



**Overseas Security Advisory Council  
2004 Middle-East Regional Conference  
Casablanca, Morocco  
May 26-28**

**Conference Guide / Mini-Reader**





**Dear Conference Participant,**

**Welcome to Casablanca and the first Middle-East Regional Conference of the Overseas Security Advisory Council!**

We hope you find the conference to be an effective forum to discuss the most pertinent and relevant issues affecting security in the Middle East, and a place to meet some lifelong friends and contacts. This conference in many ways will be the litmus test for the possibility of future middle-east conferences. In an attempt to take advantage of this unprecedented opportunity, we have made, to the greatest extent possible, an attempt to bring a large volume and diversity of experience to Casablanca.

This mini-reader and guide contains conference-relevant information and a few media excerpts that we thought would enhance your attendance.

The United States Government and OSAC does not budget for regional conferences, so your attendance and the sponsorship we received from several companies is the foundation of this event. All conference proceeds were used in support of the conference, and any remaining revenue will go toward community sponsorship of local charity by the American Chamber of Commerce in Morocco. We would like to thank many people and companies for making this conference a reality, both in support and resources:

- **The Coca-Cola Company – Corporate Sponsor**
- **Citibank Maghreb / Citigroup – Corporate Sponsor**
- **Royal Air Maroc – Travel for Mr. Larry Johnson**
- **Sponsor – Anonymous - \$3000 – Corporate Sponsor**
- **General Dynamics Land Systems – Friend of OSAC Sponsor**
- **CMS Energy – Friend of OSAC Sponsor**
- **Bristol-Myers Squibb – Sponsor of the Gala Dinner Entertainment**
- **Sponsor – Anonymous - \$1000 – Friend of OSAC Sponsor**
- **Sponsor – Anonymous - \$1000 – Friend of OSAC Sponsor**
- **Laurence Dewitt, President of the American Chamber of Commerce in Morocco**
- **Carl Dawson, Executive Director of the American Chamber of Commerce in Morocco**
- **Rabia El Alama, American Chamber of Commerce in Morocco**
- **Jean Pierre Marcadier, General Manager, Hyatt Regency Casablanca**
- **Rabia El Alama, Hyatt Regency Casablanca**
- **Quentin Loontjens, Regional Manager, Group-4 Falck**
- **Jack Shepherd, Casablanca American School**
- **Jack Rusenko, George Washington Academy**

**As well as: Mohamed Ait-Said, Soumaya Nhairy, Pam Loring, Charles Wintermeyer, Susan Newton, Moussaid Abderrahim, Youssef Sadki, Boubker Mountassir, Laura Kogut, Jonathan Turley, Gail Del Rosal, Amal El Hilali, Thanae Bennani, Latifa Essakalli.**

**Please enjoy the conference, and we'll see you next year!**



**OSAC Middle East Regional Conference  
May 26-29, 2004**

**Day 1**

**Wednesday, May 26, 2004**

(Participant arrival, hotel/conference check-in)

1900: Welcome Cocktail, Hyatt Regency Casablanca

2100: Dinner at Leisure

**Day 2**

**Thursday, May 27, 2004**

0900-0910: Welcome; **Larry Dewitt, American Chamber of Commerce**

0910-0920: Opening Remarks, **US Ambassador Tom Riley\***

0920-1000: **Keynote Speaker – Larry Johnson, Terrorism Expert (Fox News, CNN)\***

1000-1030: Coffee Break 1

1030-11:15: Panel Discussion: Security Challenges in the New Middle East for the American Business

- **Richard Proof, General Dynamics Land Systems**
- **Mary Hackman, DS/OSAC**
- **Thomas Hunter, The Boeing Company**
- **Mark Gaouette, Princess Cruises**
- **Larry Johnson, CNN/Fox News**
- **Dr. Christopher Carr, Regional Expert, US Air War College**

11:15-12:30: **Burley Fuseleier, Director of International Programs, USDOS - Iraq**

1230-1400: Host Lunch – Hyatt Regency Casablanca

1400-1530: **Panel Discussion – Business Security in Iraq**

- **Burley Fuseleier, Director of International Programs - Iraq**
- **Barry Grosshart, Halliburton**
- **George Seagle, Halliburton**
- **Nick Hymans, Armor Group**
- **Tim Bowen, Bearing Point**

1530-1600: Coffee Break 2

1600-1700: **Marriott Hotels Presentation – Alan Orlob, Marriott International**

**“Protecting Soft Targets – Lessons from the bombing at the JW Marriott Jakarta”**

1700-1800: American School Security Panel

2000 -2300: **Dinner on Own**

**Day 3**

**Friday, May 28, 2004**

0900-1000 – **Crisis Management and Business Recovery Seminar**

1000-1030- Coffee Break

1030-1130 – **Intelligence and Threat Analyst, Kit Bartels, US State Department\***

1130-1230 – **The Future of Libya – Panel Discussion**

1230-1400 – Host Lunch – Hyatt Regency Casablanca

**1400-1445 – NEA Regional Security Officer Panel With Questions**

1500-1530 – Coffee Break

1530-1600- Information Security Presentation, Marcel Groeneveld, IBM

1600-1630- IT Security Panel Discussion

- Marcel Groeneveld IBM
- John McClurg, Lucent Technologies
- David Reece, Time Warner

1630-1700- Closing Remarks, **Mike Evanoff, Director, OSAC**

2000-2300- Moroccan Poolside Gala Dinner, (Pay Event), Hyatt Regency Casablanca

## Select Biographies

### **Thomas T. Riley, United States Ambassador to the Kingdom of Morocco**

Thomas T. Riley was confirmed as the United States Ambassador to the Kingdom of Morocco on December 9, 2003, culminating almost three decades of work in international business, technology, and energy management.

Mr. Riley earned his Bachelor of Science degree in industrial engineering from Stanford University in 1972. He began his professional life as an Associate Engineer for the Boeing Company in Seattle, Washington. After a year of service with Boeing, Mr. Riley attended Harvard Business School, where he was awarded an MBA in 1975.

Following graduation from Harvard, Mr. Riley spent four years overseas with TRW, based in Northern Ireland, England and France, rising rapidly to the position of Manager of European Operations. He then returned to California and co-founded General Resources Corporation, an equipment distribution company, establishing partnerships with local service companies in Kenya, Djibouti, Somalia and Sudan. Mr. Riley speaks French fluently.

Mr. Riley also has a strong foundation in technology, having worked in the Silicon Valley in California for the past 20 years. He has served as the President and CEO of Unity Systems (automated building controls), Web State (online training) and most recently ActivePhoto (online digital photo services). Mr. Riley is often invited to speak at industry conferences in the US and Europe, and was awarded a U.S. Patent for an innovative energy management system.

Mr. Riley has actively donated his professional expertise through volunteering at organizations such as Bizworld, a program that teaches business principles to elementary schools, and Hope Rehabilitation Services, a charity serving those with mental disabilities. He and his wife Nancy, a tax attorney, have two daughters in college.

