

TRANSNATIONAL THREATS UPDATE

Volume 6 • Number 3 • March 2008

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

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

CONTENTS	
Arms Trafficking.....	1
Terrorism	1
Radicalism	2
Nuclear Threats	3
Transnational Crime	3
Maritime Piracy	3
Terror Financing.....	3
Cyber Crime.....	4
Combating Terrorism.....	4
Drug Activity.....	4
Money Laundering	4

Arms Trafficking

Russian Arms Dealer Captured in Thailand

Viktor Bout, the infamous Russian arms dealer who established his own transport company front in order to ship illegal weapons and ammunition to numerous developing countries, was arrested on March 6 in Thailand. Bout and his associate Robert Smulian were captured in a sting operation in which agents posed as representatives of the Revolutionary Armed Forces of Colombia (FARC). Although he denies any involvement in arms dealing, citing his business as a legitimate firm, the faux deal was priced at \$5 million and comprised numerous surface-to-air missiles, armor-piercing rocket launchers, and even helicopters.

As a former Soviet Air Force officer, Bout managed to accrue perhaps the world’s largest private air fleet of Soviet cargo planes, which he has used to build a vast international transport company. Official estimates of Bout’s profits alone from arming the Taliban while it ruled in Afghanistan place the number at \$50 million.

Fluent in perhaps nine or more European and African languages and commanding more aliases and identification papers than a sports team, Viktor Bout is believed to have served in Russian intelligence until the fall of the Soviet Union. He likely began his private arms smuggling operation immediately afterward and was competent enough to begin making frequent deliveries within the next couple of years to struggling African nations, including the Congo, Sudan, and Sierra Leone. While building up a complex network of business associates, he also covered the traces of his own involvement, making it exceptionally difficult for law enforcement to track his myriad of flights.

Paradoxically, while much of the work by “the merchant of death” involved weapons smuggling, at the same time he also made deliveries for international organizations such as the United Nations. Thus, his enterprise often transported relief packages into areas in which he had directly contributed to initiating humanitarian crises by providing arms to militants. (*Combined dispatches*)

Terrorism

Jerrold Post’s Book, *The Mind of the Terrorist*

George Washington University professor Jerrold Post, a psychiatrist with 21 years of experience with the CIA working on leadership profiling, recently authored a new book, *The Mind of the Terrorist* (Palgrave MacMillan, 2007). Based on years of research involving interviews of captured would-be suicide bombers and other terrorists, the work emphasizes the rational and psychological motivations that define their behavior. In a crowded professional field, one of his insightful findings is that terrorists’ steadfast adherence, which critics of terrorism write off as “fanaticism” or “insanity,” is more comprehensible if it is reconsidered as “sincere loyalty” to an ideological cause. Additionally, he believes that understanding the phenomenon is more feasible if terrorists are categorized as politi-

cal, religious, and social radicals. The rhetoric, underlying ideologies, recruitment methods, and leadership strategies vary between these classes.

Interviewees include members of al Qaeda, Aum Shinrikyo, Sendero Luminoso, and the Tamil Tigers. *The Mind of the Terrorist* has been met with significant praise by other renowned terrorism experts, including Jessica Stern, author of *Terror in the Name of God* (Harper Perennial, 2004), and Peter Bergen, who secured the first television interview with Osama bin Laden in 1997. (Combined dispatches)

China Claims to Foil Terrorist Plot in Xinjiang

The Chinese government reported on March 9 that it foiled a plot by terrorists to hijack a passenger plane and crash it into Beijing. This abortive attack has been linked to the Uighur Muslim independence movement in Xinjiang. Officials claim that this attack, which was to occur on the 11th anniversary of a famous explosion near Communist Party headquarters, would have sent a deeply symbolic message to the government. China is increasingly concerned with ensuring adequate security measures for the 2008 summer Olympics, especially in the wake of recent violent protest in Tibet. Earlier this year, China killed 2 and arrested 15 in Urumqi, Xinjiang, as it raided a terrorist cell that was planning an attack during the Olympics.

