2005 USAID Summer Seminar Series

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August 9: Foreign Aid and the War on Terrorism
Presenters: Doug Menarchik, PPC; Grant Morrill, PPC; Edwin Hullander, PPC
Materials: Presentation; Notes (see below); Q&A (see below)

Synopsis

What is the role of international development in the War on Terrorism? This summer seminar will explore this timely issue.

Doug Menarchik, Bureau for Policy and Program Coordination (PPC) Assistant Administrator, will provide opening remarks on the importance and the role of foreign assistance in the global war on terrorism and national security. Grant Morrill, CDIE Program Economics Officer will present a preview of the ongoing CDIE desk review on Foreign Aid and the War on Terrorism. The study identifies underlying causes, consequences and implications of terrorism for development assistance. Recommendations for specific development strategies and activities to help grapple with terrorism and its complex social, economic and conflict antecedents will serve as the basis for discussion. Edwin Hullander, Senior Counter Terrorist Coordinator for USAID in the Office of Policy, will present the status of Agency's contribution to the War on Terrorism based on a worldwide inventory of field activities and interagency coordination efforts undertaken within the last year. Finally, after an interactive Q&A period, the session will conclude with brief notes on related studies by the Bureau for Policy and Program Coordination and by other bureaus.

This seminar is co-sponsored by the USAID Evaluation and Policy offices.

Notes

Grant Morrill and the Bureau for Policy and Programming Coordination (PPC) organized this year's sixth USAID Summer Seminar, Foreign Aid and the War on Terrorism. Morill; Doug Menarchik, AA/PPC; and Ed Hullander, PPC/P presented on the roots of terrorism and the role that development can play in combating it.

Menarchik introduced the session and provided an overview of the evolution of terrorism and development as integral parts of national security. Drawing from his experience in the Air Force, Menarchik stated that counterterrorist experts traditionally considered terrorism to be primarily a criminal problem. The perception that "America's terrorist problem is overseas," as a former Secretary of State told Menarchik in the 1980s, was false. In the aftermath of 9/11, bombings in Bali, Madrid, London, and elsewhere, terrorism has developed to become "much more global and lethal" and recognized as a grave threat to national and international security.
The 2002 National Security Strategy (NSS) reflected the increased menace that terrorism poses to U.S. national interest and security. The document identified three areas for combating terrorism: defense, diplomacy, and development. The inclusion of development in the NSS defined USAID's mission in terms of national security and enlisted the agency as a significant contributor to the global war on terrorism. USAID's primary contribution to counterterrorism is diminishing the conditions that support the rise of terrorism and denying support and sanctuary to terrorists abroad.

The environment in which USAID operates has also changed, forcing the agency to assess how to conduct development work in conflict countries. Menarchik highlighted USAID's participation in an ongoing analysis in the Trans-Sahel region of Africa, which is seeking to learn how sub-Saharan Muslims are joining the Iraqi insurgency. This assessment seeks to identify vulnerable populations susceptible to terrorist recruitment, find improved forms of livelihood, and support moderate Islamic groups in the area.
Combating terrorism also requires closer coordination between the Department of Defense (DOD) and USAID. Menarchik summarized upcoming efforts of the USAID Military Policy Board, which he heads. The group is currently working on creating liaison officer positions at the GS-15 level to

represent USAID at Combatant Commands. In addition, USAID is also developing an international development strategy that will address development in the context of national security.

Menarchik concluded by sharing with the audience a map of Sadr City, which correlated terrorist attacks to the availability of services in the city's neighborhoods. The map offered a visual representation of the relationship between development and terrorist bombings in the Baghdad neighborhood.

Morrill's presentation further defined the role of development in combating terrorism by examining the roots of terrorism and suggesting various ways that "development can achieve strategic advantages against terrorism" in different country contexts. Morrill started by objectively defining terrorism. Most definitions such as the U.S. Code use four major characteristics to define terrorism: (1) it targets civilians and non-combatants, (2) it aims to produce public fear or panic, (3) it seeks media attention, and (4) it exerts pressure on government for political change.

There are three broad categories of terrorism: pathological terrorism, criminal terrorism, and political terrorism. Specific types of political terrorism include state terrorism, state-supported terrorism, and substate terrorism–the primary focus of USAID's counterterrorist efforts. Within substate terrorism, there is social revolutionary terrorism, right-wing terrorism, nationalist terrorism, separatist terrorism, religious extremist terrorism, and single-issue terrorism.

Morrill then displayed a list of potential terrorist goals. They are to:
1. Challenge the state's authority
2. Dramatize a cause
3. Demoralize the government
4. Gain popular support
5. Provoke regime violence
6. Inspire followers
7. Overcome a weakening organization
8. Accelerate the pace of violence
9. Dominate a wider resistance movement

The last three goals relate to internal weakness within a terrorist organization so an increase in terrorist attacks does not necessarily mean a terrorist organization is strengthening. Underlying motivations of terrorism may include macro-level causes such as globalization, lack of state stability, or political oppression. Messo-level causes include group dynamics and collective rational choice. Experts have also identified micro-level psychological and psychoanalytic causes for why certain individuals commit acts of terrorism. The lack of a single theory explaining why terrorism occurs also means there is no single theory of how to prevent it.

As noted by both Menarchik and Morrill, development's role in preventing terrorism consists of diminishing the underlying causes of terrorism. Morrill added that USAID's counterterrorism focus is to employ "development to demonstrate that people have better things to do than be terrorists." In fragile states, USAID must contribute to the winning of the peace and be pro-security, pro-democracy, and pro-progress.

USAID's counterterrorist efforts must be adapted to each country's context. In countries with:
• On-going violent conflict, USAID should "roll out comprehensive programs which reach deep into the social fabric of the country to create a turn around situation.
• Governments that have suppressed terrorism at the expense of democracy, USAID needs to focus on programs designed to encourage democratic reform.
• Signs of popular radicalization, USAID needs to conduct regionally or ethnically targeted programs.
• Weak governance and the potential to harbor terrorists, USAID needs to provide assistance for "strengthening their ability… to secure parameters of their territory."
• Exploitable assets such as drug and human trafficking, USAID "needs to develop approaches to deal specifically with these activities in addition to USAID traditional efforts in drug eradication."

USAID should also be ready to use "unforeseen windows of opportunity" to win the allegiance of citizens against terrorist ideology or propaganda. He cited the example of the South Asian tsunami as a case where USAID was able to demonstrate the "support of American people to Muslim and non-Muslim populations alike."

Morrill then gave four examples of how USAID can more strategically tailor its counterterrorism development efforts:
1. Identify and target at-risk youth
2. Cut off vital inputs to terrorist groups:
a. Dry up recruitment pools
b. De-legitimize terrorist ideologies with information, communication, and education campaigns
c. Freeze or eliminate sources of money or income
d. Secure isolated regions and fragile states which afford operating space to terrorists
3. Learn from larger social movement "behind' the emergence of terrorism to "unravel" popular support and sympathy for terrorist ideology
4. Working with moderate, mainstream segments of the society to stabilize and reinforce the voice of reason in counterbalance to terrorist forces.