**Michael T. Evanoff** is currently the **Executive Director of the State Department's Overseas Security Advisory Council (OSAC)**, a public-private partnership created to foster cooperation and to promote the exchange of overseas security information between the U.S. Government and the U.S. private sector. Prior to serving as Executive Director of OSAC, Mr. Evanoff was the Senior Regional Security Officer in Islamabad, Pakistan, from 2001-03. In 1999, Mr. Evanoff was the first DSS special agent assigned as liaison with the U.S. European Command in Stuttgart, Germany (1999-2001).

Mr. Evanoff has served in a variety of overseas and domestic assignments during his 18-year career with the Diplomatic Security Service, including Regional Security Officer, Rabat, Morocco (1997-99); Deputy Chief of the Protective Liaison Division in Washington, DC (1995-97); and Regional Security Officer, Copenhagen, Denmark (1992-95). During this assignment, Mr. Evanoff was tasked to open the new Regional Security Office at the U.S. Embassy Zagreb, Croatia, in 1993, and a year later was tasked with opening the new U.S. Embassy in Sarajevo, Bosnia-Herzegovina.

In 1990, Mr. Evanoff began his overseas career as an Assistant Regional Security Officer, Manila, Philippines. Before being assigned overseas, Mr. Evanoff was selected as an agent-in-charge of protective details with the Office of Dignitary Protection (1988-90), and in the spring of 1986, Mr. Evanoff was accepted as an instructor and subsequently, team leader to the Mobile Security Division training unit (1986-88). Mr. Evanoff's first assignment with DSS was in 1985 with the Washington Field Office.

Mr. Evanoff was named the 2003 Diplomatic Security Employee of the Year and is the recipient of three Superior Honor Awards and two Meritorious Step Increases. He joined the ranks of the Senior Foreign Service in 2003.

Mr. Evanoff received his Bachelor of Science degree at Eastern Kentucky University in Police Science Administration and a minor in Corporate Security. While pursuing his undergraduate degree, he was an active member of school's 1982 NCAA Division 1AA National Champion football team. Mr. Evanoff is a member in the following organizations: Diplomatic Security Service Special Agents Association, International Organization of Chiefs of Police, Federal Law Enforcement Officers Association, and he is an honorary member of the International Security Management Association.

**Larry C. Johnson** is CEO and founder of **BERG Associates, LLC**, an international business-consulting firm based in Washington, DC. BERG helps multinational corporations and financial institutions identify strategic opportunities, manage risks, and assists the US Government in coping with the threats of terrorism and money laundering. Since 1994 Mr. Johnson has provided Subject Matter Expertise in scripting terrorism exercises for the U.S. military special operations forces. This activity includes designing scenarios based on actual terrorist groups based in specific geographic regions in order to replicate threats and missions US forces have faced and will face. Mr. Johnson also has served as an instructor for the **U.S. State Department's Anti-Terrorism Training Program's** Senior Crisis Management Seminar since 1996. Mr. Johnson has lectured on Current Terrorist Threats and Trends and on International Accords for Combating Terrorism to officials from more than 50 countries. Prior to establishing BERG Associates, Mr. Johnson served in the Office of Counter Terrorism at the US Department of State and the Central Intelligence Agency.

As a Deputy Director of the State Department's Office of Counter Terrorism, Mr. Johnson managed crisis response operations for terrorist incidents in Lebanon, Asia, Central America, the Caribbean, the Persian Gulf and Europe. He helped organize and direct the US government's debriefing of U.S. citizens held in Kuwait and Iraq, which provided vital intelligence on Iraqi operations following that country's 1990 invasion of Kuwait.

Mr. Johnson's expertise includes aviation and maritime security. He participated in the investigation of the terrorist bombing of Pan Am 103 and directed crisis management operations that resolved several hijackings. Under Mr. Johnson's leadership the U.S. airlines and pilots agreed to match the US Government's two million-dollar reward. Mr. Johnson also supervised the multi-million dollar U.S. Anti-Terrorism Assistance Training Program, which provided training to more than 15,000 security officials from over 70 nations.

From 1985 through September 1989 Mr. Johnson worked for the Central Intelligence Agency. During his distinguished career, he received training in paramilitary operations, worked in the Directorate of Operations, served in the CIA's Operation's Center, and established himself as a prolific analyst in the Directorate of Intelligence. Mr. Johnson routinely analyzes terrorist incidents for TV, radio, and print, including the **Jim Lehrer News Hour, CNN, National Public Radio, ABC's Nightline, NBC, the New York Times, and the BBC**. Mr. Johnson has authored several articles for publications, including *Security Management* magazine, *The New York Times*, and *The Los Angeles Times*.

**Jean Pierre Marcadier** is the **chairman of the Executive Working Group** of the **Morocco OSAC Country Council** and the **General Manager of the Hyatt Regency Casablanca**. Mr. Marcadier is a person with over 35 years in the hotel's industry, who is an autodidact, and who has worked in 18 key cities around the World, including Casablanca, Muscat, and Geneva, and in major hotel chains such as IHC and Hyatt. Passionate about what he does, quality and detail oriented with no compromise. PR and "social" skills with clients, and who does see employees as the most important asset in the hotel. Committed to charity and philanthropic actions and activities. The Hyatt Regency Casablanca was awarded 2<sup>nd</sup> prize in the 2004 Amcham/CGEM prize for Morocco Corporate Citizenship.

**Alan Orlob** is the Vice President of Loss Prevention for **Marriott International Lodging**. In his role, he oversees all international security operations and manages Marriott's crisis management program. Prior to working for Marriott, Alan was the corporate security director for Alghanim International, managing a close protection detail and had been the Director of Public Safety at Snowbird, Utah. He served with U.S. Army Special Forces (Green Beret), both active duty and reserve for a combined total of 24 years. Mr. Orlob currently serves as a committee chair on the **U.S. State Department's Overseas Security Advisory Council (OSAC)**, is a member of the **Private Security Advisory Group to the Center for Strategic and International Studies (CSIS)**, a Washington, DC based think tank; and is on the advisory board for "Hotel Asia/Pacific" magazine. Mr. Orlob is a member of the **International Security Management Association and the American Society of Industrial Security**.

Special Agent **Doug Allison** is currently the senior **Regional Security Officer (RSO)** for the United States Embassy in Morocco and has served in the position since November 2001. He has served in other overseas security management positions as the RSO in Kampala Uganda and Assistant RSO in Ankara, Turkey. Agent Allison has served domestically in a variety of assignments to include Special Assistant to the Director of Diplomatic Security and Chief of Criminal Investigations for the Washington Field Office. Agent Allison received a BS in Economics and Business Administration from **Bridgewater College**. He was awarded an MA from **George Mason University** in International Commerce and Public Policy. He is a graduate of the **Marine Corps Command and Staff College** and will be attending the Industrial College of the Armed Forces beginning this Fall. Agent Allison has been recognized for his service in Diplomatic Security and the Department of State through various awards to include three Superior Honor Awards, two Meritorious Honor Awards and as the Special Agent of the Year in 1999.

**Marcel Groeneveld**, joined **IBM** in the Netherlands as Security Manager in 1985, after 10 years of service with the Amsterdam Police. After completing his studies in marketing, he became the IBM market development manager for the Dutch police. In 1995, after almost three years as Regional Security Manager for IBM Benelux in Brussels he moved as EMEA Security Manager to the IBM Headquarters for Europe Middle East and Africa, in Paris.

