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CRS Issue Brief for Congress

Terrorism, the Future, and U.S. Foreign Policy

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Terrorism, the Future, and U.S. Foreign Policy

SUMMARY

International terrorism has long been recognized as a foreign and domestic security threat. The tragic events of September 11 in New York, the Washington, D.C., area, and Pennsylvania have dramatically re-energized the nation's focus and resolve on terrorism. This issue brief examines international terrorist actions and threats and the U.S. policy response. Available policy options range from diplomacy, international cooperation, and constructive engagement to economic sanctions, covert action, physical security enhancement, and military force.

The September 11th terrorist incidents in the United States, the subsequent anthrax attacks, as well as bombings of the U.S.S. Cole, Oklahoma City, World Trade Center in 1993, and of the U.S. embassies in Kenya and Tanzania in 1998, have brought the issue of terrorism to the forefront of American public interest. Questions relate to whether U.S. policy and organizational mechanisms are adequate to deal with both state-sponsored or -abetted terrorism and that undertaken by independent groups.

Terrorist activities supported by sophisticated planning and logistics as well as possible access to unconventional weaponry raise a host of new issues. Some analysts' long-held belief that a comprehensive review of U.S. counterterrorism policy, organizational structure, and intelligence capabilities is needed has now become a mainstream view.

U.S. policy toward international terrorism contains a significant military component, reflected in current U.S. operations in Afghanistan and (on a smaller scale) the Philippines and in planned deployments of U.S. forces to Yemen and the former Soviet republic of Georgia. President Bush has expressed a willingness to provide military aid to "governments everywhere" in the fight against terrorism. Important issues for Congress include whether the Administration is providing sufficient information about the long-term goals and costs of its military strategy and whether military force is necessarily an effective anti-terrorism instrument in some circumstances.

A modern trend in terrorism is toward loosely organized, self-financed, international networks of terrorists. Another trend is toward terrorism that is religiously- or ideologically-motivated. Radical Islamic fundamentalist groups, or groups using religion as a pretext, pose terrorist threats of varying kinds to U.S. interests and to friendly regimes. Some nations facing difficult challenges include Algeria, Egypt, Israel, Jordan, Lebanon, Turkey, India, Pakistan, Indonesia, the Philippines, and, to a certain extent, Russia and Saudi Arabia.

Looming over the entire issue of international terrorism is a trend toward proliferation of weapons of mass destruction (WMD). For instance Iran, seen as the most active state sponsor of terrorism, has been aggressively seeking a nuclear arms capability. Iraq is thought to be stockpiling chemical and biological agents. Also, indications have surfaced that the al Qaeda organization attempted to acquire chemical, biological, radiological and nuclear weapons. As a result, stakes in the war against international terrorism and its supporters are increasing and margins for error in selecting appropriate policy instruments or combinations of them to prevent terrorist attacks are diminishing correspondingly.

MOST RECENT DEVELOPMENTS

By early January 2002, Operation Enduring Freedom had succeeded in removing the Taliban regime from power in Afghanistan and in eliminating much of al Qaeda's political-military infrastructure in that country. Also in January, the Pentagon announced that 650 American troops, including 160 Special Operations Forces trained in counter-terrorism, would be sent to the Philippines to assist and train Philippine troops to destroy Abu Sayyaf, a terrorist group allegedly linked to al Qaeda. The operation is seen as a sign that the war against terrorism has entered a "second phase."

President George Bush's State of the Union Speech of January 29, 2002, referred to the threat to the United States from regimes that "sponsor terror" and that are pursuing weapons of mass destruction. The President said that "states like" Iran, Iraq and North Korea "and their terrorist allies constitute an axis of evil, arming to threaten the peace of the world."

In early March, the Administration announced that approximately 180 Special Operations Forces (SOF) and logistics personnel would be sent to the former Soviet republic of Georgia to train about 1,200 Georgian soldiers in anti-terrorist operations against Islamic extremists entrenched in remote areas of the country. Also in early March the Administration disclosed plans to deploy as many as 100 troops to Yemen, including SOF, intelligence experts and others, to assist Yemen's military in fighting local armed groups linked to al Qaeda.