The last point of Morrill's presentation explored the relationship between terrorism and political regime type. Morrill suggested that USAID democracy and governance programs take into account that democratization has "mixed effects" on terrorism. For example, increased democratic participation has been shown to reduce terrorism, but additional civil liberties tend be more "permissive" of terrorist attacks. Consequentially, USAID in specific contexts may be able to counter terrorism by promoting political participation through a wide range of interventions that centralize and aggregate public opinion "pulling" political support away from the extremes.
Morrill concluded his portion of the presentation by reiterating that counterterrorism is contextual and cross cutting, and forces the agency to reexamine its development portfolio.

Hullander's presentation surveyed counterterrorist efforts since 9/11 and focused on USAID's on-the-ground role in the global war on terrorism. Hullander began by detailing the ways USAID's development programs compliment U.S. counterterrorist efforts. The U.S. global war on terrorism relies on a "top down" approach that concentrates on the jailing or killing of the leadership of terrorist organizations and the freezing of terrorist financial assets. Since 9/11, the U.S. has succeeded in the jailing or killing of two thirds of the Al-Qaida leadership and disrupting its international financing. Essentially, the U.S. has forced Al-Qaida to retreat from the international level to regional and national levels. Hullander suggested that USAID assistance programs can help undermine community support for terrorist recruitment and training.

Today, the USAID Office of Democracy and Governance plays a central role in providing assistance to facilitate the passage of laws criminalizing terrorist activities. The criminalization of terrorist activities seeks to minimize the attraction of martyrdom. Many countries now have also criminalized supporting or harboring terrorists where previously only the perpetrators of violent acts could be prosecuted.

USAID also contributes to the disruption of terrorist recruitment. Since Operation Iraqi Freedom a terrorist recruiting cycle has been created that begins with radical clerics identifying vulnerable youth that respond to rhetoric about the war. Recruiters send these youth to Syria where they are hyper-indoctrinated, trained, and eventually moved to Iraq to join the terrorist insurgency.

In response to this and other terrorist recruitment activities, USAID is collaborating with the U.S. military in the Trans-Sahel Counterterrorism Initiative. The Sahel region of North Africa has conditions conducive to a future terrorist base of operations including remoteness, porous borders, and proximity to known terrorist groups in Algeria and Morocco. Hullander called it "Afghanistan without drugs." A USAID assessment team has found the following:
• Large numbers of "at-risk" youth
• High unemployment or low economic opportunities
• Large shadow economy and cross border trade flows
• Discontent Muslim community
• Lack of public services
• Distrust of military and police

The U.S. military has launched programs in the region to address these conditions. U.S. troops are engaged in the training of border patrol units, development of regional military cooperation, and instructing indigenous soldiers in human rights. USAID's assistance programs compliment military counterterrorism efforts with development projects targeted at combating terrorist recruitment. These programs include:

• Centers for job training and youth
• Soldier reintegration programs
• Water projects to build local economic base
• Training of judiciary and local officials in public service
• Creation of local radio service

Hullander concluded by noting that counterterrorist actions are like "draining the swamp." In other words, the goal is not to destroy an area but rather transform it into a healthy environment in which people can live and prosper.

Given that USAID operates in three-fourths of the seventy-seven countries known to have terrorist groups, all three presenters agreed that the agency has a significant role to play on the front lines of the global war on terrorism. Moreover, all three presentations defined USAID's contribution to counterterrorism and to national security as using development to diminish the conditions supporting the rise of terrorism.

Question and Answer Session

Mr. Menarchik talked about the three "D's": defense, diplomacy, and development. All three are important, but… the Department of Defense (DOD) is a cabinet agency, and the State Department is also a cabinet agency … and USAID is only a little agency somewhere down in the belly of the organization. Consequently, we have not committed the forty or fifty years of experience of those of us who have worked in USAID to this particular battle. The very fact that we call it "the War on Terrorism" has given the DOD an extraordinarily large role in fighting what I really think is a soft power battle to which USAID is better suited. If we are trying to get at the basic problem of terrorism, we really should be doing what some said last week, change the name from the War on Terrorism to the "global struggle against violent extremism" …. But if we consider it a war, we are not going to win the battle. If we consider it a struggle against terrorism and extremism, then the kind of thing that USAID does—getting down to basic education changes, basic cultural changes, basic democracy changes—we can change societies and ideas.

The approaches outlined in this presentation may be very good, but they are also very western, particularly in terms of democracy and governance. If you look at the areas where there have been problems, where there have been terrorist networks building, if you look at Somalia for instance, USAID has not had the funding to do a lot of work there because of the political implications …. Another area is working in traditional communities. You talk a lot about political parties, democratic governments, and civil societies, but in many of the areas where terrorism has been brewing, we have not been working …. We are acting in a way to respond to terrorism when we should have been in there a long time ago. If our approach is to just combat terrorism, I think we are losing the battle before we even start.

What exactly does "at-risk youth" mean? Do we have evidence or indicators to describe who is at risk for becoming a terrorist?
Morrill: When it comes to terrorism, it is very difficult to predict who will become a terrorist. I tell myself that this is not like trying to find a needle in a haystack, but rather like finding a straw that will turn into a needle. There are various models, and I think one thing that I have found that explains it best in my mind is that there are a number of scholars who view terrorism as an elitist type of problem. If there had been a major grievance by a population, there would be a revolution instead of terrorism. What we can do is make sure that our response to terrorism does not solve that collective action problem, which is that it is not so harsh that it detonates a much wider kind of negative violent response. To answer your question, it is very difficult to predict who will become a terrorist.

I have heard the word "development" used in every presentation, and I was wondering how you define that?
Hullander: The definition of development depends on what discipline or what profession you are approaching it from. GDP per capita is one of the more widely used indicators, but clearly, development is a much more complex phenomenon than simply increasing income.

The presentation seemed to have a very strong theoretical framework, and I would like to know if there are any opportunities for graduate students to aid in this research?

Morrill: The answer is yes. I am looking for people who can help with research. If you remember the list of potential causes of terrorism, the list is very long. We can use all the help we can get.

There has been some talk about how we are going to send people out to the combatant commands, and I would like to know how would this all be operationalized?
Hullander: Two groups have programs in these types of countries: the DOD and USAID. As DOD deals with humanitarian assistance and civil affairs, you will see them operating in a similar manner to the way [USAID] do[es] in a country. So basically if their objective is to build a more secure environment, and that is our objective as well, then it makes a lot of sense to get our heads together.

Wallace: As a retired army officer I can tell you that the role of liaison is very important because you are the expert as far as that command is concerned. If they ask you a question you answer it, and it helps them with strategic planning. If you do not know the answer you have the entire agency to reach back to. The liaison role is extremely vital in the planning that occurs at these combatant commands.

The accused perpetrators of the London bombing do not fit the model or criteria for terrorists that you defined in your presentation. They were employed and educated, and you could say the same about some of the terrorists both in the U.S. and in Madrid. Are we once again missing the boat, and should we be looking further up Maslow's Hierarchy beyond basic needs?
Hullander: You have a good point. The Trans-Sahel area hosts a materials flow network. It is basically a cross border area where materials and funds are funneled. Cleary the terrorists in London are homegrown, but they did not likely get their munitions, funding, or training there. What we are picking up primarily from the press is that they got their training and ideological motivations in Pakistan. Now that we have been applying pressure to Pakistan and Afghanistan, they are moving somewhere else. Our job is to find out where that next step is going to be. In this case, we think the Sahel has all the criteria for a future base of [terrorist] operations.