Numerous security experts are skeptical of China's claim, wary that China is likely using this report as a means of propaganda to justify harsh crackdowns in the name of Olympic security. As per its secretive reputation, China has released few significant details regarding the plot, and many are also unsure as to whether the Uighur East Turkmenistan Islamic Movement has the capacity or the desire to attack the Chinese Olympics. (Combined dispatches)

Attack on Embassies in Manila Foiled

Three individuals have been arrested by police in the Philippines for plotting to bomb the embassies of the United States, Britain, Australia, and Israel. Khalil Hasan al-Alih, Walid Abu Aisem, and Bae Haki were all believed by Philippine security agencies to have links to the Abu Sayyaf Group and Jemaah Islamiyah, although these have not been proven yet. Others have also been recently detained for similar plots, including several men captured on February 14 for attempting to bomb several foreign embassies in Manila. At least one of those detained has been accused of planning to assassinate the president of the country, Gloria Macapagal-Arroyo.

The Philippines has had a significant number of problems with the Abu Sayyaf Group, which has links to al Qaeda,

and Jemaah Islamiyah, the group responsible for the 2002 Bali bombings in Indonesia. Jemaah Islamiyah's leaders are believed to be hiding within the Philippines. The arrested men had been under surveillance for awhile for their involvement in assisting local terrorists in creating explosives. (Combined dispatches)

Turk Believed to Be First German Suicide Bomber

On March 3, the German weekly *Der Spiegel* reported that a German-born Turk, Cüneyt Ciftci, exploded a suicide car bomb in eastern Afghanistan. The moments leading up to this attack, which killed two U.S. soldiers and two Afghan civilians, have been well documented by a propaganda video made by at least two Taliban cameramen. The well-edited video contains additional information that shows planning for the attack, including accurate drawings of the target as well as the explosive equipment employed.

Although this is the first known instance of a German citizen engaging in a suicide attack, German foreign intelligence (BKA) acknowledges that as many as 700 jihadis are being observed and that many of them appear to have been trained by al Qaeda in Pakistan or Afghanistan. Immigrants to European countries have been known to travel to Pakistan or Afghanistan in order to fight against coalition forces, often coming from Britain or France. *The Economist* recently reported a growing figure of over 2,000 known jihadis living in the United Kingdom. (Combined dispatches)

Radicalism

Anti-Muslim Film Released in the Netherlands

On March 27, Dutch member of parliament Geert Wilders publicly released a short film that criticizes Islam and the Qur'an as being extremely violent. In *Fitna*, or "strife," which runs for just over 15 minutes, verses from the Qur'an relating to violence are juxtaposed with images of victims of terrorist attacks in New York and Madrid. The message is clear: Wilders believes Islam is inherently dangerous and a threat to people throughout the world. He claims that he is not anti-Muslim, only critical of the ideology of Islam, and exhorts Muslims to rip out the violent pages from the Qur'an. Wilders has enjoyed his reputation as firebrand for awhile—he left the Liberal Party in 2004 to found the Freedom Party, which adopted the slogan, "Stop the Islamization of the Netherlands."

The movie's release has been delayed several times, and it drew much criticism even before its release. Dutch television networks, both private and public, decided against airing the film. Violent threats have been made against the filmmaker and the production crew. In 2004, moviemaker

Theodoor van Gogh was murdered by a Dutch-born Moroccan for having aired the movie *Submission*, which criticized Islamic treatment of women as being suppressive. Dutch politicians have distanced themselves from the message of the movie but have defended the right for Wilders to produce it. (*Combined dispatches*)

Nuclear Threats

FARC Seeking Uranium for a Dirty Bomb

A Ukrainian organized crime group has reportedly been involved in reselling enriched uranium to various parties, including FARC. Raúl Reyes, the senior member of FARC who was killed in early March by the Colombian Army, apparently negotiated for uranium and other arms in Bucharest, Romania.

His contact was one of the associates of notorious Ukrainian criminal Semyon Yukovich Mogilevich, wanted by the United States and nations throughout Europe for such charges as prostitution, drug trafficking, and human trafficking. British intelligence believes that, owing to his connections, Mogilevich is one of the most dangerous criminals in the world. His group is believed to be serving as middlemen for enriched uranium, some stolen from a storage site in Chelyabinsk, Russia. Russia's Federal Atomic Agency confirms that there is presently a significant escalation in nuclear trafficking through Europe.