BACKGROUND AND ANALYSIS

September 11th and Aftermath

On September 11, 2001, in an apparently well-financed/coordinated attack, hijackers rammed jetliners into each of the New York World Trade Center's Towers and ultimately collapsed them. A third hijacked airliner plowed into the Pentagon and a fourth hijacked airliner crashed near Pittsburgh, raising speculation that a related mission – aimed at the Capitol – had failed. Clean-up operations and law enforcement investigations continue, and response options are being pursued. In excess of 3,000 persons are dead, including nationals of 86 different countries according to State Department calculations.

The administration's response to the September 11 events was swift, wide-ranging and decisive. Administration officials attributed responsibility for the attack to Osama bin Laden and the al Qaeda organization. A full-scale campaign was launched, using all elements of national and international power, to go after al Qaeda and its affiliates and support structures. The campaign involved rallying the international community, especially law enforcement and intelligence components, to shut down al Qaeda cells and financial networks. A U.S. military operation, Operation Enduring Freedom, was launched in early October 2001 against the Taliban regime – which had harbored al Qaeda since 1996 – and against al Qaeda strongholds in Afghanistan. A total of 136 countries offered a range of military assistance to the United

States, including overflight and landing rights and accommodations for U.S. forces. As a result of Operation Enduring Freedom, the Taliban was removed from power, all known al Qaeda training sites were destroyed, and a number of Taliban and al Qaeda leaders were killed or detained. Yet pockets of al Qaeda resistance remain and top leaders – such as Osama bin Laden and the Taliban's Mullah Omar – still are unaccounted for.

In the context of this campaign the United States has stepped up intelligence-sharing and law enforcement cooperation with other governments to root out terrorist cells. It is increasingly apparent that such cells are operating not just in places where they are welcomed or knowingly tolerated but in many other places, including Western Europe and the United States. (Much terrorist fund-raising and banking activity occurs in Western countries.) An aggressive international law enforcement effort has detained some 800 to 1,000 suspected terrorists since September 11; moreover, at least $80 million in terrorists assets have been frozen by more than 140 countries.

An encouraging sign in the anti-terrorism struggle has been the evident willingness of certain state sponsors of terrorism to distance themselves from extremist groups that they had supported in the past or from international terrorism generally. For example, Libya has been "sending signals" that it wants to get out of the terrorism business; Sudan has arrested al Qaeda members and "by and large" shut down al Qaeda training camps on its territory; and both Libya and Sudan have offered to share intelligence information on al Qaeda's activities with U.S. authorities. Also, almost exactly 2 months after the September 11 attack, North Korea signed two international conventions against terrorism, albeit with reservations: the 1999 International Convention against the Financing of Terrorism and the 1979 International Convention against the Taking of Hostages.

Background

Until recently, terrorism has been primarily viewed as an international and foreign policy issue. Numerous acts of state-sponsored terrorists and of foreign-based groups have given support to this notion. While U.S. policies, citizens, and interests are prime targets for international terrorism — in 2000, approximately 47% of all terrorist incidents worldwide were committed against U.S. citizens or property, according to the U.S. Department of State — the vast majority of those acts have taken place on foreign soil. U.S. public perception of terrorism as primarily an overseas issue was dramatically changed by the September 2001 attacks.

On April 30, 2001, the Department of State released its *Patterns of Global Terrorism* report *(Patterns 2000)*. In 2000, casualties associated with terrorism worldwide were up from 233 in 1999 to 405 in 2000. The number of wounded increased from 706 to 791. In terms of casualties by region, Asia ranked first; Africa, second; and the Middle East, third. In terms of number of attacks by region, Latin America ranked first; Asia, second; and Africa, third. In 2000, the number of terrorist attacks declined significantly in Western Europe, and slightly in the Middle East and Eurasia.

Both timing and target selection by terrorist groups can have significant political and economic impact on many activities, ranging from U.S. commercial activities to the Middle East peace process. Some analysts have expressed concern that radical Islamic groups may

seek to exploit economic and political instabilities in Saudi Arabia. Such groups already have fomented strife in Algeria, Egypt, Israel, Jordan, Turkey, Lebanon, India, Pakistan, the Philippines, Indonesia, and even Russia. A continuing area of concern remains the ability of terrorists to raise funds through non-state sources, often through charitable contributions, kidnapping, and drug trafficking.