Morrill: I think we need to distinguish between the leaders and those they may bring in as followers. I see two sides to the problem: the leaders that tend to be from a relatively well-off elite group, and those that the leaders could radicalize and use to create problems. We need to address both groups.

What are the risks associated with a shift in USAID's development strategy if indeed such a shift is occurring in response to the 2002 National Security Strategy?
Hullander: We have certain methods, techniques, or instruments that are applicable to the new threat of terrorism. Dealing with the asymmetrical threat of terrorism means working with rural communities and addressing basic necessities, that is where USAID has expertise. We are used to basically helping countries develop and emerge, and we now have to look at using these techniques to prevent countries from being used as a foundation for terrorism.

Morrill: Our agency was created in the 1960s and for thirty years, we operated in an international paradigm where there were strong development trends that reflected different strategies, but the rules of the game were basically the same. With the collapse of the Soviet Union, the past is no longer a guide to our future. I am not advocating a single new agency that deals only with terrorism, but we need to examine our portfolio with greater precision to see how each agency activity relates to terrorism and failed states. Of course, not everything we do relates to terrorism, therefore we need to examine closely the causal relationship [between development and preventing terrorism].

Hullander: Just as the DOD has had to rethink their strategy to fight terrorism, USAID has to do the same.

I wanted to ask you about the graph on page five of the transition from totalitarian to democratic regime. How much evidence is there for that given that there are terrorists in Spain, India, the United Kingdom, and other democratic countries?
Morrill: The highest incidences of terrorism are taking place in India and Turkey today, and this does occur with young democracies. It is not until democracies become well established and prosperous that terrorism tends to go down. There are many empirical studies relating terrorism to the u-shaped curve depicted in the graph. Unfortunately, the road is long and bumpy, and the benefits of democracy do not kick-in until the government solidifies, and a decent level of economic growth is achieved.

What exactly does "Muslim" mean?
Morrill: One of the major misconceptions is that there is something inherent in Islam that would cause terrorism. When you adopt a wider historical perspective, this is shown to be a misconception. For one thing, if there had been something inherent in Islam to cause terrorism, there would have been terrorists since the seventh century. That clearly did not happen. There have been terrorist groups that have grown up in all religions, and they have all used holy scripture to justify violence. Therefore, the idea that terrorism is inherently Islamic is false. If you want to be frightened, Google "Christian Identity" and you will find a group that makes Osama bin Laden's propositions seem pleasant.

What do you exactly define as a "failed state?"
Hullander: A failed state is a situation where the structure of the government is falling apart and is not providing services. We started using the term "failed state," then "failing state," and now it is "fragile state." These states if left to their own devices will go into a catastrophic state, which makes them more vulnerable to illegal activities like terrorism and drug and human trafficking.

Morrill: A failed state exists when the government of a country is no longer able to collect taxes and provide basic services

Tuesday, August 9, 2005
2005 Summer Seminar Series, # 6

FOREIGN AID and
THE WAR ON TERRORISM

Introduction: Douglas Menarchik, AA/PPC
Presenters: Grant Morrill, PPC/CDIE and
Edwin Hullander, PPC/P

http://www.usaid.gov/ Keyword: Summer Seminars

Foreign Aid and the War on Terrorism

Defining Development's Role in Combating Terrorism

By

C. Grant Morrill

Structure of the Presentation

I. Purpose

II. Understanding Terrorism

III. Role of Development

IV. Causes

V. Country Contexts

VI. Strategies

VII. Entry Points

II. Understanding Terrorism

A weak base of primary sources:

- Terrorist's publicly-issued statements
- Terrorist's documents found during investigations
- Databases of terrorist events
  - State Department
  - ITERATE
  - RAND-St. Andrews
- Extremely few interviews with terrorists

Terrorism Defined

- U.S. Code: "Pre-meditated, politically motivated violence perpetrated against noncombatant targets by sub-national groups or clandestine agents, usually intended to influence an audience." [Title 22, Section 2656f(d)]

- Main defining characteristics:
    1. Targets civilians & non-combatants
    2. Aims to produce public fear or panic
    3. Exerts pressure on government for political change
    4. Seeks media attention

Terrorism Classified by Type

- First Tier – Three major categories
  Pathological terrorism
  Criminal terrorism
  Political terrorism

- Second Tier – Political terrorism composed of . . .
  State terrorism
  State supported terrorism
  Substate terrorism

- Third Tier – Substate terrorism composed of . . .
  Social revolutionary terrorism
  Right-Wing terrorism
  Nationalist-separatist terrorism
  Religious extremist terrorism
  Single issue terrorism

Who is the Terrorist?

ROLES AND TYPES WITHIN TERRORIST HIERARCHIES

Sponsor	Leader	Executive Committee	Middle Management	Follower	Lone wolf
State authority figure	Self-imagined idealist	Political policymaker	Strategist/technocrat	Foot soldier/action perpetrator	
Substate group sponsor	Self-imagined messianic	Military policymaker	Recruiter	Technician	
Individual financial contributor	Ethnic or religious animus-driven		Trainer/dispatcher	Researcher/surveyor/errand runner	
	Entrepreneur		Supplier/armorer	Transporter/harborer	
				Sympathizer/fellow traveler	

What do Terrorists Hope to Accomplish?

1. To challenge the state's authority
2. To dramatize a cause
3. To demoralize the government
4. To gain popular support
5. To provoke regime violence
6. To inspire followers
7. To overcome a weakening organization
8. To accelerate the pace of violence
9. To dominate a wider resistance movement

III. Role of Development

- Evolution of terrorism since 1980's
- Traditional responses – increased security, policy enforcement, use of force, restrictive legislation – may be necessary, but is not enough
- Terrorism is a problem to be managed but perhaps never entirely eliminated
- To provide strong incentives not to choose terrorism
- To win the peace: not *counter*terrorism, as such; but *pro*-peace, *pro*-security, *pro*-democracy and *pro*-progress
- Search for interventions the *inverse* relation to terrorism

IV. Causes

- ***Macro-level Causes***: Modernization, communication, transportation, new weapons, urbanization, globalization, free trade, culture, religion, social habits, historical traditions, ideologies, clientelistic society, lack of security, political regime type, social movements, political oppression, inequality, relative deprivation, lack of prosperity, global dependency, lack of state legitimacy, political instability, state failure, changes in the international paradigm, contagion
- ***Messo-level Causes***: Group dynamics, collective rational choice
- _____

  _____

V. Country Contexts

- Widespread mobilization and on-going conflict
- Suppressed terrorism at the expense of democratic reforms
- Moderate governments with populations tending to extremism
- Provide sanctuary due to state weakness
- Assets terrorist may exploit
- Unforeseen "windows of opportunity"