Andrew Smulian, the associate of Viktor Bout who was also arrested in Thailand, had previously traveled to negotiate arms sales to FARC as well and was captured on the strength of a Romanian intelligence tip. Syrian terrorist Monzer al-Kassar was also arrested on the same basis in June 2007. (*Combined dispatches*)

Transnational Crime

Criminal and Terrorist Group Links on the Rise

International crime experts focused on combating terrorist groups are increasingly looking to those groups' ties to criminal organizations. Although these links are hard to track, there has been evidence that groups such as al Qaeda, the Taliban, the Tamil Tigers, and Hezbollah frequently receive money from groups that fund themselves through kidnapping, contraband, and other illicit activities. For example, the Taliban are largely funded through tithes collected from the enormous profits generated by opium in Afghanistan, estimated at approximately 93 percent of the world's supply of the narcotic. The Indian crime group headed by Dawood Ibrahim smuggled drugs and laundered money before it became better known for explosives and arms trafficking.

However, some experts believe that such associations, while monetarily rewarding, are disruptive to the ideologies of terrorist groups. Terrorist organizations are primarily ideological groups seeking to obtain specific policy objectives, but they may be influenced by the mercenary nature of criminal enterprises, whose focus is nominally on making money, albeit illicitly. Greed for the vast lucre generated by the Dawood Ibrahim group and the Tamil Tigers has pitted the senior membership against each other, reducing their ability to coordinate. If sufficient information can be found, these groups may be valuable case studies for security experts seeking to understand how and when terrorist groups collapse in internal strife.

(*Combined dispatches*)

Maritime Piracy

Nigeria Plagued by Piracy, Insecurity

Africa's largest oil producer, Nigeria, has been hit with a huge surge of piracy in the first quarter of 2008, as nighttime raids have become frequent. While the country has always had significant threats to the security of shipping and oil vessels, even relatively modest fishing trawlers are being targeted. Trawlers were hit with over 50 attacks in January 2008 alone. The impact on workers' safety is significant—with over 40 percent of the world's seamen coming from the Philippines, that country's total ban on deploying crews due to security reasons will not help the economic development of a country struggling to grow amidst profligate governmental corruption. Thus the trend in Nigerian insecurity continues; its petroleum industry has been repeatedly attacked.

Workers at several companies launched a general strike in January, refusing to work until better security can be provided. A workers union has even called for Nigerian waters to be considered a war zone. Altogether, Nigerian piracy has led to a spike in prices as well as costs to international companies seeking to invest in the developing nation, both of which are not likely to incentivize further investment. A quadrupling of domestic prices and the floundering of one of the larger nonpetroleum industries will likely further negatively affect future economic conditions in West Africa. (*Combined dispatches*)

Terror Financing

Chiquita Accused of Terror Financing

Chiquita Brands International, the famous banana company, has been collectively sued on the grounds of terror financing by the families of five American missionaries slain by FARC. The lawsuit claims that Chiquita is indirectly responsible for these deaths because the company

bought off FARC fighters in exchange for not attacking their plantations in Colombia. Chiquita admits to having made payments to multiple guerrilla groups but claims it did so unwillingly and had no other choice in order to protect the lives of its employees.

The suit, whose value has not yet been specified, is only one of several similar legal actions against Chiquita. Most notable among these, in November a civil lawsuit was brought against the corporation for conspiring with the United Self-Defense Forces of Columbia (AUC), another guerrilla organization designated as terrorist. The AUC allegedly engaged in numerous massacres and other terrorist activities from 1997 until 2004. This lawsuit claims a total of \$7.86 billion in damages, as a result of Chiquita's payment of more than \$1.7 million to the AUC during this span of time. (*Combined dispatches*)

Cyber Crime

Pro-Tibet Groups Targeted with Malware Attacks

Human rights organizations critical of China have been increasingly targeted with malware attacks this year, especially in the wake of mid-March anti-China protests in Tibet. These individualized attacks, some of which have been partially traced back to Chinese computers, threaten to disrupt these groups' activities and acquire sensitive information on membership and activities. Similar attacks have been made against other agencies, including a human rights group focusing on the Darfur region in Sudan and Falun Gong, which has been heavily suppressed in China.