Patterns 2000 stated that the United States was holding ongoing discussions with North Korea and Sudan with the object of getting these governments completely out of the terrorism business and off the terrorism list. (See CRS Report RL30613, *North Korea: Terrorism List Removal?)* However, President Bush's State of the Union message of January 29, 2002 described North Korea along with Iran and Iraq as an "axis of evil," suggesting that the DPRK's removal from the list is unlikely in the near term. Iran, despite political changes in 2000, was again listed in *Patterns* as the most active state sponsor of international terrorism. Iraq and Syria were cited for supporting regional terrorist groups. Lebanon was again cited as a key safe haven and singled out as being unresponsive to U.S. requests to bring to justice terrorists who have conducted anti-U.S. attacks. *Patterns 2000* referred to efforts of international *mujahidin* based in Azerbaijan and Georgia to funnel financial and logistic support to anti-Russian rebels in Chechnya and beyond. Though not added to the list of state sponsors, Afghanistan and Pakistan were singled out as major sites of terrorist activity.

The destruction of the World Trade Center and the severe damage to the Pentagon, together with other incidents such as the bombings of the U.S. embassies in East Africa, of the World Trade Center in 1993, and of the Jewish cultural center in Buenos Aires may indicate a desire to inflict higher casualties on what are generally less protected civilian targets. It may be that state-sponsored terrorism is decreasing significantly as, in a post-Cold War era, groups find it harder to obtain sponsors, and rogue states are less willing to risk exposure to broad-based and severe international sanctions. In this environment, access to private sources of funding for terrorist enterprises becomes critical.

International terrorism is recognized as a threat to U.S. foreign and domestic security, and it undermines a broad range of U.S. foreign policy goals. Terrorism erodes international stability, a major foreign and economic policy objective for the United States. Terrorism undermines peace processes in which the United States has invested heavily. Terrorist groups often seek to destabilize or overthrow governments, sometimes democratically elected — or friendly — governments, and such groups often draw their support from public discontent over the perceived inability of governments to deliver peace, security, and economic prosperity. Efforts by governments to enhance national or regional economic development and stability may become the object of particularly virulent attack by those opposed to modernization. In this regard, and because of their avowed goals to overthrow secular regimes in countries with large Muslim populations, extremist Islamic fundamentalist groups and Iran's support for such groups are seen as a particular threat to U.S. foreign policy goals and objectives.

Definitions

There is no universally accepted definition of international terrorism. One definition widely used in U.S. government circles, and incorporated into law, defines *international terrorism* as terrorism involving the citizens or property of more than one country. *Terrorism*

is broadly defined as politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents. A *terrorist group* is defined as a group which practices or which has significant subgroups which practice terrorism (22 U.S.C. 2656f). One shortfall of this traditional definition is its focus on groups and its exclusion of individual ("lone wolf") terrorist activity which has recently risen in frequency and visibility. To these standard definitions which refer to violence in a traditional form must be added cyberterrorism. Analysts warn that terrorist acts will now include more sophisticated forms of destruction and extortion such as disabling a national computer infrastructure or penetrating vital commercial computer systems. Finally, the October 12, 2000 U.S.S. *Cole* bombing of a U.S. military vessel raises issues of whether the standard definition would categorize this attack as terrorist, as the Cole may not qualify as a "non-combatant" (see CRS Report RS20721 on the *Cole* bombing). Though the definition of terrorism may appear essentially a political issue, it can carry significant legal implications.

Current definitions of terrorism mostly share one common element: politically motivated behavior. Such definitions do not include violence for financial profit or religious motivation. However, the growth of international and transnational criminal organizations and the growing range and scale of such operations has resulted in their use of violence with financial profit as the driving motivation. Also, the high-profile activities of such groups as al Qaeda and Hamas underscore the significance of selective religious ideologies in driving terrorist violence, or at least providing a pretext. To illustrate: Osama bin Laden issued a fatwah (edict) in 1998 saying that "all those who believe in Allah and his prophet Muhammad must kill Americans wherever they find them."