VI. Achieving Strategic Advantage

Terrorism emerges from youth "at-risk" in transition

TRANSITIONS OF THE LIFE CYCLE
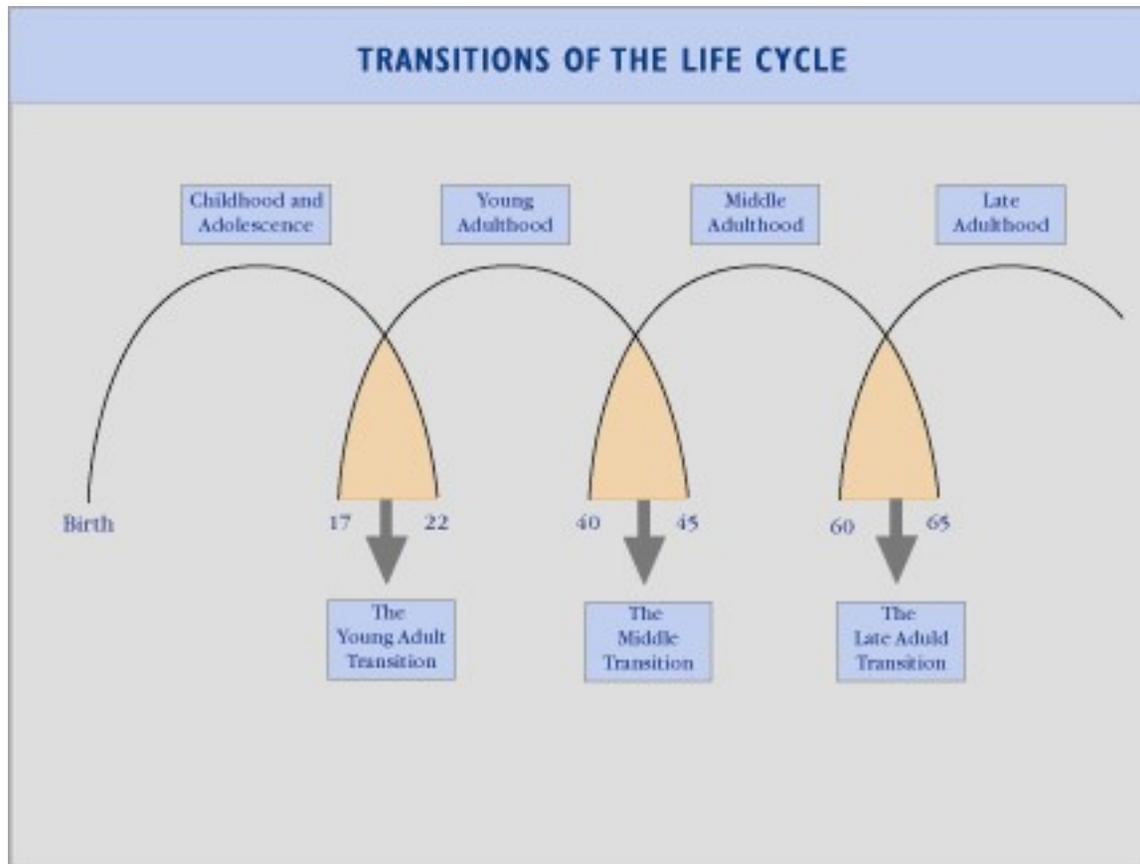
Acts of terrorism emerge from terrorist groups

TABLE: ORGANIZATIONAL & OPERATIONAL RESOURCES OF TERRORIST GROUPS

Intervention	Resource Input
De-legitimize ideologies	Ideology Leadership Recruitment
Dry up recruitment pools	Recruitment Publicity Command and control Weapons
Strengthen states to control their territories	Operational space Operational security Training Basic intelligence
Efforts to curtail money laundering	Money

Terrorist Groups → Terrorist Incidences
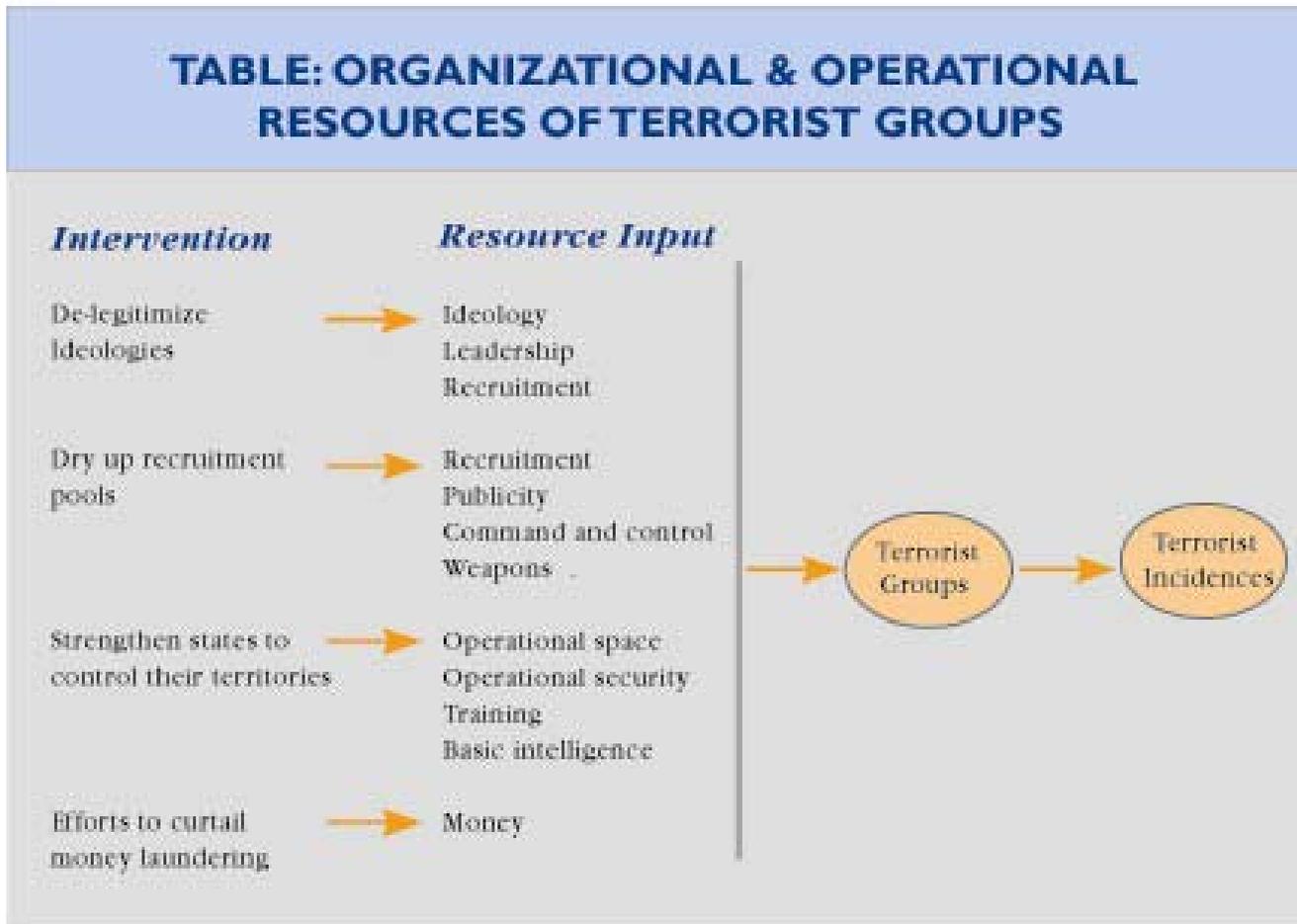
Terrorism emerges as a by-product of a once-peaceful social movement

- Strategy: Intervene at the level of the peaceful social movement.
  - Satisfy local causes and grievances expressed prior to the radicalization of the movement.
  - Unravel support for the violent terrorist group from the bottom up.