**Thomas Hunter** retired from US Federal Law Enforcement in December 2001 and started with **The Boeing Company** in January 2002 in the Washington, DC office. Responsibilities included executive protection for Senior Boeing officers, security site risk assessments, and special programs as directed by the Security & Fire Protection leadership. Extensive international travel and has worked with law enforcement agencies throughout the world. Current assignment started in December 2003 and will handle security issues in the Middle East, Turkey, & Africa. Office will be based in Dubai, UAE.

**Kit Bartels** has worked as an Arabian Peninsula security analyst for **Diplomatic Security's Office of Intelligence and Threat Analysis** since she started with the State Department in October 2001. In addition to the Gulf States, Kit also provides analysis for Morocco, Algeria, and Tunisia. Kit started her intelligence career in 1996, when she received her commission as a U.S. Air Force intelligence officer. She attended the Air Force Officer's Intelligence Course in San Angelo, Texas and spent the next four years briefing flight crews at Incirlik AB, Turkey; Prince Sultan AB, Saudi Arabia; and McChord AFB, Washington. Kit worked with Air Force operations involving both the Northern and Southern No-Fly Zones in Iraq and developed her interest in the Middle East during that time. Kit lives in Washington, D.C. and has traveled throughout the Middle East, to include Saudi Arabia, Yemen, Bahrain, Oman, Qatar, and Egypt. This is her first trip to Morocco.

**John E. McClurg** is Vice President & Executive Director of **Lucent Security**. John's responsibilities include strategic focus and tactical operations of Lucent's internal global security services. John is also charged with the seamless integration of Lucent's various security offerings and improving the effectiveness and efficiency of security initiatives. John was previously a member of the **Federal Bureau of Investigation (FBI)**, where he held an assignment with the **US Department of Energy (DOE)** as a Branch Chief charged with establishing a Cyber-Counterintelligence program within the DOE's newly created Office of Counterintelligence. Prior to that, he served as a Supervisory Special Agent with the FBI, charged with establishing the FBI's new Computer Investigations and Infrastructure Threat Assessment Center or what is today known as the National Infrastructure Protection Center. John also served for a time

on assignment as a Deputy Branch Chief with the Central Intelligence Agency helping to establish the new Counterespionage Group and was responsible for the management of complex counterespionage investigations. He also served as a Special Agent for the FBI in the Los Angeles Field Office where he implemented plans to protect critical US technologies targeted for unlawful acquisition by foreign powers. John holds a J.D. Degree from **Brigham Young University** and is a member of the **Utah Bar Association**. He also holds an MA in Organizational Behavior and BS and BA degrees in University Studies and Philosophy from Brigham Young.

**Mary Hackman** assumed coverage of the Middle East and North Africa with **OSAC** after a year and a half of covering Sub-Saharan Africa. She is a graduate of **Indiana University**, where she double-majored in Political Science and Near Eastern Languages and Cultures. She also was part of a one-year Honors Program studying Rapprochement and Coexistence at the Hebrew University of Jerusalem. She travels extensively throughout Africa and the Middle East with OSAC, and also spent one year as an exchange student in New Zealand. She is currently getting her Masters at **George Mason University's** Institute for Conflict Analysis and Resolution.

**Dr. Christopher Carr** earned his doctorate in International Relations (topic: US-Iranian relationship) from the **London School of Economics**. For the past twenty-five years he has taught in the United States, including faculty positions at the **Graduate School of International Studies, University of Denver**; six years at the **US Air Force Academy** and currently teaches at the **US Air War College**. Areas of expertise include comparative terrorist organization, light weapons proliferation, terrorist/organized crime nexus and the evolution of Kalashnikov cultures. He has traveled extensively in Central Asia, Africa, the Middle East and Latin America. He is currently completing a manuscript on the insecurity cycles created by weaponization in developing states.

**Christopher Stitt** graduated from **Ohio University** in 1995 with a degree in Criminology and Psychology. He joined the Diplomatic Security Service in 1997 and has since served as a Special Agent in the New York Field Office, Assistant Regional Security Officer at the US Embassy in Guatemala City, Guatemala and Regional Security Officer in Ouagadougou, Burkina Faso, where he started the country's first OSAC Country Council. He is currently the Branch Chief for Emergency Planning at the Department of State, creating policy and guidance for all US Missions world wide to assist them in drafting their emergency plans. His office is also responsible for review, approval and publication of these plans. Special Agent Stitt recently completed the Professional Development Series in Emergency Management from the Federal Emergency Management Agency.

**Mark Gaouette** assumed Director of Security responsibilities for **Princess Cruises** in 2003 after 17 years with the **Department of State, Diplomatic Security Service**. Gaouette served in a variety of Regional Security Officer Assignments with DSS including the U.S. Embassies in La Paz, Bolivia, Managua, Nicaragua, Moscow, Russia, and Beirut, Lebanon. Immediately preceding his joining Princess Cruises, Commander Gaouette was recalled to active duty with the U.S. Navy in support of Operation Enduring Freedom and served with the **Naval Criminal Investigative Service** as a Force Protection Officer. Commander Gaouette has served over twenty years as a Naval Intelligence Reserve Officer and saw active duty as a Surface Warfare Officer onboard the USS TARAWA, LHA-1. In his capacity as the Director of Security with Princess Cruises, Gaouette manages the security operations and requirements for a fleet of 16 Princess cruise ships carrying primarily American and British passengers calling on over 250 ports worldwide including the Middle East, North, East and West Africa, Mediterranean, Asia, Caribbean, Alaska and Hawaii. A friend to many RSO's serving in the Middle East region, Gaouette lives in Southern California with his wife Mona and son Marc Jean-Louis.

**David Reece** has been the **Corporate Security Director, EMEA, for Time Warner** since March 2003. He facilitates security and business continuity in Europe, the Middle East and Africa for all the divisions of the company, including **AOL, Warner Brothers, Turner Broadcasting, CNN, Time, IPC and HBO**. For two years previously, Reece was the Vice-President, **Pinkerton Consulting & Investigations**, Europe, supporting all industry sectors with security assistance. Reece has over thirty years experience in security expertise and management. Prior to joining Pinkerton, Reece was for seven years the Corporate Security Director for the **Whirlpool Corporation** for Europe, Africa and Asia. During this time he managed the



full spectrum of security and business continuity issues in manufacturing and business locations in over 40 countries. Previously, Reece rose to the rank of Brigadier-General in the British Army, in the Intelligence Corps which provides intelligence and security support in special forces units at all levels. Reece completed several active duty tours in Northern Ireland, and held intelligence and security appointments in Hong Kong, Berlin, Cyprus and Western Germany. He also worked in Prime Minister Margaret Thatcher's Cabinet Office on Middle East and terrorist issues. Reece speaks Italian and French and has a capability in German and Spanish. He is a member of the American Society for Industrial Security and was elected a member of the UK Risk and Security Management Forum in 1995. He contributes articles for the security media and is a frequent speaker on security matters.