U.S. Policy Response

Framework

Past Administrations have employed a range of measures to combat international terrorism, from diplomacy and international cooperation and constructive engagement to economic sanctions, covert action, protective security measures, and military force. The application of sanctions is one of the most frequently used anti-terrorist tools of U.S. policymakers. Governments supporting international terrorism (seven such countries are listed by the Department of State) are prohibited from receiving U.S. economic and military assistance. Export of munitions to such countries is foreclosed, and restrictions are imposed on exports of "dual use" equipment such as aircraft and trucks. Presence of a country on the "terrorism list," though, may reflect considerations – such as its pursuit of WMD or its human rights record or U.S. domestic political considerations – that are largely unrelated to support for international terrorism.

Generally, U.S. anti-terrorism policy from the late 1970s to the mid-1990s focused on deterring and punishing state sponsors as opposed to terrorist groups themselves. The passage of the landmark Anti-Terrorism and Effective Death Penalty Act of 1996 (P.L. 104-132) signaled an important shift in policy. The Act, largely initiated by the Executive Branch, created a legal category of Foreign Terrorist Organizations (FTOs) and banned funding, granting of visas and other material support to such organizations. The USA PATRIOT Act of 2001 (P.L.107-56) extended and strengthened the provisions of that legislation. The Bush

Administration's global diplomatic, military and economic assault against the al Qaeda network after September 11 epitomized the new U.S. focus on rooting out and dismantling self-supporting terrorist entities. At the same time, the Clinton and Bush Administrations have tried selectively to improve relations with state sponsors. The State Department's *Patterns 2000* contained promising language about the possible removal of states from the list of sponsors. Some media reports in early 2002 suggested that the United States might agree to taking Libya off the list if Libya compensates the victims of the 1986 Pan Am 103 bombing.

Dilemmas

In their desire to combat terrorism in a modern political context, nations often face conflicting goals and courses of action: (1) providing security from terrorist acts, i.e., limiting the freedom of individual terrorists, terrorist groups, and support networks to operate unimpeded in a relatively unregulated environment versus (2) maximizing individual freedoms, democracy, and human rights. Efforts to combat terrorism are complicated by a global trend towards deregulation, open borders, and expanded commerce. Particularly in democracies such as the United States, the constitutional limits within which policy must operate are often seen by some to conflict directly with a desire to secure the lives of citizens against terrorist activity more effectively. This issue will likely come to the fore as the United States develops its response to the September 2001 incidents.

Another challenge for policymakers is the need to identify the perpetrators of particular terrorist acts and those who train, fund, or otherwise support or sponsor them. As the international community increasingly demonstrates its ability to unite and apply sanctions against rogue states, states will become less likely to overtly support terrorist groups or engage in state sponsored terrorism. The possibility of covert provision of weapons, financing, and logistical support nonetheless remains, and detecting such transfers will require significantly increased deployment of U.S. intelligence assets in countries and zones where terrorists operate.

Today U.S. policy focus is on terrorist organizations such as al Qaeda and affiliated networks, and state supporters. But in the future, it may be that new brands of terrorists will emerge: individuals who are not affiliated with any established terrorist organization and who are apparently not agents of any state sponsor. The terrorists who masterminded the 1993 World Trade Center bombing apparently did not belong to any larger, established, and previously identified group. Also, the worldwide threat of individual or "boutique" terrorism, or that of "spontaneous" terrorist activity, such as the bombing of bookstores in the United States after Ayatollah Khomeini's death edict against British author Salman Rushdie, appears to be on the increase. Thus, one likely profile for the terrorist of the 21st century may well be a private individual not affiliated with any established group. Another profile might be a group-affiliated individual acting independent of the group, but drawing on other similarly minded individuals for support. Because U.S. international counter-terrorism policy framework has been sanctions-oriented, and has traditionally sought to pin responsibility on state sponsors, changes in policy are being considered and implemented.

Another problem surfacing in the wake of the number of incidents associated with Islamic fundamentalist groups is how to condemn and combat such terrorist activity, and the extreme and violent ideology of specific radical groups, without appearing to be anti-Islamic

in general. A desire to punish a state for supporting international terrorism may also conflict with other foreign policy objectives involving that nation.

Continuing Terrorist Threats

Although a number of states may be rethinking their sponsorship of terrorist organizations, such organizations are establishing operating bases in countries that lack functioning central governments or that do not exercise effective control over their national territory. Al Qaeda continues to seek new sanctuaries and base areas – most recently in mostly Moslem Indonesia, according to press reports. In general, gray area "terrorist activity not functionally linked to any supporting or sponsoring nation" represents an increasingly difficult challenge for U.S. policymakers.