Terrorism emerges from specific social segments prone to extremism and violence

- Strategy: Intervene next to moderate, progressive segments of society.
- Empower them to regain the leadership so that extreme, violence-prone segments decline in importance.

VII. Entry Points

Terrorism & Political Regime Type

Different regime types have different effects on terrorism

Increased Risk of Terrorism and Violence
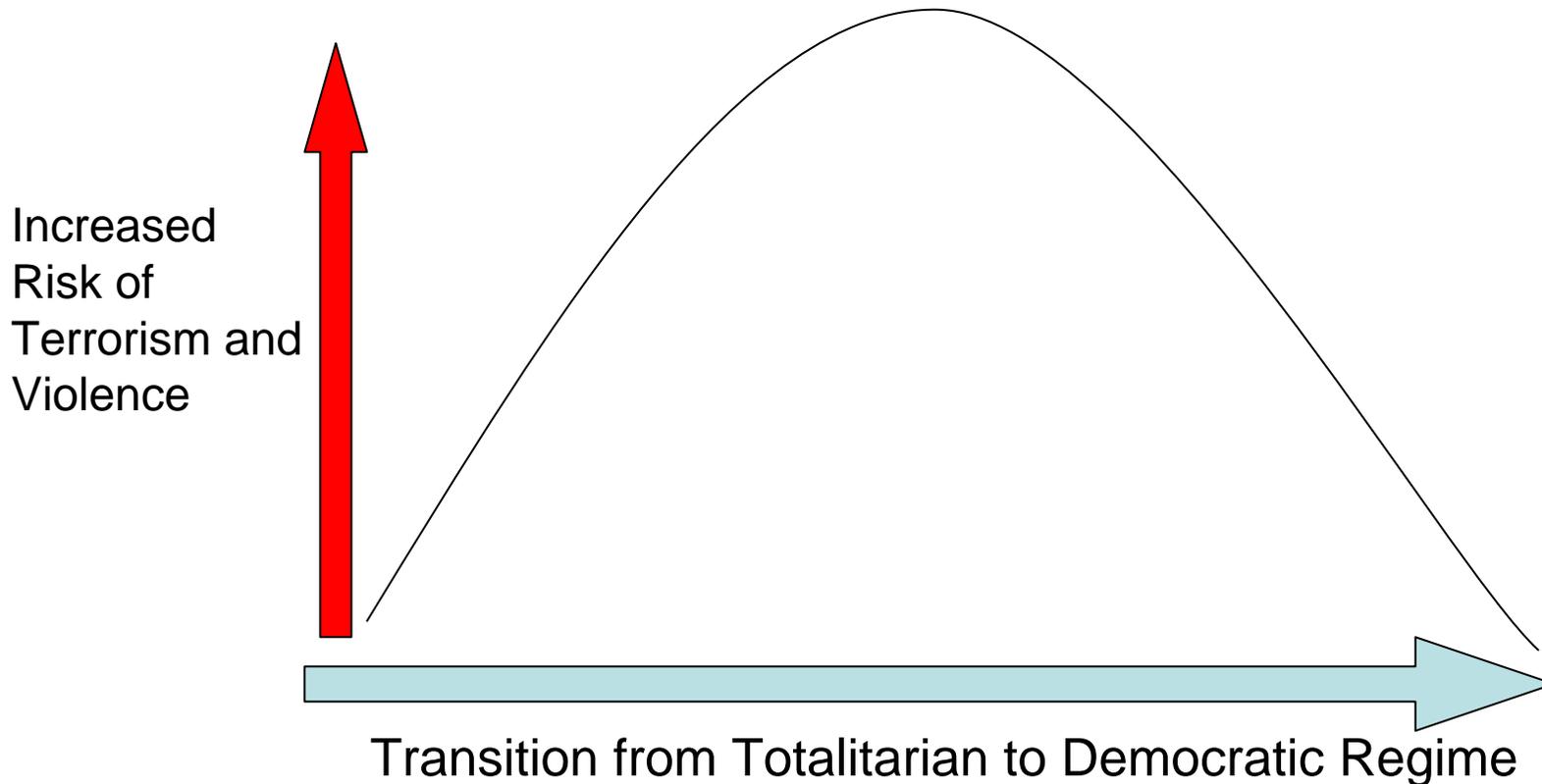
Transition from Totalitarian to Democratic Regime

Terrorism & Political Regime Type

Mixed effects of democracy on terrorism

- ↑ Democratic Participation = ↓ Terrorism
- ↑ Civil Liberties = ↑ Terrorism

- Suggests a balance between programs to promote political rights and civil liberties
- Suggest political participation interventions may reduce terrorism . . . But how?

Terrorism & Political Regime Type

Interventions promoting political participation
- Voting & Elections
- Political parties
- Legislatures & political systems
- Decentralization
- Local governance
- Civil society
- Consultative mechanisms

Terrorism & Political Regime Type

Centrism: Aggregating political opinion

- Voting & Elections – associated with decline in terrorism
- Political parties – 2 to 3 party systems
- Legislative systems: proportional v. majoritarian
- Decentralization
- Local governance
- Civil society
- Consultative mechanisms

Terrorism & Political Regime Type

Development hypotheses: "If …, then …."

- *If* donors fund successful democratization programs, *then* support for terrorism will decrease over the long-run, but violence may increase until the democracy is well established.

- *If* donors fund democratization programs which balance political participation with aggregation of mass public opinion, *then* it will discourage violence conflict and terrorism.

Conclusions

- Terrorism is an extremely "contextual" development issue.

- Terrorism is a cross-cutting development issue.

- Terrorism requires close coordination with the two other D's – Defense and Diplomacy

- Terrorism will not divert us from our development vocation; it will strengthen it, but only if we think through the causal relations between interventions and terrorism.

Edwin Hullander, PPC/P

Global War on Terrorism
Taking Stock

Terrorist Network/Structure

TRANSNATIONAL TERRORIST NETWORKS

Linked by: Ideology
          Resources
          Common Enemy
          Mutual Support
          Sponsorship