While governments and large companies have typically been favored targets of cyber espionage, the level of attention to detail indicated by these spoofed e-mails and modified documents is high. The trustworthy-looking file names and file types used in these attacks make it unlikely that individuals will be suspicious about opening them and installing Trojan viruses on their computers. Altogether, this may indicate a possible trend toward cyber criminals aiming for embedding malware in seemingly legitimate documents, making it harder for users to differentiate between the normal and the criminal. (*Combined dispatches*)

Combating Terrorism

Tomahawk Missile Strike in Somalia

On March 3, the United States targeted a high-ranking al Qaeda leader with a tactical cruise missile near the Somali border with Kenya. This is at least the fourth attack conducted by the United States in its current campaign in Somalia, with military operations recommencing at the beginning of 2007. In January 2007, American gunships

attacked Islamists in southern Somalia in support of Ethiopian and Somali troops attempting to dislodge them from the capital.

Somalia has had no formal central government since the state collapsed during a coup against dictator Mohamed Siad Barre in 1991, but an interim government has been struggling since 2004 to combat al-Shabaab Islamist forces intent on claiming the capital. Fighting has been almost nonstop in Mogadishu and neighboring regions for the past 15 months—since U.S.-supported Ethiopian forces put Islamist forces to flight in the beginning of 2007. But the Islamists have made significant advances in the past several months, capturing several strategic towns encircling the capital. Constant fighting in Somalia has created an estimated 1 million refugees, thousands of whom have fled into neighboring countries, including Kenya and Sudan. (*Combined dispatches*)

Drug Activity

Panama Plagued by Colombian Drug Smuggling

Panama has become an increasingly popular waypoint for drug smugglers transporting their contraband from Colombia, as well as for them to launder their money obtained from sales. Private planes are easily rented, and by flying below approximately 1,600 feet or by avoiding Panama City's airspace, traffickers can evade radar surveillance. Especially wealthy Colombian drug lords have taken to purchasing their own properties in Panama and converting them into personal landing fields. Over 50 small private airways have been registered for small aircraft, many of which do not show up on official maps. Analogous structures exist for smugglers preferring to wend their way by boat—the so-called drug docks, which allow for easy and virtually untraceable stopovers.

Drug-busting patrols by U.S. radar planes are infrequent, as are sweeps by boats. The Panamanian government has assumed some responsibility for the weakness of its counternarcotics efforts but also criticizes Colombia for lacking effective control over drug traffickers. The organization headed by notorious drug smuggler Pablo Rayo Montaña is believed to freely fly back and forth to Panama from Buenaventura, Colombia. (*Combined dispatches*)

Money Laundering

Weakened Uzbek Anti-Laundering Efforts

The Financial Crimes Enforcement Network reports that the government of Uzbekistan recently neglected to implement an international law focusing on anti-money laundering and combating the financing of terrorism

(AML/CFT). While Uzbekistan did not repudiate the law, it has placed it in moratorium for the next five years. Additionally, it has passed a series of legislation that would effectively curtail its own capacity to engage in financial intelligence and sharing of information on money laundering with international and foreign agencies. These decrees disallow Uzbekistan's financial intelligence unit from collecting and analyzing financial and property transactions, prohibit information sharing with domestic law enforcement agencies, and restrict AML/CFT cooperation with international organizations. Additionally, financial institutions and law enforcement agencies are barred from conducting inquiries into the sources of cash deposits in the country, granting a great deal of anonymity and invisibility to criminals interested in obscuring the source of illegitimate gains.

At least one critic of this policy claims that Uzbekistan has effectively legalized money laundering until January 2013. This gives the Central Asia region, already embattled by international criminal activity, a potential safe haven for those engaged in illegitimate transactions. In an increasingly international banking system, local loopholes and vulnerabilities potentially create global security consequences. (*Combined dispatches*)

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

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