Terrorists increasingly have been able to develop their own sources of financing, which range from NGOs and charities to illegal enterprises such as narcotics, extortion, and kidnapping. Colombia's Revolutionary Armed Forces of Colombia is said to make some $500 million to $1.0 billion annually from criminal activities, mostly from taxing or participating in the narcotics trade. Bin Laden's al Qaeda depends on a formidable array of fundraising operations including charities, legitimate businesses, and money transfer networks, as well as various smuggling and fraud activities.

Looming over the entire issue of international terrorism is an apparently inexorable trend toward proliferation of weapons of mass destruction (WMD), or the means to make them. Six of the seven officially designated state sponsors of terrorism also have known or suspected programs for the development of nuclear, chemical or biological weapons. (The seven sponsors are Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria; the only state that does not appear to be seeking WMD is Cuba.) Four of the states – Iran, Iraq, Libya and North Korea – have nuclear weapons programs at varying stages of development. Although no credible published information exists that listed states that have actually supplied terrorists with WMD wherewithal, the possibility of covert transfers or leakages clearly exists. Furthermore terrorists have attempted to acquire WMD means through their own resources and connections. For instance, the Aum Shinrikyo cult was able to procure technology and blueprints for producing Sarin, a deadly nerve gas from Russia in the early 1990s. The gas was subsequently used in an attack on the Tokyo subway in March 1995 that killed 12 people and injured 5,000.

Various media reports suggest that Osama bin Laden has joined the WMD procurement game. One source cites "long discussions" between bin Laden and Pakistani nuclear scientists concerning nuclear, chemical and biological weapons. Another claims that a bin Laden emissary tried to buy radioactive waste from an atomic power plant in Bulgaria. A U.S. federal indictment handed down in 1998 charges that bin Laden operatives sought enriched uranium on various occasions. Other accounts credit al Qaeda with attempting to purchase backpack weapons or "suitcase bombs" from insecure Russian arsenals. A former bin Laden associate claims that bin Laden and the Sudanese Government cooperated in an effort to develop chemical weapons in a factory in Khartoum in 1993-1994. Furthermore, U.S. government sources recently reported discovery of a laboratory under construction in Afghanistan, in which al Qaeda planned to develop biological agents, including anthrax.

Policy Tools

Instruments used by the U.S. government to combat international terrorism are described briefly below:

Diplomacy/Constructive Engagement. Use of diplomacy to help create a global anti-terror coalition is a central component of the Bush Administration response to September 11 events. To date, the United Nations Security Council has condemned the attacks in a unanimous declaration, and NATO Secretary General George Robertson has characterized the attacks, in terms of Article V (mutual defense provisions) of the NATO Treaty, as an attack on all members of the NATO alliance. Some argue that diplomacy holds little hope of success against determined terrorists or the countries that support them. However, in most cases, diplomatic measures are considered least likely to widen the conflict and therefore are usually tried first.

In incidents of international terrorism by subnational groups, implementing a policy response of constructive engagement is complicated by the lack of existing channels and mutually accepted rules of conduct between governmental entities and the group in question. In some instances, as was the case with the PLO, legislation may specifically prohibit official contact with a terrorist organization or its members. Yet for groups that are well-entrenched in a nation's political fabric and culture, engaging the group might be preferable to trying to exterminate it. Increasingly, governments appear to be pursuing policies which involve verbal contact and even direct negotiations with terrorist groups or their representatives. Colombia's on-again, off-again peace process with the Revolutionary Armed Forces of Colombia is one recent example. Some observers, though, are skeptical of the value of engaging with terrorists. As former CIA director James Woolsey has noted, "Increasingly, terrorists don't just want a place at the table, but rather to destroy the table and all sitting there, possibly with weapons of mass destruction."

On a different level, in the wake of the September 11 attacks, the Bush administration clearly has explored the possibility of enlisting state sponsors of terrorism, such as Libya and Sudan, in a broader Islamic coalition against al Qaeda and its followers. The United States also has held discussions with Iran concerning formation of a post-Taliban coalition government in Afghanistan. To some critics, though, such initiatives detract from the imperative of taking a principled stand against international terrorism in all its guises.