Result: Synergy
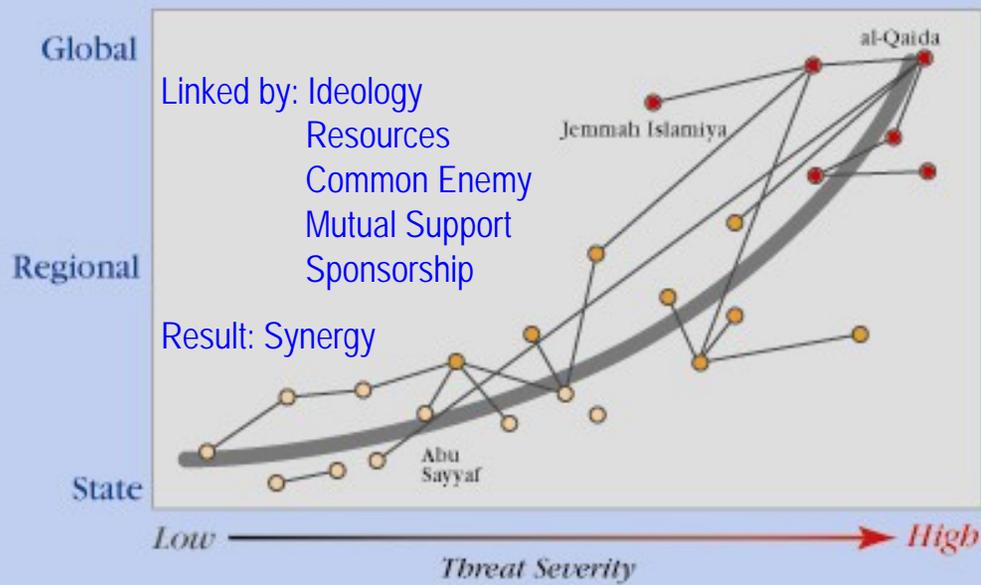
GWOT National Strategy
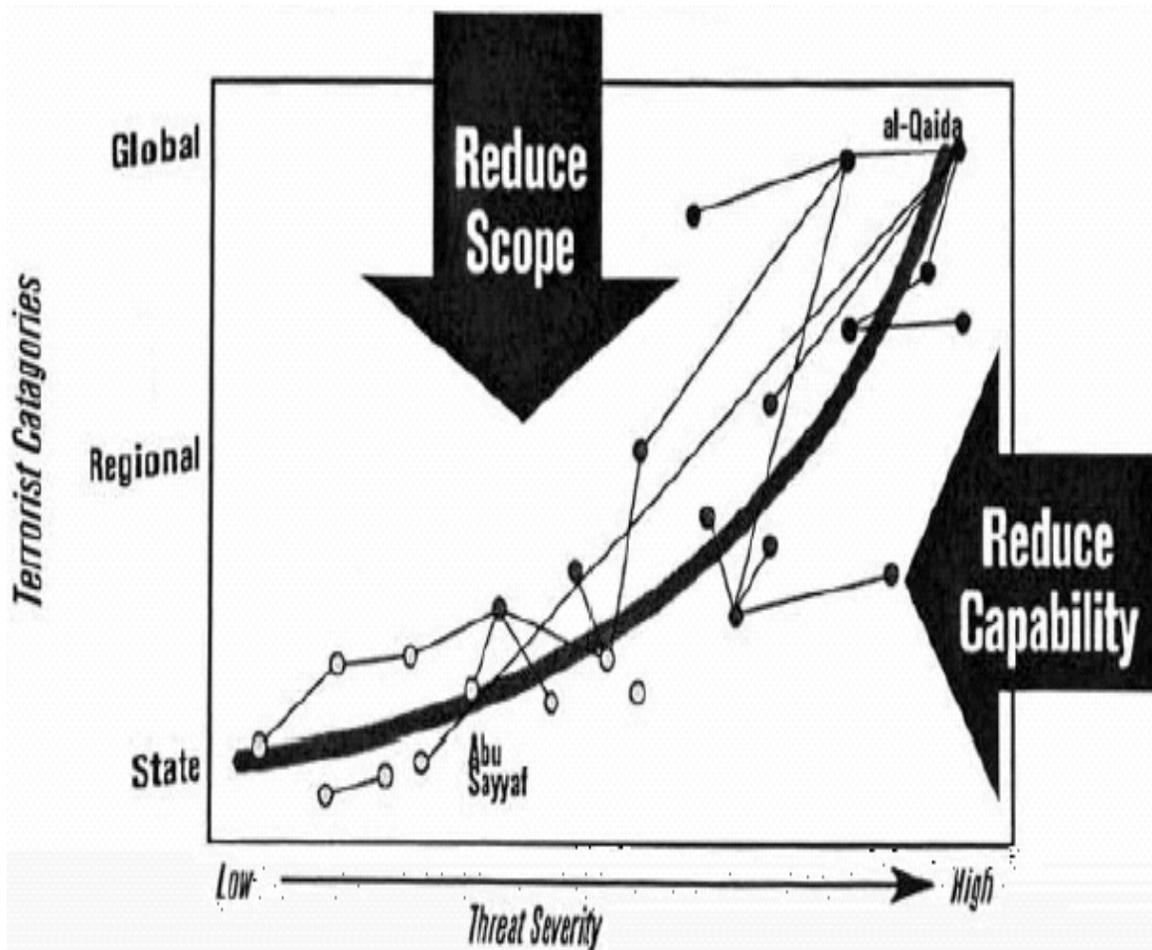
- **DEFEND** *homeland*
- **DEFEAT** *terrorist*
- **DENY** *resources*
- **DIMINISH** *conditions*

CT INTERAGENCY ACTIONS

INTELLIGENCE

LAW & JUSTICE

FINANCE

MILITARY SUPPORT

STATE SPONSOR

BORDER CONTROLS

PROTECT U.S. INTEREST

DENY RESOURCES

HEARTS & MINDS

INTN'L COOPERATION
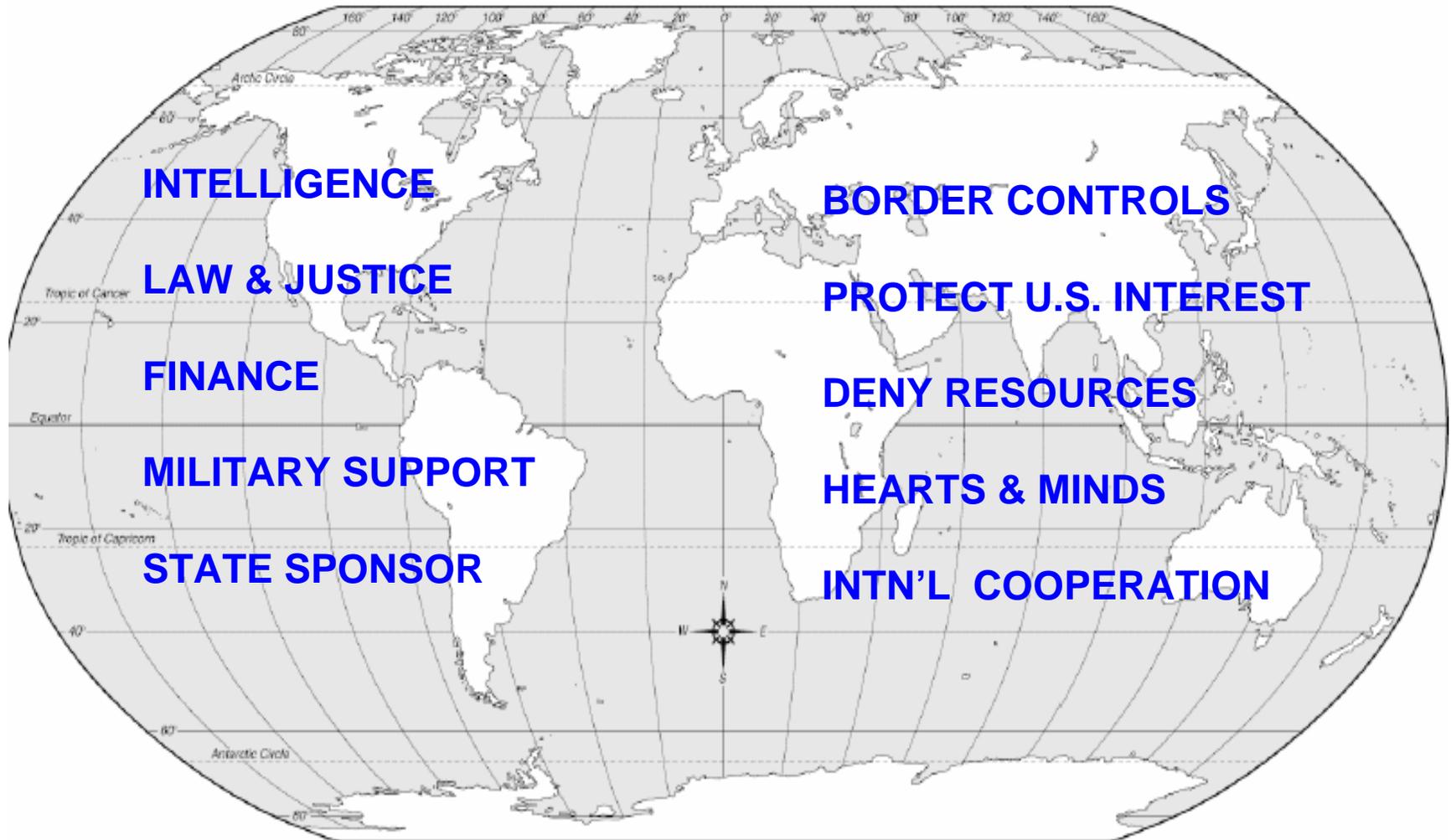
Deny Recruits: At Risk Youth