**Richard E. Proof** retired from the US Army in May 1979 as a Chief Warrant Officer, (US Army CID Agent) and was hired by **Chrysler Defense Corporation** in May 1979 in Industrial Security. Chrysler Defense Corporation was acquired by General Dynamics Corporation in March 1982. Mr. Proof is currently the Manager of Security and Investigations for the **General Dynamics Corporation**. His duties also include responsibilities for all US Government Classified Security Operations, Security for Information Technology and International Security for General Dynamics Land Systems Inc, business unit.

**Barry Grosshart** has been the **Halliburton** Corporate Regional Security Manager for the Middle East since 2003. Mr. Grosshart served 28 yrs in British Army and retired in 1997. He has worked in the Middle East region since then on a number of projects. He was in Bahrain from 1997 to 1999 as the Security Manager on a large commercial project. He then served in the Middle East and North Africa from 1999 – 2001 as a security consultant in Lebanon, Morocco, Saudi Arabia and UAE. He then served in Riyadh from 2001 - 2003 as a security manager for a large commercial construction project. All commercial projects required the recruitment, training and managing of large local security personnel.

**Nicholas Hymans**, a former British Army Officer with operational experience in Northern Ireland and overseas service in France, Germany, Canada and Oman, joined **ArmorGroup** in September 2003 as an Operations Manager. He has responsibilities throughout ArmorGroup's Africa/ Middle East Region and in particular has contractual responsibilities for various projects in Iraq. He provides a focal point in the London office for all logistics, personal protective equipment and armoured vehicle enquiries.

Special Agent **Dan Mahanty** graduated from **George Mason University** with a degree in economics in 1999. He began his career with the US State Department in the Washington Field Office in 2000. He was the lead agent in the multi-agency investigation and interdiction "Operation Tidewater Pursuit" after September 11, 2001 in Norfolk, Virginia. He was assigned as an assistant to the Regional Security Officer in Rabat, Morocco in 2002, where he developed the Chemical and Biological Countermeasures Program and Surveillance Detection Program for the Embassy and later developed the Security Attaché office at the US Consulate in Casablanca where he currently serves. Mr. Mahanty co-coordinated the FBI's role in the investigation of the May 16 bombings in Casablanca and is one of the founding members of the OSAC Country Council in Morocco, as well as the organizer of the 2004 OSAC Middle East Regional Conference. He has served temporary assignments in Belgrade, Serbia, and Doha, Qatar, and on the personal protective details of Secretaries of State Madeline Albright and Colin Powell, as well as Yasser Arafat, Benjamin Netanyahu, Ehud Barak, Prince Bandar bin Sultan, and Igor Ivanoff, among others. Mr. Mahanty will travel to Burundi to be director of security for the US Embassy in Bujumbura in October of 2004.

## **Remarks at the Overseas Security Advisory Council**

**Secretary Colin L. Powell**

Dean Acheson Auditorium

Washington, DC

November 13, 2003 (8:45 a.m. EST)

Well, thank you very much, Frank, for that non-introduction. (Laughter.) You could have said something. (Laughter.) Guy grows a goatee and he kind of goes native on me. I don't know. (Laughter.)

Thank you, Frank, for your welcome, and especially thank you for the outstanding work that you and the members of your team continue to do every day in the Bureau of Diplomatic Security. Frank has been given one of the toughest jobs in the Department, one of the toughest jobs in government, and he and the hundreds of dedicated members of the Bureau do a great job taking care of security around the world, not only for personalities but especially for the individuals who are out there on the firing line in our embassies. And they are on the firing line. They are on the frontlines of freedom, frontlines of diplomacy. And we believe strongly that we have an obligation to protect them to the best of our ability, and Frank and his team do a great job of that.

I would also like to congratulate Joe Morton and Bob Littlejohn for the dedication that they have shown as co-chairmen of the Overseas Security Advisory Council. And Michael Evanoff is doing a tremendous job as OSAC's executive director, and I want to thank you, Michael, for the terrific job that you have done.

And I am pleased to welcome each and every one of you to the Department this morning for the 18th [Annual Briefing]. Your presence not only shows your steadfast commitment to OSAC, but also to the public-private partnerships that are helping us promote peace, prosperity and security around the world. If we have learned anything at the dawn of our new century, it is that gathering threats in distant places can pose very real dangers, not only at home but wherever our homes may be overseas.

Like the men and women of the State Department, you are working and living on every continent. That makes each of you a potential target of terrorist activities. But each of you also has the ability to do something about it. You have the ability to fight back against terrorism. You possess the power to create economic growth, and growth is one of our most effective weapons against terrorism. Because growth, economic growth, promotes peace. It gives people hope. It rebuilds their economies. It gives them the promise of a better life.

And if they have the promise of a better life, they will not be as vulnerable to the false sirens of terrorism. Growth puts roofs over their heads and food on their tables and gives them a chance to educate their children, now that they have jobs through economic growth. It gives them hope and leads them in the right direction, and not in the wrong direction. Growth ensures that one less cry of despair is another victory for hope. That is why it is vital that you continue to invest, you continue to take risks, and trade. Because when you do, you are inoculating the world, through those activities, against evil.

But as powerful as growth and prosperity are, they cannot thrive without security. We see that in Iraq today -- there is growth taking place.

There are a lot of good things going on in Iraq: Reconstruction is taking place; the power grid is up; the export of petroleum - up; revenues from petroleum higher than we thought; kids going to school; town councils being formed. So many things are going well in Iraq, but because of the security situation, there is unease and there is concern.

And what we have to do is work through those security issues -- make sure we get it under control. And once we do, people will see all of the good things that are going on, and it demonstrates once again that you must have security in order for growth to take place and prosperity to take root.

Security in an age of terrorism is a tall task -- too tall for anyone -- government or any one business or any one nonprofit organization to manage it alone. And that is why OSAC is more important than ever.

From its earliest days in 1985 when my predecessor and good friend Secretary Schultz met with a handful of chief executives, OSAC has grown to a constituency of over 2300 organizations and 64 country councils. And OSAC continues to deliver.

Let's look at a sample of this past year's activities. When the housing compound in Riyadh was attacked and the Marriot Hotel in Jakarta was bombed, OSAC's country council network helped us quickly share crucial information between our Embassies and the private sector.

After the dust had settled, Diplomatic Security was able to reach out to the country councils: The American Chamber of Commerce, American business groups and private sector organizations -- to learn from the attacks so that we can better defend against future threats by sharing what we had learned.

Also this year, OSAC effectively served as a security pipeline for the coordination of efforts around major international events such as the Paris Air Show, the European Union Summit in Greece, and the recent World Bank and IMF Fund Summit in Dubai.

And in the run-up to the 2004 Olympic games, a new Athens country council website will serve as a "one-stop-shop" for private sector businesses and organizations as they make their security preparations for attendance at the Olympics.

We are committed to working with you to ensure that your facilities are safe, that investments keep flowing, and that your people can do their jobs without having to look over their shoulders every moment in fear.