The media remain powerful forces in confrontations between terrorists and governments. Appealing to, and influencing, public opinion may impact not only the actions of governments but also those of groups engaged in terrorist acts. From the terrorist perspective, media coverage is an important measure of the success of a terrorist act or campaign. In hostage-type incidents, where the media may provide the only independent means a terrorist has of knowing the chain of events set in motion, coverage can complicate rescue efforts. Governments can use the media in an effort to arouse world opinion against the country or group using terrorist tactics. Public diplomacy and the media can be used to mobilize public opinion in other countries to pressure governments to take action against terrorism. An example would be to mobilize the tourist industry to pressure governments into participating in sanctions against a terrorist state. See CRS Report 97-960, *Terrorism, the Media, and the Government: Perspectives, Trends, and Options for Policymakers*.

Economic Sanctions. Sanctions regimes can be essentially unilateral – such as U.S. bans on trade and investment relations with Cuba and Iran – or multilateral, such as that mandated in response to the Pan Am 103 bombing. In the past, use of economic sanctions was usually predicated upon identification of a nation as an active supporter or sponsor of international terrorism. Yet sanctions also can be used to target assets of terrorist groups themselves. On September 25, 2001, President Bush signed an executive order (Executive Order 13324) freezing the assets of 27 organizations known to be affiliated with bin Laden's network and giving the Treasury's secretary broad powers to impose sanctions on banks around the world that provide these organizations access to the international financial system. Subsequently many more entities and persons were added to the list. As of early January 2002, 168 groups, entities, and individuals were covered by the executive order. As of late January 2002, some $80 million in terrorists' assets had been blocked by more than 140 countries. Previously, Security Council Resolution of December 2000 had declared that states should freeze financial assets of Osama bin Laden and those listed who are affiliated with him. Resolution 1373 of September 28, 2001, required that U.N. members deny money, support, and sanctuary to terrorists. On September 25, 2001, the G-7 finance ministers agreed to cooperate in blocking the money flow to international terrorists suspected to be involved in the September 11th attacks.

The effects of the above-described economic measures, though, are uncertain because much of the flow of terrorist funds takes place outside of formal banking channels (in elusive "hawala" chains of money brokers). Also, some observers have noted that lethal terrorist operations are relatively inexpensive. Estimates of the cost to the terrorists of the World Trade Center-Pentagon bombings range from $200,000 to $500,000. Finally, the continued proliferation of weapons of mass destruction and the possibility that sub-national groups such as terrorists could gain access to them pose increasing threats to global security and stability.

With respect to nation-states, economic sanctions fall into six categories: restrictions on trading, technology transfer, foreign assistance, export credits and guarantees, foreign exchange and capital transactions, and economic access. Sanctions may include a total or partial trade embargo, embargo on financial transactions, suspension of foreign aid, restrictions on aircraft or ship traffic, or abrogation of a friendship, commerce, and navigation treaty. Sanctions usually require the cooperation of other countries to be effective, and such cooperation is not always forthcoming. Furthermore, sanctions provide no effective defense against possible clandestine transfers of WMD materials, components, or finished weapons either between states or from states (or entities within them) to terrorists groups.

The President has a variety of laws at his disposal, but the broadest in its potential scope is the International Emergency Economic Powers Act. The Act permits imposition of restrictions on economic relations once the President has declared a national emergency because of a threat to the U.S. national security, foreign policy, or economy. While the sanctions authorized must deal directly with the threat responsible for the emergency, the President can regulate imports, exports, and all types of financial transactions, such as the transfer of funds, foreign exchange, credit, and securities, between the United States and the country in question. Specific authority for the Libyan trade embargo is in Section 503 of the International Trade and Security Act of 1985, while Section 505 of the Act authorizes the banning of imports of goods and services from any country supporting terrorism. (See also CRS Report RS20871, *The Iran-Libya Sanctions Act (ILSA)*.) Other major laws that can be

used against countries supporting terrorism are the Export Administration Act, the Arms Export Control Act, and specific items or provisions of foreign assistance legislation.

P.L. 104-132 prohibits the sale of arms to any country the President certifies is not cooperating fully with U.S. antiterrorism efforts. The seven terrorist list countries and Afghanistan are currently on this list. The law also requires that aid be withheld to any nation providing lethal military aid a country on the terrorism list.