We spend billions of dollars each year to protect against terrorist attaches and they only spend a few hundreds to train a terrorist.

What are we doing wrong?

--Donald Rumsfeld, Sec. of Defense

Deny Recruits: Programs

- Secular Education>>>>>>>>>>>>>>Radical Madrassa
  Community Based Alternative to Radical Indoctrination

- Skills Training/Job Creation>>>>>>>>Alienated Youth
  Employable Skills & Jobs to Contribute to Community

- Community Commitment>>>>>>>>>>>Violent Actions
  Constructive Political Participation instead of Supporting Violence

- Group Dynamics>>>>><<<<<Radical Cleric Influence
  Community or Social Organizations for Youth Involvement

Deny Funds: Money Laundering

Worldwide Al-Qaeda Network

From the testimony of Steven Emerson February 12, 2002

House Committee on Financial Services, Subcommittee on Oversight and Investigations

"PATRIOT Act Oversight: Investigating & Patterns of Terrorist Fundraising"

Charities
- Afghan Support Committee †
- Help Africa People
- Human Concern International
- International Islamic Relief Organization
- Islamic Relief Agency, Dublin
- Maktab al-Khidamat
- Mercy International Relief Agency
- Muwafaq
- Qatar Charitable Society
- Rabita Trust †
- Revival of Islamic Heritage Society †
- Saudi Joint Relief Committee †
- Ummah Tameer E-Nau †
- Wafa Humanitarian Organization †

Companies
- Al-Hamati Sweets Bakeries †
- Al-Hijra Construction
- Al-Hikma Pharmacy, Khartoum †
- Al-Nur Honey Press †
- Al-Qadir Traders †
- Al-Shifa Honey Press †
- Al-Shifa Pharmaceuticals
- Al-Themar al-Mubaraka Agriculture Company
- Anhar Trading
- Arabica Manufacturing
- Black Giant
- Khartoum Tannery
- Mamoun Darkazanli Import/Export Company †
- Qadarat Transport Company
- Wadi al-Aqiq

Financial Institutions
- National Commercial Bank
- Islamic Salvation Front
- Al-Shamal Islamic Bank
- Al-Taqwa Bank †
- Anfo Sof Ta Vir
- Barakaat †
- Habib Bank
- Ladin International
- Taba Investment

Websites
- Azzam Website
  http://www.azzam.com
- Committee for the Defense of Legitimate Rights
  http://www.cdlr.net
- Global Jihad Fund
  http://www.ummah.net/jihad
- Islamic Observation Centre
  http://www.ummah.net/ioc
- Sawt-ul-Qoqaz
  http://www.qoqaz.com
- Supporters of Shariah
  http://www.supportersofshariah.org
- The Road to Jihad
  http://www.jihadroad.com
- Update of the War in Afghanistan
  http://www.jehad.net
- Voice of the Taliban / Al-Rashid Trust
  http://www.dharb-i-mumin.com

Human Rights Organizations
- Advice and Reformation Committee
- Islamic Observation Center
- Al-Muhajiroun
- Committee for the Defense of Legitimate Rights

† Designated Terrorist Front   U.S Presence

Deny Funds: Terrorist Finance

G8/FSAT>>>>FATF 40+8 Reqt. >>>FIU/EGMONT member

Financial Crimes Laws (Money Laundering)

Judicial Trn.	Bank TA	Fin Inst.	Non Fin. Inst
Judges	Bk. Regs.	Com Bks.	Hawalas
Prosecutor	FIU Ops	Inv./Trust Fnds.	Charities
Investigators	Bk. Exam.	Insurance Co.	NGOs____

Asset Seizures   Wire Transfer/Cash Currier/Commodities
Conviction   Skimming/Smuggling/Trafficking

Deny Sanctuary: Terrorist Camps

**We have more to fear from failed states than we do from large armies or navies.**

-- President George W. Bush
National Security Strategy

Deny Sanctuary: Terrorist Camps

Known Terrorist Camps

Potential Terrorist Camps
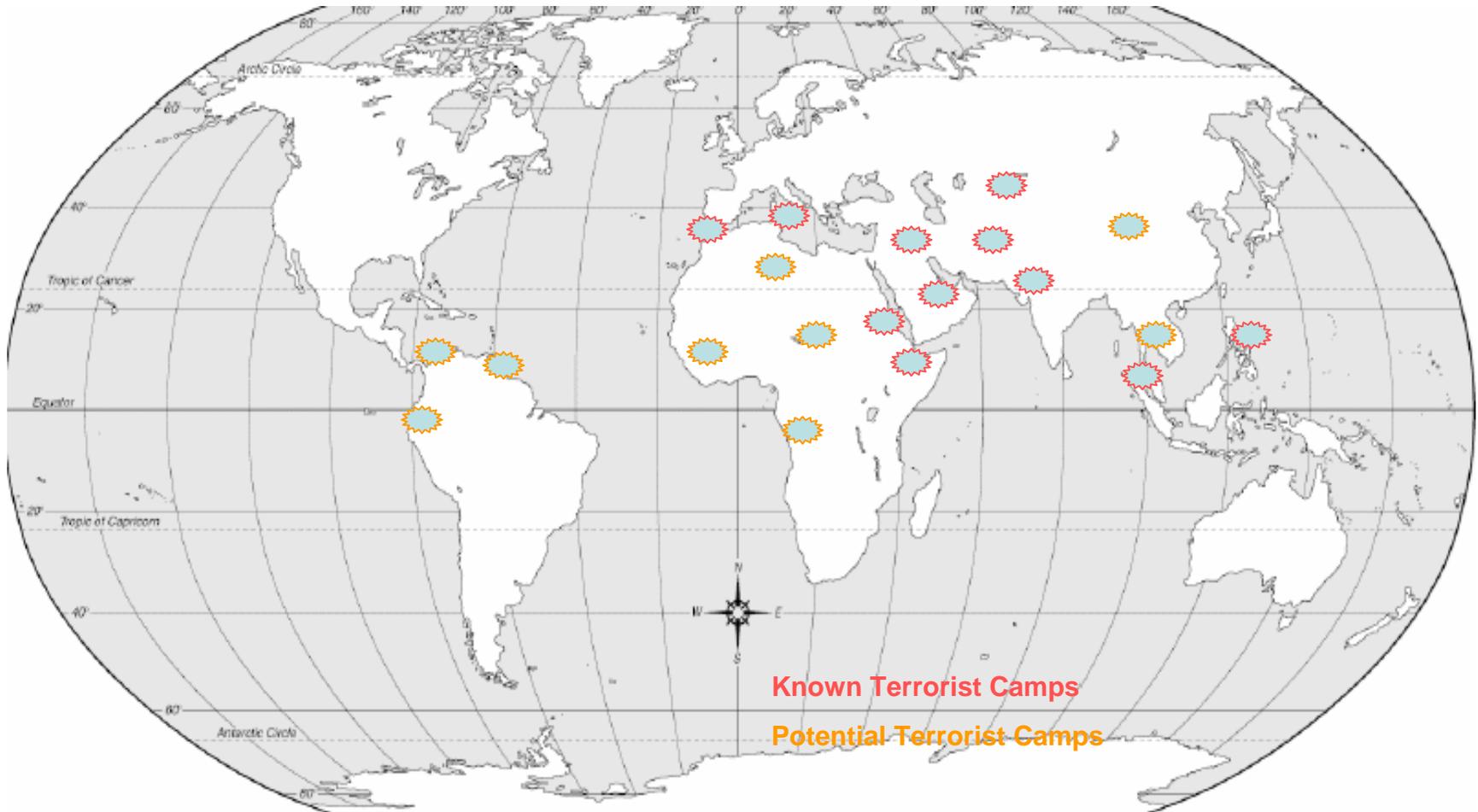
Terrorist Sanctuary: Criteria