At its core, OSAC, as you all know, is about information exchange. By the end of the month, every country council -- not just Greece -- will have its own website. Until now the central OSAC Web page was the primary online watering hole for all of you. Soon, with the click of a mouse, the councils will be able to access each other's websites and share meeting notes, share contacts, and above all, share best practices with one another.

The new websites are part of our push to strengthen existing country councils and create more of them. OSAC's goal is to have 100 country councils by the end of September of next year. We want to work with you to ensure that a country council is in reach of every private sector business and organization.

In order for that to happen, we need you to make sure that someone from your organization is always represented on the councils. We also need to hear from you more often -- not just on the issue of terrorism - - but also about intellectual property violations, transnational crime and foreign government corruption.

Remember, OSAC is an exchange. Sharing information must be a two-way street. Let us know what you're thinking, not just at these annual briefings, but throughout the year. And I mean that. I mean that very, very strongly and from the bottom of my heart.

I'm a great believer of information exchange. Over the last -- an almost, now, three years of our stewardship of the Department, we have done a lot to improve information exchange throughout the Department. In the last two years, alone, we have put in place a brand new information system that connects every single

individual and every single Embassy by the Internet, at the speed of light, in a secure manner, with everyone else in the Department.

In the next year or so, we will be going away from all of the old systems of sending cables to one another. It will all be by Internet -- electronic, absolutely secure. 44,250 computers have been distributed throughout the Department over the last two years to make this happen. And only when you have made it happen in the form of putting it out there in the form of computers and all the other infrastructure that goes with it, then you have to change your procedures. Then you have to generate a culture of talking at the speed of light and sending data at the speed of light so that we can make maximum use of the investment we have made in information technology.

The culture has to change. Information exchange must become an understandable, two-way street between all of our offices, all of our Embassies and the home office, here. And I hope that same spirit of moving information quickly -- ideas quickly will penetrate your work and everything you do within OSAC. Use the websites to report back to us on concerns, on incidents that have occurred, on threats you have received. The more we share, the safer we become. My colleagues, my friends, we live in a time of heightened security risk, but we must not let that risk stop us from seizing the boundless opportunities available to us at home and abroad. Working together, we can ensure that the terrorists fail to make fear a fact of every day life.

Working together, we won't let terrorists make peace and prosperity appear risky or out of reach to people across the globe. We must be vigilant. We must be vigilant in securing our facilities, protecting our people, dismantling the threats and showing terrorists for what they are: enemies of freedom. Above all, we simply must not allow the threat of terrorism to cause us to withdraw from the global stage. Otherwise, they will have won.

By working together in the spirit of a partnership, we can send a powerful message to a world so eager for leadership -- a message of courage, a message of commitment, a message of hope. And I'm counting on each and every one of you to help us write that message and deliver it forcefully around the world.

I want to thank you for the work that you have been doing with OSAC, and I want to thank you again for coming to this annual meeting. Thank you very much.

(Applause.) If you will indulge me for one more moment, I'd like to invite Bob Littlejohn back up here, if he would please come up. As you all know, the theme of this year's annual briefing is leadership, and anyone who has worked with Bob will tell you that he is a born leader, and I would expect nothing [less] from a kid from the Bronx, a mensch from the Bronx, one of mine, and I watched how Bob helped transform OSAC in his time here. He came on board just after 9/11, did a tremendous job getting the organization ready to meet the new challenges of the new world that we were entering at that time.

Like any true leader, Bob has not only inspired his people to go take the next hill, he has been there with them as they went up that hill. He has devoted enormous amount of time and energy to ensuring that OSAC accomplished its mission. Because of Bob, OSAC is smarter, more nimble, more prepared for the security threats that come our way, and for that we owe him an enormous debt of gratitude, and I'd like to give him this plaque as a modest symbol of our respect and admiration for all that he has done. Bob, thank you so much. (Applause.)

Thank you all very much. Thank you.

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[End]

Released on November 13, 2003

## Protecting 'Soft' Targets State Department Team Works With Firms to Prevent Attacks

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Author: Gary Fields

And Greg Hitt

ROSSLYN, Va. -- At the intersection of terrorism and multinational business is Richard Ingram.

Mr. Ingram plays a pivotal role at the Overseas Security Advisory Council, a public-private partnership that serves as an early-warning mechanism for corporate offices far afield, as bomb blasts and other assaults are increasingly directed at them. Following the attacks of Sept. 11, 2001, the terror networks of Islamist extremism have largely turned away from heavily guarded "hard targets" at government and diplomatic institutions and toward "soft targets" such as religious institutions and international businesses.

Thursday's suicide bombings in Istanbul, Turkey, did strike the British consulate, but they also hit HSBC Holdings PLC's head office in Turkey and were the third and fourth attacks in five days in that city, following blasts at two synagogues. The total death toll reached more than 50, with hundreds more injured.

For Mr. Ingram, the news raised an instant fear: Did they also hit Citigroup Inc., which has a major presence in the Turkish capital? He and his aides scrambled to find out.

Soft targets aren't easy to protect, because resources are stretched thin and the number of potential victims is so large. "They're clearly going after targets ... in which they can kill innocents," a senior administration official traveling with President Bush said last week when the bombs exploded in Istanbul. Even before that attack, the Department of Homeland Security was stepping up efforts to protect soft targets within the U.S. through communication with private-security companies and business interests, including advice on spotting advance planning by terrorists as well as terror-threat alerts.

That is what OSAC has been doing for U.S. businesses overseas for nearly two decades. It was created by the State Department in 1985 in the aftermath of the bombing of the Marine Corps barracks in Lebanon. Then-Secretary of State George Shultz was besieged by corporations who wanted the same terrorism and threat information that the State Department was sharing with its embassies.

Today, the council, overseen by the State Department's Bureau of Diplomatic Security, advises huge international companies such as Citigroup, Boeing Co., DuPont Co. and McDonald's Corp., as well as small businesses. Through OSAC's Internet site, which gets about 1.8 million visits a month, and an e-mail network that distributes about 10,000 messages daily, the center spreads the word on everything from terror threats to crime trends and travel information.

There are 14 employees here, including the 45-year-old Mr. Ingram, who is OSAC's deputy executive director and a career special agent with the State Department's Bureau of Diplomatic Security, and executive director Michael Evanoff, previously chief security officer in Islamabad, Pakistan. Country analysts travel abroad extensively, advising companies on everything from elections to crime, using contacts they have with the 450 diplomatic-security officers stationed around the world.

Jennifer Harris, 23, recently fielded a call from the security office of a company whose chief executive officer was planning to travel to India to meet with a regional governor. Ms. Harris's research showed there had been seven attempts on the governor's life in the past year. Once she passed on the information, the CEO decided a telephone call would do.

A year ago, analyst Mary Hackman, 29, helped DuPont protect one of its crop-chemicals salesmen when he awoke to the sound of gunshots outside his hotel; a rebellion was breaking out in the Ivory Coast. For two weeks she worked with DuPont's security chief, Raymond Mislock, to monitor and protect the employee, eventually helping guide him to an American mission. He hid for 11 days before being safely evacuated.

"We suspend travel to specific countries fairly frequently, and OSAC is one of the key pieces of information we use in making that decision," Mr. Mislock says.