Economic Inducements. Possible counter-terrorism initiatives might include efforts to change economic and social conditions that provide a breeding ground for terrorists. It has been noted that most terrorists worldwide are unemployed or underemployed with virtually nonexistent prospects for economic advancement. Some analysts believe that targeted assistance programs to reduce poverty and ignorance (which might also include supporting secular educational alternatives to the Madrassahs – Islamic religious schools) can make a difference in lifestyles and attitudes and diminish the proclivity for terrorism. Critics, though, argue that economic conditions are not the sole or even the main motivational factors driving the emergence of terrorism. Resentment against a particular country or political order and religious fanaticism also are important motivations. They point to Osama bin Laden's personal fortune (informally estimated at $300 million) and his far-flung business empire. All of the 15 Saudi Arabian hijackers implicated in 9/11 were from middle-class families or well-connected ones. The Basque ETA is a relatively well-heeled terrorist organization. It is possible that economic variables influence some kinds of terrorist behavior more than others or that the relationship between positive economic change and reductions in terrorist behavior occurs over a timeframe measured in years or decades.

Covert Action. Intelligence gathering, infiltration of terrorist groups, and military operations involve a variety of clandestine or so called "covert" activities. Much of this activity is of a passive monitoring nature aimed at determining the strategic intentions, capabilities and vulnerabilities of terrorist organizations. A more active form of covert activity occurs during events such as a hostage crisis or hijacking when a foreign country may quietly request advice, equipment, or technical support during the conduct of operations, with no public credit to be given the providing country. Covert action may also seek to exploit vulnerabilities of terrorist organization, for example, by spreading disinformation about leaders or fomenting factionalism internally.

Many experts believe that the events of September 11 signified an "intelligence failure" of major proportions and that better intelligence on the inner workings of terrorist organizations could have prevented the attack. Past restriction on use of informants to penetrate such organizations was cited as a factor in the failure. Addressing this concern, Section 403 of the Foreign Intelligence Authorization Act of FY2002 (P.L.107-108) directs the Director of Central Intelligence to rescind 1995 guidelines involving "foreign assets or sources with known human rights violations" and to issue new ones facilitating intelligence-gathering from human sources relating to "indications and warnings of plans and intentions of hostile actors and events."

Some nations have periodically gone beyond monitoring or covert support activities and resorted to unconventional methods beyond their territory for the express purpose of neutralizing individual terrorists and/or thwarting preplanned attacks. Examples of activities might run the gamut from intercepting or sabotaging delivery of funding or weapons to a

terrorist group to destroying a terrorist's embryonic WMD production facilities to seizing and transporting a wanted terrorist to stand trial for assassination or murder. Arguably, such activity might be justified as preemptive self-defense under Article 51 of the U.N. charter. On the other hand, it could be argued that such actions violate customary international law. Nevertheless, a July 1989 memorandum by the Department of Justice's Office of Legal Counsel advises that the President has the authority to violate customary international law and can delegate such authority to the Attorney General level, should the national interest so require.

Assassination is specifically prohibited by U.S. executive order (most recently, E.O. 12333), but bringing wanted criminals to the United States for trial is not. There exists an established U.S. legal doctrine that allows an individual's trial to proceed regardless of whether he is forcefully abducted from another country, or from international waters or airspace.

Experts warn that bringing persons residing abroad to U.S. justice by means other than extradition or mutual agreement with the host country, i.e., by abduction and their surreptitious transportation, can vastly complicate U.S. foreign relations, sometimes jeopardizing interests far more important than "justice," deterrence, and the prosecution of a single individual. For example, the abduction of a Mexican national in 1990 to stand trial in Los Angeles on charges relating to torture and death of a DEA agent led to vehement protests from the government of Mexico, a government subsequently plagued with evidence of high level drug related corruption. In November 1994, the two countries signed a Treaty to Prohibit Transborder Abductions. Notwithstanding the unpopularity of such abductions in nations that fail to apprehend and prosecute those accused, the "rendering" of such wanted criminals to U.S. courts is permitted under limited circumstances by a January 1993 Presidential Decision Directive. Such conduct, however, raises prospects of other nations using similar tactics against U.S. citizens.

