettifogo of the Carabinieri posited that the case could indicate an evolution in Hizb ut-Tahrir's activities. (*Combined dispatches*)

Top Islamist Killed in Algeria

Abdelhamid Sadaoui, aka Abou el Haythem, believed to be the treasurer of Al Qaeda in the Land of the Islamic Magrehb (AQIM), was killed during an operation by the Algerian army. The incident took place near the town of Tizi Ouzou, in the province of Kabylia, an area known to be a hotbed of Islamic activity. Sadaoui's death is the latest development in a string of victories for the Algerian government in combating the group. In September 2007, the group's founder and former leader, Hassan Hattab, surrendered to Algerian security services and accepted amnesty. The next month, Algerian security forces killed Sofiane el-Fassila, the group's second in command, along with two other members of AQIM.

AQIM's operations primarily include attacks against the Algerian military and Western targets. The goal of such activities is to weaken the Algerian government and replace it with Islamic rule. Despite their predominately domestic agenda, authorities in Europe have recently been on alert for AQIM attacks after Ayman al Zawahiri encouraged the group to strike European countries in a recent speech. Although AQIM receives material and financial support from al Qaeda, experts contend that there is no strong evidence to indicate that AQIM has established strong operational links to al Qaeda's core leadership. (*Combined dispatches*)

Saudi Terrorists Target Oil Installations

Saudi authorities arrested eight members of a terrorist cell, including its foreign leader, who were allegedly planning attacks on oil installations, religious leaders, and security officials. According to the Saudi Interior Ministry, more than 200 suspects with links to al Qaeda have been arrested in recent months in one of the largest Saudi antiterrorism sweeps to date.

The kingdom has stepped up efforts to guard key infrastructures in the energy sector after al Qaeda's leadership called for attacks on oil installations. Last year, despite heightened security, terrorists attacked the Abqaiq facility, the world's largest oil-processing plant. Even though the attack was largely ineffective, it drove up oil prices by two dollars per barrel.

Earlier this summer, the Interior Ministry announced the formation of a permanent-member security force tasked solely with the protection of the kingdom's oil infrastructure. Nine-thousand members of the force have already been deployed or trained, and another 8,000 members will be added each year until the force numbers 35,000. (*Combined dispatches*)

Guantanamo Detainee Convicted in Tunisia

A Tunisian court convicted Abdullah bin Omar on terror charges, sentencing him to seven years in prison. Bin Omar, a Tunisian citizen, was captured in Pakistan in 2002 and spent five years in Guantanamo before being transferred to Tunisian custody last June. In 1995, bin Omar was convicted in absentia for his involvement with the Tunisian Islamic Front in Pakistan, a group believed to be the armed branch of the banned Ennahdha Islamist Party.

Tunisian authorities alleged that bin Omar had prepared attacks with the aim of replacing the state with a fundamentalist regime. A ministry official stated that bin Omar was convicted of "belonging in times of peace to a terrorist organization operating in a foreign country." Court documents also indicated that bin Omar had met with Osama bin Laden in Sudan to request assistance. Bin Omar was one of two Tunisians transferred from Guantanamo to the North African nation this June.

There are currently 320 prisoners, designated as unlawful enemy combatants, still in detention at Guantanamo. In a speech on October 9, hosted by the Council on Foreign Relations, Secretary of State Condoleezza Rice said that the president would like “nothing better than to close Guantanamo” but emphasized the danger associated with releasing hundreds of prisoners.

According to the U.S. ambassador to Austria, Susan McCaw, the United States is hoping European countries will receive a number of Guantanamo prisoners. Additionally, John Clint Williamson, the U.S. ambassador-at-large for war crimes issues, recently completed a tour around North Africa, where he met with local officials to discuss options for the repatriation of Guantanamo prisoners.