Terrorist Criteria

- Remote / Rural Location
- Predominantly Muslim Population in area
- Lack of Military or Police Presence or Support
- Lack of Public Services
- Disaffected Groups
- High Unemployment / Low Economic Opportunities

Terrorist Operations

- Regional Headquarters
- Base for Planning Attacks
- Base for Recruiting, Training and Indoctrination
- Base for Local and Regional Fund Raising
- Base for Building Community Support and Protection

Trans Sahel Counter Terrorism
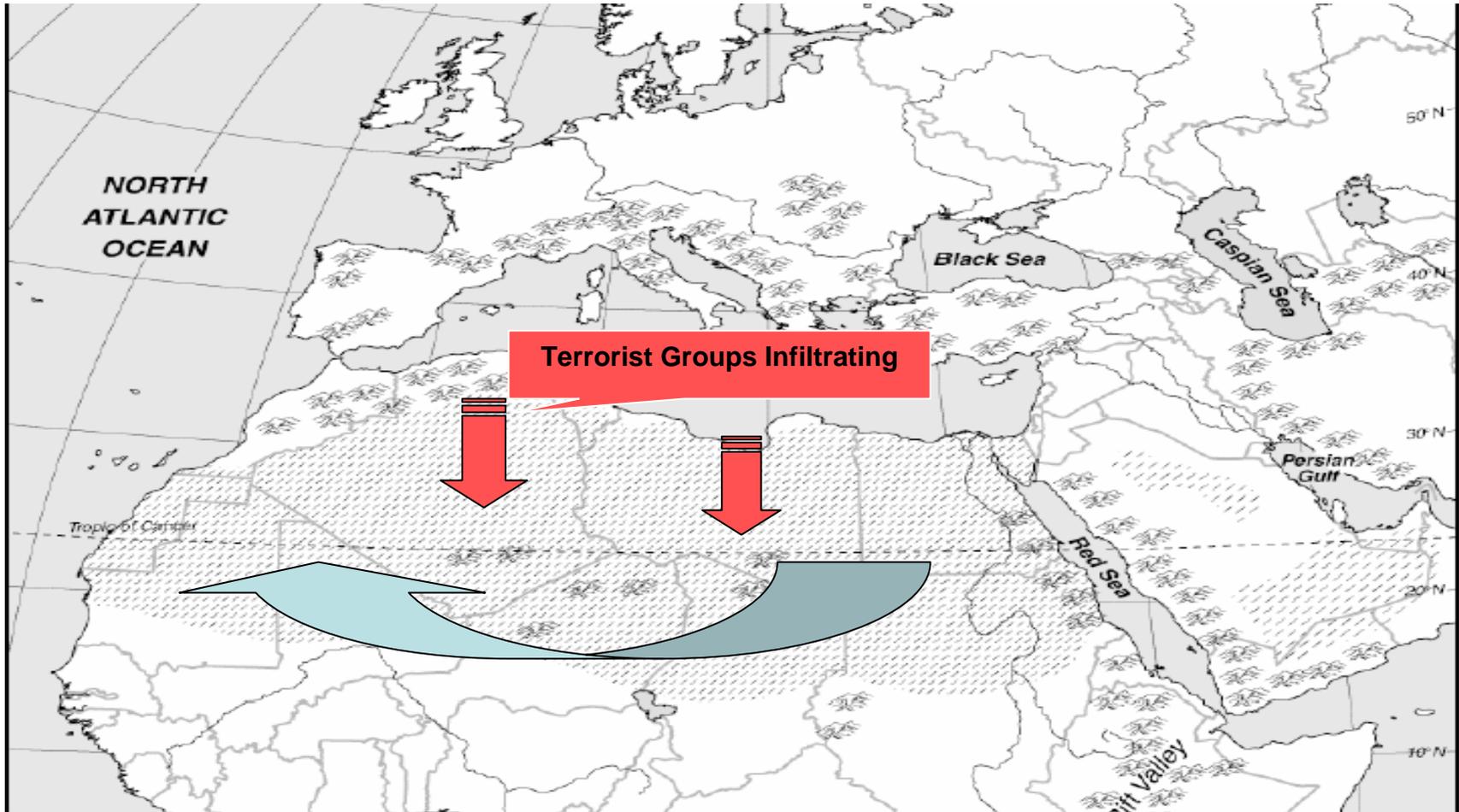
Trans Sahal Joint Assessment

- **Military Assessment**

  - Terrorist Establishing Regional Base of Operations
  - Cross Border Flow of Materials
  - Build Islamic Community Support /Cooperation
  - Build Local Funding Base
  - Build Local Recruiting Base
  - Resistance to Authority

- **USAID Assessment**

  - Large "at-risk" youth cohort
  - High Unemployment or Low Economic Opportunities
  - Large Shadow Economy and Cross Border Trade Flows
  - Discontent Muslim Community
  - Lack of Public Services
  - Distrust of Military/Police

Trans Sahel CT Programs

Military Support

- Train Four Counties Military and Border Patrol Units
- Equip Military for Trans Sahel Communication/Coordination
- Train Military in Civil Affairs and Community Support
- Develop Regional Military to Military Cooperation
- Train Military in Human Rights

Development Support

- Job Training / Youth Centers Solider Reintegration programs
- Job Creation in Community linked with skill training
- Water projects to build local economic base
- Train Judiciary and Local Officials in Public Service
- Local Radio Service

Questions and Answers

JOIN US NEXT WEEK: Tues. Aug 16, 2005 for 2005 Summer Seminar Series, #7

OPERATING IN HIGH THREAT ENVIRONMENTS

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