Thursday was one of the days when Mr. Ingram and his colleagues needed to act fast. Up since 5 a.m., Mr. Ingram was jolted by news of the Istanbul bombing.

"My first thoughts were where it happened and what private U.S. interests are in the area," he says. He knew that Citigroup has 15 branch-bank offices in Istanbul.

His colleague, Jenny Borgosz, rifled through a co-worker's desk and found a map of Istanbul. She pinpointed the street where the explosions took place. Joined by the co-worker, Adrian Senyszyn, they began searching for the addresses of Citigroup facilities as well as other U.S. companies that have operations in the city.

Mr. Senyszyn reached the Citigroup security division and got the addresses for all 15 branches. They were able to rule out Citicorp as a victim of the blasts. Mr. Ingram passed the information on during the 7:30 a.m. secure video-conference with other officials of the Bureau of Diplomatic Security posted elsewhere. A representative from the bureau would carry this information to a 9 a.m. meeting with the White House's National Security Council.

Joseph Petro, the Citigroup security chief, calls OSAC an integral part of his efforts to safeguard company facilities. "We use them every day for something, somewhere," he says.

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CNBC News Transcripts**

**SHOW: Business Center (5:00 PM ET) - CNBC  
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Security industry in the private sector for people traveling abroad

ANCHORS: SUE HERERA

REPORTERS: CHRIS WHITCOMB

BODY:

SUE HERERA, co-anchor:

Well, there were approximately 45 million American businesspeople traveling abroad in 2002, and keeping them all safe is certainly no easy task. But there is a very busy office at the State Department's Bureau of Diplomatic Security and an ever-growing security industry in the private sector doing much to help keep Americans safe. NBC intelligence expert Chris Whitcomb has the story.

Unidentified Reporter: Americans are once again being warned to be careful overseas.

CHRIS WHITCOMB reporting:

The threat of violence against Americans living and working abroad persists, announcements about new targets around the world popping up daily. So perhaps now, more than ever, it's imperative for Americans traveling abroad for business, pleasure or education to tap into the right resource to find out how to stay safe away from home.

Mr. CRAIG DeCAMPLI (OSAC Executive Director): Our risk information specialists study the world on a daily basis.

WHITCOMB: Craig DeCampli is the executive director of the Overseas Security Advisory Council.

Mr. DeCAMPLI: If a situation were breaking in a particular country in South America, the representative of the organization can call us for our take on the situation.

WHITCOMB: Through its 17-year run, OSAC has disseminated information to more than 2,000 US organizations: Delta, Citigroup, DuPont, Procter & Gamble and religious groups, like the Church of Jesus Christ of Latter-day Saints, have all utilized the council's services. To stay plugged into an ever-shifting world political climate, OSAC has 450 special agents in 160 countries covering 265 diplomatic posts.

We're talking about a global economy, we're talking about a changing world all the time. What areas of the world are the hot spots, I guess, and what are--what's changing? Where are we going?

Mr. DeCAMPLI: Well, hot spots, as you said, can change weekly or even daily,

depending on the--the security environment. But they do vary around the world. For instance, here in--in South America, we do have--some of the hot spots that we would consider would be currently Venezuela, which has become less and less stable as time goes on and of great interest to businesspeople; Argentina because of--the economic crisis has had an impact on US businesses and--and other US organizations operating down there.

WHITCOMB: But when you talk about a threat, are you talking about theft? Are we talking about personal crimes? Are we talking about kidnapping? Are we talking about terrorism? What is the threat?

Mr. DeCAMPLI: Well, the threats are--as we've discussed, are--are very much varied. It could be the threat of crime, it could be the threat of local or regional instability, it could be the threat of terrorism.

WHITCOMB: And this is at the heart of the problem. Different parts of the world have distinctly different types of problems: kidnapping in South and Central America, terrorism in the Middle East and Southeast Asia.

Mr. DeCAMPLI: Regarding South America, we've seen probably, historically, more terrorist incidents or attacks involving or against US businesses in South America than any other place in the entire world.

WHITCOMB: Right. That's interesting. South America--I mean, most people think of the Middle East, they think about Indonesia, they think about terrorism incidents that we see on television all the time. But you don't hear much about South America.

Mr. DeCAMPLI: Well, you don't. It has not been a real focal point in--in the last year because of--of what's been going on regarding the transnational terrorism. But, historically, there have been a--a large number of indigenous terrorist acts against our organizations in South America, and I think if we go back 20 years, there have been more per year in that region than any other place in--in the entire world.

Mr. WILLIAM DALY (Control Risks Group Senior Vice President): Today it's interesting--is that there's much more recourse than--than private citizens and businesses have for some relief when they're traveling in international environments. In the past, they tra--traditionally have been the government; go to the embassy, make a claim, ask for support. And sometimes those resources are fairly stretched to begin with.

WHITCOMB: William Daly is the senior VP with Control Risks Group. He is part of a growing industrial security business in the private sector.

Mr. DALY: More and more, Western businesspeople are being recognized for just who they are--is that they--they happen to be Westerners traveling in different environments, and--and that, too, can create a higher risk to those--those travelers or to those companies than--in the past, they didn't have that risk.

WHITCOMB: He and his team, in part, conduct political and security risk analysis for companies, governments and private clients.

Mr. DALY: It--it actually has developed into a fairly large business over the past several years, given the concerns of international travel and exposures that businesspeople have.



WHITCOMB: According to Daly, the industrial security market has swelled to \$100 billion, with companies paying huge sums of money to protect their people, property and assets.

Mr. DALY: Generally, it's--it's the large, multinational corporations, you know, who have numbers of people traveling or living and working in different environments. Have--what we have seen since September 11th, an increase in interest by some smaller companies who traditionally may not have come to us--is that they now realize is that even though they don't have the brand name that's out there, but they do have recognition of being an American or Western company, and that can attract some negative attention.

WHITCOMB: But while the likes of Bristol-Myers Squibb and Marriott are spending millions to protect their employees, there are steps, often overlooked, that each traveler must take on their own.

Blending into the environment is not always easy, but there are a few simple things that you can and should do to keep yourself safe. First of all, try to dress down to fit into the local culture. Things like business attire and bright colors can really make you stand out to would-be terrorists, kidnappers and thieves. Second, try and avoid large crowds. The smallest altercation can turn into a riot in some Third World countries, placing you needlessly at risk. And, third, safeguard your valuables. Tuck your passport, credit cards, your cash into a belly band, a--a passport pouch or even inside a button pocket. These small precautions can make a big difference when you're traveling abroad.

Mr. DeCAMPLI: Anybody that travels anywhere around the world, regardless of the location, assumes a certain element of risk. The key here is to arm yourself with the right information, so that you know what you're getting involved in when you do travel.

INSANA: That was NBC's terrorism expert Chris Whitcomb reporting.

Still ahead, in tonight's Small Business World, Lynnette Khalfani tells us about a family who's been preparing for Thanksgiving all year long.

**NEW HAMPSHIRE FIRMS WARNED  
OF 'SOFT TARGETS'**  
By JERRY MILLER  
Union Leader Correspondent

NEWINGTON - For American businesses involved in overseas operations, the world is far less safe than it was a couple of years ago.