While repatriation might seem like a step in the right direction, activists and prisoners have expressed concerns that repatriated prisoners will be subject to harsh treatment or torture in their homelands. Bin Omar and human rights watch groups have already highlighted this concern, alleging he was tortured at the hands of state authorities. Tunisian officials have denied these allegations. *(Combined dispatches)*

MONEY LAUNDERING

Brazilian Money-laundering Scheme Broken Up

Brazilian authorities detained 19 suspects during a raid on 44 sites in connection with a money-laundering scheme. The scheme allegedly helped large Brazilian companies evade taxes by laundering money through two Swiss banks, the U.S.-based insurer American International Group, Inc., and black market money changers. According to reports, the scheme bilked the Brazilian government out of as much as \$588 million in tax revenue over the last 18 months. Among the detainees was a Swiss-based employee of UBS AG, one of Europe’s largest banks. Another detainee was an employee of Switzerland’s Clariden Leu, a unit of the Credit Suisse Group.

Brazil has stepped up its fight against illegal tax schemes, which have deprived the government of billions of dollars in revenue over the past decade. Last month, a probe into another tax evasion scheme led to

raids at the São Paulo and Rio de Janeiro offices of Cisco Systems. This month’s investigation began after seven Credit Suisse executives were detained during “Operation Switzerland,” a money-laundering probe conducted last year. No charges, however, have been filed in either of the cases. *(Combined dispatches)*

DRUG TRAFFICKING

Drug Counterfeiting Network Disrupted

A multijurisdictional effort dubbed Operation Jupiter-Southeast Asia resulted in several arrests, the seizure of hundreds of thousands of counterfeit products, and the breakup of a criminal network in China and Myanmar. The operation drew upon a joint World Health Organization and Interpol assessment on counterfeit antimalarial medicines. This demonstrated how the law enforcement and public health sectors can cooperate in combating the growing trade in counterfeit medicine.

Members of the Association of Southeast Asian Nations (ASEAN) and China are emerging as major centers for the production, distribution, and sale of fake medicines. Highlighting this threat, a joint investigation involving Indonesia’s National Agency of Drug and Food Control and the national police recently uncovered a stash of drugs worth more than \$2.7 million. Two-thirds of the seized drugs were counterfeit, and a quarter had been imported illegally. *(Combined dispatches)*

HUMAN TRAFFICKING

Spanish-Algerian Trafficking Network Dismantled

On November 30, Spanish authorities arrested 10 Algerians and 1 Spaniard, dismantling a human-trafficking network that ran between Algeria and the Balearic Islands. The network provided immigrants with boats, meteorological and geographical information, and information regarding employers who would accept illegal aliens upon their arrival. The arrests resulted from a police sting operation launched in September 2006.

Thousands of Africans travel to Algeria each year prior to immigrating illegally to Spain. Once in Algeria, however, some women are coerced into prostitution to pay off smuggling debts, while men may be forced to work in construction or other unskilled trades. According to one nongovernment organization (NGO), an estimated 15,000 illegal immigrants currently reside in Algeria. Of these, approximately 9,000 are victims of trafficking. A report from a different NGO maintained that children are trafficked to Algeria from Niger, Mali, and within Algeria itself for domestic servitude. The report further stated that the government of Algeria does not fully comply with the minimum standards for the elimination of trafficking and is not making significant efforts to do so. (*Combined dispatches*)

NUCLEAR THREAT

Uranium Sale Disrupted in Eastern Europe

Two Hungarians and a Ukrainian were arrested for attempting to sell 2.2 pounds of weapons-grade uranium for \$1 million. The three suspects were caught in a raid on November 28, as a result of a joint Slovakian-Hungarian operation that began several months ago. According to police, the seized material, which was in powder form, contained U-235 enriched to 98.6 percent and could have been used in a dirty bomb. First Police Vice President Michael Kopcik stated that initial findings suggest the material originated in the former Soviet Union. Authorities have yet to disclose the identity of the buyer.

The arrests heightened concern that fissile material from the former Soviet Union could be diverted and used by terrorists to fashion a dirty bomb. Over the last few years, Ukrainian authorities have arrested more than a dozen people suspected of smuggling or purchasing radioactive materials. This October, three suspects, including a Slovak national, were detained in the Czech Republic for allegedly trying to sell fake radioactive materials. (*Combined dispatches*)

ORGANIZED CRIME

Top MS-13 Member Arrested in Los Angeles

Officials from the Federal Bureau of Investigation (FBI) and the Los Angeles Police Department arrested 26 members of the Salvadorian gang La Mara Salvatrucha, more commonly referred to as MS-13. The gang members were charged with a multitude of crimes, including drug trafficking, parole violations, and immigration violations. Among those arrested were top “shot caller” Oscar Chacon, aka Paul Cortez, as well as leaders from several of the gang’s cliques. The November 16 operation followed a joint, two-year investigation conducted by the FBI’s MS-13 National Gang Task Force and the Salvadoran national civilian police. The investigation, and the subsequent arrests, marks one of the United States’ largest crack-downs to date on the gang.

The arrests are part of a coordinated, nationwide effort to combat gangs. Over the previous three months, federal authorities have arrested more than 1,300 alleged gang members, the majority of which were affiliated with MS-13. On November 22, the leader of MS-13, Geovanni Pena, was sentenced to more than 19 years of prison in Tennessee. Pena was the first of 14 MS-13 members to be sentenced on a federal grand jury indictment that charged the defendants with conspiracy to participate in racketeering, as well as charges for murder, assault, weapon violations, and obstruction of justice.

MS-13 could have as many as 10,000 to 30,000 members in the United States, many of whom are illegal aliens. The largest concentrations of the gang exist in California, Virginia, Maryland, and New York. A November report to Congress stated that MS-13 and another Central American gang, the 18th Street gang (MS-18), could be categorized as emerging transnational threats. Increasing evidence indicates that the gangs are engaged in cross-border enterprises normally associated with better-organized and more-sophisticated criminal syndicates. Though no evidence has established a link between these gangs and terrorists, it is possible that members could use their skills and criminal networks to smuggle dangerous individuals into the United States. (*Combined dispatches*)

CYBER THREATS

Al Qaeda Web Sites Number 5,600

During a recent Saudi intelligence conference intended to share Internet surveillance expertise, researcher Khaled al Faram estimated that there were about 5,600 Web sites promoting al Qaeda ideology and approximately 900 new sites appearing each year. Saudi Arabia has identified the Internet as a key battlefield in the fight against extremists and has launched its own Web site to allow the public to anonymously report suspicious activity and to alter the negative perceptions surrounding its security services.

The severity of the Islamist Internet threat was echoed in Vienna at a November 15 meeting hosted by the Organization for Security and Cooperation in Europe (OSCE). During the meeting, experts gathered to discuss new approaches for combating the terrorists' use of the Internet. Participants raised concerns that there was no coherent strategy to counter this phenomenon in Europe, especially among EU members. They also acknowledged that more needs to be done to create a global strategy for targeting terrorists on the Web. *(Combined dispatches)*

Member of the "Botnet Underground" Charged

Los Angeles resident John Schiefer, a well-known member of the "botnet underground," agreed to plead guilty to four felony counts for infecting computers with malicious codes known as malware. The purpose of the malware was to assemble botnet armies of up to 250,000 computers to carry out a variety of identity-theft schemes.

Communications intercepted by the malware enabled Schiefer to acquire usernames and passwords from various accounts such as Paypal, gain access to bank accounts, and make purchases without the consent of account owners. Schiefer also acknowledged that he had transferred the wiretapped communications and given stolen Paypal information to others. This is the first time that anyone in the United States has been charged under the federal wiretap statute for conduct related to botnets. *(Combined dispatches)*

This update is produced by the Transnational Threats Project at the Center for Strategic and International Studies (CSIS) and provides monthly news on terrorism, drug trafficking, organized crime, money laundering, and other transnational threats. The *TNT Update* draws primarily on international media sources, including the Associated Press, ITAR-TASS, Agence France Presse, Reuters, Xinhua News Agency, World Tribune, Afghan News, and others.

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