That's the point James Dunne drove home to Granite State companies doing business offshore, during a recent briefing sponsored by the state's International Trade Resource Center.

What makes corporate America so vulnerable, here and abroad, is the increased willingness by terrorists to attack so-called "soft targets" - factories, hotels, restaurants, nightclubs and overseas housing occupied by American workers, as well as the schools attended by their kids.

"Terrorists no longer have inhibitions about attacking soft targets," Dunne said.

Prior "constraints" about not attacking women and children "are not there," he warned.

"As hard targets (military bases, ships, airlines) get harder to hit because they are better protected, the softer targets become more available and inviting, said Dunne, a long-time federal security analyst.

Referring to a host of recent attacks on soft targets overseas, Dunne asks, "Are these new fronts? Is al-Qaida's message that they are willing and able to open up new fronts around the world? We can't rule it out."

"You know there are people on the streets who hate you simply because you're an American," Dunne told his audience of two dozen, just a fraction of the number of Granite State companies operating offshore.

In short, Dunne's message was simple and unsettling - "Don't be a soft target."

Americans working overseas should be considered targets, fair game or not, and that means employers and workers must do what it takes for protection.

#### Overseas security

Dunne said the Overseas Security Advisory Council is "one of the leading public-private sector partnerships." The 20-year old OSAC was started in 1985 by former Secretary of State George Schultz. The State Department division is composed of 30 private sector organizations and key government agencies, is co-chaired by the federal Diplomatic Security Office.

It's mission is to provide "timely and high quality" unclassified security information, about the overseas environment to the private sector.

In return, OSAC hopes the private sector will share its knowledge with Uncle Sam.

"We offer companies so-called 'best practices' information, so that there can be coordinated security planning and implementation."

OSAC's membership includes top security personnel of such worldwide companies as American Airlines, AOL, Boeing, Bristol Meyer-Squibb, Dupont, Proctor and Gamble, as well as the U.S. Chamber of Commerce.

Federal membership includes the FBI, Department of Homeland Security, the top-secret National Security Agency, U.S. Secret Service, U.S. Customs, the Departments of Treasury and Commerce and the Agency for International Development.

OSAC operates in 65 cities around the world, and as terrorists become more brazen - and more intent on attacking soft targets - its operation will soon have a presence in 100 cities worldwide.

#### OSAC's work

In an effort to enhance the nation's ability to protect against attacks on soft targets and to "increase soft target awareness," the council meets daily to discuss threats. It provides what Dunne called "a special snapshot" - a classified report for people in government.

It shares with businesses information on terrorists, trend analyses and a monthly threat update.

#### Hot issues

Dunne said the council has identified several so-called worldwide terrorist-related "hot issues." These include state-sponsored terrorism, in such places as Iran, Iraq and North Korea, dubbed by the Bush White House as the "axis of evil,"

Other hot issues include hijacking, cyber theft, intellectual property theft, kidnapping, organized crime and even street crime, which can easily be carried out by terror cells anywhere in the world. Witness the recent assassination of a top American diplomat stationed in Jordan.

In this country, urban subway systems represent a "new vulnerability," and another hot issue, Dunne said.

What these potential targets have in common is the fact that they are hard to protect, especially in a free society, where movement is virtually unimpeded.

While these are OSAC's new interests, Dunne said the council continues to be interested in "spectacular attacks," like those of 9/11, and undefined "high priority targets," which, like soft targets, offer the potential for mass casualties.

#### The front line

While Iran, Iraq and North Korea are, according to the Bush Administration, official sponsors of terrorism, they are not alone. Yemen, Osama bin Laden's birthplace and Saudi Arabia, which has repeatedly denied sponsorship of terrorists, are two nations ripe with terror.

The ship USS Cole was bombed in the Port of Yemen, while the Saudis have a history of funding "madreshes," which are Muslim schools that teach a radical and anti-western form of the Muslim religion.

Dunne said al-Qaida cells also operate with some vigor in Southeast Asia, including Indonesia, Singapore, Malaysia and The Philippines, each home to large Muslim populations and U.S. corporations.

"There is always a question of what al-Qaida will do next," he said. "U.S. Government targets can never be ruled out," nor can a nation's economic infrastructure, including American business interests in that country.

#### Soft targets

Citing a recent study, Dunne listed the percentage of soft target-terrorist incidents by industry. Topping the list, at 27 percent, are fast-food operations, followed by manufacturing, at 13 percent, beverage outlets and energy companies at 10 percent each, religious organizations at eight percent and non-governmental organizations (NGOs) at nine percent.

"Attacking a soft target is no simple thing," Dunne warned. "A lot of planning goes into it. It's rare, when an attack takes place, that we didn't learn afterwards that folks (terrorists) looked at the facility."

The looking involves “careful target selection ... target intelligence and ... operational planning,” Dunne said.

“All terrorists strive for maximum damage, publicity and a minimal risk of failure,” he said.

So, what can business and government do to safeguard soft targets? “We need to dig deeper, if we’re to spot these things.”

Dunne said that at any given moment, “There is probably a (terrorist) cell somewhere, planning something.”

He said it is especially important for a company to commit to improving security, both individual and corporate. That requires an assessment of the firm’s strengths and weaknesses and honest discussions, with employees, of the dangers they could face.

Employees should avoid taking actions that identify them as “good targets.” That often requires workers, stationed overseas, to make changes in lifestyles and what they do in the workplace. It’s also important to avoid established patterns, like when and how they get to and from work.

A company must have a visitor screening system in place.

It’s also important to have an emergency plan at home and at work, just in case.

Employers and workers should be alert to day-to-day loitering or anyone acting suspiciously near an office.

At the office, companies need to establish a package control system for incoming parcels.

In the event something should happen, the company must have an emergency notification system in place.

If a company is planning to send employees overseas, it’s also important to review the U.S. State Department’s Consular Information Sheets, which are available on the department’s Web site.

Overall, Dunne advises, “Use common sense. Learn as much about the situation in the country as possible. Educate yourself.”

## **Oil Prices Up After Saudi Attacks; Cos Beef Up Security**

### **DOW JONES NEWSWIRES**

*May 4, 2004 12:50 p.m.*

LONDON -- The weekend attack that killed five Western contractors in Saudi Arabia continued to push oil prices higher Tuesday, even as it cast a shadow on the future of westerners in the region.

"Construction and engineering companies are doing top to bottom reviews of security," said Kevin Rosser, an analyst with business risk consultancy Control Risks Group (CRG.YY).

The militant strike against the offices of ABB Lummus early Saturday, which killed five western ABB employees and a Saudi national, is the latest in a string of militant attacks that have targeted expatriate compounds, westerners on the streets, and government officials and buildings.

ABB pulled out its employees from Yanbu, but other operations in Saudi Arabia continue with tighter security, the company said.

Saudi Arabia, the world's largest oil exporter, relies heavily on 6 million expatriate workers, including about 30,000 Americans, to run its oil industry and other sectors.

The attack took place near a joint venture petrochemicals plant co-owned by U.S. oil giant ExxonMobil Corp. (XOM) and Saudi Basic Industries Corp. (2010.SA).

ExxonMobil is the largest foreign investor in the kingdom.

Other foreign firms operating in Saudi Arabia oil sector include oil service firms Italy's Snamprogetti and France's Technip SA and U.S. Construction firm Foster-Wheeler Inc. (FWLRF). The companies didn't respond to immediate request for comment.

Royal Dutch/Shell Group of Cos. (RD, SC) has just started work on exploring for gas in the vast desert region known as the Empty Quarter in the country's southeast.

Shell declined to comment on the impact the latest attack might have.

"Staff safety is our top priority. We are continually monitoring the security situation and do have security measures in place," a Shell spokeswoman said.

Saudi Arabian Oil Co. (SOI.YY) employs about 7,500 foreigners, of whom 2,000 come from Canada and the U.S. Most live in heavily guarded compounds.

"Normal operations are continuing at all the company's installations," a spokesman for the company, also known as Saudi Aramco, said.

"The safety and security of its facilities and employees and dependents who work in them are Saudi Aramco's top priority and the company maintains comprehensive security at all times," the company said.

Facilities are guarded by government and Aramco's own forces.

"Oil facilities, from wellhead to refinery gate are all strategic assets and are among the most heavily guarded assets in the kingdom," Rosser said.

Saudi authorities have said that some of the gunmen worked for ABB and used security passes to enter the building.

-By Shai Oster, Dow Jones Newswires; +44-20-7842-9357; [shai.oster@dowjones.com](mailto:shai.oster@dowjones.com)

## **U.S. Training North Africans to Uproot Terrorists**

**By CRAIG S. SMITH, The New York Times**

STUTTGART, Germany — The American campaign against terrorism is opening a new front in a region that military officials fear could become the next base for Al Qaeda — the largely ungoverned swath of territory stretching from the Horn of Africa to the Western Sahara's Atlantic coast.

Generals here at the United States European Command, which oversees the area, say the vast, arid region is a new Afghanistan, with well-financed bands of Islamic militants recruiting, training and arming themselves. Terrorist attacks like the one on March 11 in Madrid that killed 191 people seem to have a North African link, investigators say, and may presage others in Europe.

Having learned from missteps in Afghanistan and Iraq, the American officers are pursuing this battle with a new approach. Instead of planning on a heavy American military presence, they are dispatching Special Operations forces to countries like Mali and Mauritania in West Africa to train soldiers and outfit them with pickup trucks, radios and global-positioning equipment.

"We want to be preventative, so that we don't have to put boots on the ground here in North Africa as we did in Afghanistan," said the European Command's chief of counter-terrorism, Lt. Col. Powl Smith, adding that by assisting local governments to do the fighting themselves, "we don't become a lightning rod for popular anger that radicals can capitalize on."

American military officials say that Qaeda-linked militants, pushed out of Afghanistan and blocked by increased surveillance of traditional points of entry along the Mediterranean coast, are turning to overland travel in order to make contact with North African Islamic terror groups.

The officials cite the case of Emad Abdelwahid Ahmed Alwan, also known as Abu Mohamed, a Qaeda militant who traveled across Africa in 2002 to help plan attacks.

Mr. Alwan, a Yemeni and a close associate of Osama bin Laden's deputy, Ayman al-Zawahiri, was linked to the October 2000 attack on the American warship Cole. He is believed to have been helping to plan an attack on the United States Embassy in Mali's capital, Bamako, before he was killed in late 2002 during a raid by Algerian forces in Algeria's northeastern Batna Province.

Mr. Alwan's appearance in the region rattled the American military and added impetus to a strategy that had been taking shape since the Sept. 11 attacks. The United States is working with the countries of the so-called Sahel, the impoverished southern fringe of the Sahara, to shore up border controls and deny sanctuary to suspected terrorists.

The program, called the Pan-Sahel Initiative, was begun with \$7

million and focused on Mali, Mauritania, Niger and Chad. It is being expanded to include Senegal and possibly other countries. The European Command has asked for \$125 million for the region over five years.

An added catalyst to the program was the kidnapping of Western tourists in the desert of southeastern Algerian early last year. A terrorist leader named Ammari Saifi, also known as Abderrezak al-Para because he was trained as an Algerian Special Forces paratrooper, took 32 European tourists hostage near the Libyan border and transported some of them to northern Mali.

To free the hostages, United States military officials say, Germany paid him a ransom of nearly \$6 million — equivalent to a quarter of Niger's defense budget — making him instantly one of the most powerful Islamic militants in North Africa.

He is a leader of the Salafist Group for Preaching and Combat, or G.S.P.C., which was formed in 1998 and has many links with Al Qaeda.

Earlier this year, Mr. Saifi went on a shopping spree in northern Mali, gathering weapons, vehicles and recruits while American and Algerian intelligence monitored him with growing alarm. In February, Algerian forces intercepted a convoy carrying weapons north from Mali. Algerian officials say the cargo contained mortar launchers, rocket-propelled grenade launchers and surface-to-air missiles.

The United States European Command sent a Navy P-3 Orion surveillance aircraft to sweep the area, relaying Mr. Saifi's position to forces in the region. Mali pushed him out of the country to Niger, which in turn chased him into Chad, where, with United States Special Forces support of an airlift of fuel and other supplies, 43 of his men were killed or captured. Mr. Saifi himself got away, American officials say. With his money and experience and broader network, G.S.P.C. remains the most dangerous group in North Africa, they say.

In the wake of the G.S.P.C. hunt, military chiefs from nine African nations were brought to European Command headquarters in Stuttgart last month. Several of the generals, like the military chiefs of neighboring Mali and Niger, had never met one another before. Others, like the military chiefs of Morocco and Algeria, were more accustomed to competing than cooperating.

All the countries expressed anxiety about the growing threat of Islamic militancy within their borders.

Government officials in Burkina Faso have complained to American officials about "bearded ones" showing up in remote areas preaching the salafist, or fundamentalist, strain of Islam that inspires the world's Islamic militants. The foreign imams distribute cassette tapes and have greater wealth than the local imams with whom they are competing.

"These are not local extremists," one American official said. "These are people from Pakistan, Saudi Arabia, who are essentially Islamic missionaries preaching a form of Islam that is very, very different



from what these countries want or grew up with."

United States military officials say part of the problem is that Islamists in the region are in touch with one another while the governments of the countries they are in, are not. Mali and Mauritania, for example, do not have the means to talk to each other from their garrisons, which in some cases are only a couple hundred miles apart. "If they see something, they don't have an easy way to pass it on to their counterparts," the official said.

General Charles F. Wald, deputy commander of the European Command, said global-positioning equipment was allowing militants to create virtual garrisons in the sand.

"It's in a form of, maybe, buried weapons in the desert someplace and knowing because of your G.P.S. capability where that might be," he said. "It's knowing, in their case, one of the main logistical needs is water, where the wells are, for example. It's knowing where you can buy fuel."

General Wald said the European Command's next major Special Operations exercises would be held in North Africa with several countries taking part "on a multilateral basis, which is an historic thing to do."