Although conventional explosives — and innovative use of existing technologies — appear to be the terrorism weapon of choice, the world is increasingly moving into an era in which terrorists may gain access to nuclear, chemical or biological weaponry. Faced with the potential of more frequent incidents and higher conventional casualty levels, or a nuclear or biological attack, the Bush Administration has announced its intention to resort increasingly to covert operations to neutralize such threats.

Rewards for Information Program. Money is a powerful motivator. Rewards for information have been instrumental in Italy in destroying the Red Brigades and in Colombia in apprehending drug cartel leaders. A State Department program is in place, supplemented by the aviation industry, usually offering rewards of up to $5 million to anyone providing information that would prevent or resolve an act of international terrorism against U.S. citizens or U.S. property, or that leads to the arrest or conviction of terrorist criminals involved in such acts. This program was at least partly responsible for the arrest of Ramzi Ahmed Yousef, the man accused of masterminding the 1993 World Trade Center bombing, and of the CIA personnel shooter, Mir Amal Kansi. The program was established by the 1984 Act to Combat International Terrorism (P.L. 98-533), and is administered by State's Diplomatic Security Service. Rewards over $250,000 must be approved by the Secretary of State. The program can pay to relocate informants and immediate family who fear for their safety. The 1994 "Crime Bill" (P.L. 103-322) helps relocate aliens and immediate family

members in the United States who are reward recipients. Expanded participation by the private sector in funding and publicizing such reward programs has been suggested by some observers. A $25 million reward has been offered by the U.S. government for information leading to the apprehension of Osama bin Laden.

Extradition/Law Enforcement Cooperation. International cooperation in such areas as law enforcement, customs control, and intelligence activities is an essential pillar of the Bush Administration antiterrorism policy and response to the September 11, 2001 attacks on America. For example, the stationing of FBI agents overseas (in some 44 countries as of late 2000) facilitates investigations of terrorist crimes and augments the flow of intelligence about terrorist group structure and membership. One critical law enforcement tool in combating international terrorism is extradition of terrorists. International extradition traditionally has been subject to several limitations, including the refusal of some countries to extradite for political or extraterritorial offenses or to extradite their nationals. Also, the U.S. application of the death penalty (eliminated in many countries) for certain crimes can impede extradition in terrorism related cases. The United States has been encouraging the negotiation of treaties with fewer limitations, in part as a means of facilitating the transfer of wanted terrorists. Because much terrorism involves politically motivated violence, the State Department has sought to curtail the availability of the political offense exception, found in many extradition treaties, to avoid extradition. Increasingly, rendition is being employed by the United States as a vehicle for gaining physical custody over terrorist suspects. Where custody has been established, the range of law enforcement instruments includes plea bargaining – offering terrorism suspects lighter penalties in return for information about the inner workings of the target group: membership, organizational structure, weaponry, and finances, for example.

Military Force. Although not without difficulties, military force, particularly when wielded by a superpower such as the United States, can carry substantial clout. Proponents of selective use of military force usually emphasize the military's unique skills and specialized equipment. The April 1986 decision to bomb Libya for its alleged role in the bombing of a German discotheque exemplifies use of military force. Other examples are: (1) the 1993 bombing of Iraq's military intelligence headquarters by U.S. forces in response to Iraqi efforts to assassinate former President George Bush during a visit to Kuwait; (2) the August 1998 missile attacks against bases in Afghanistan and an alleged chemical production facility, al-Shifa, in Sudan; and (3) the successful removal of the Taliban regime in Afghanistan in 2001-2002.

Concerns about the terrorist threat prompted an extensive buildup of the military's counter-terrorist organization. A special unit known as "Delta Force" at Fort Bragg, NC, has reportedly been organized to perform anti-terrorist operations when needed, with an estimated 800 assigned personnel. U.S. military forces currently are being deployed to help fight a terrorist group in the Philippines, Abu Sayyaf, as part of the next phase in the international war against terrorism.

Successful use of military force for preemptive or retaliatory strikes presupposes the ability to identify a terrorist perpetrator or its state sponsor, as well as the precise location of the group, information that is often unavailable from U.S. intelligence sources. Generally, terrorists possess modest physical facilities that present few high-value targets for military strikes. Some critics have observed that military action is a blunt instrument that can cause

foreign civilian casualties as well as collateral damage to economic installations in the target country. Others argue that such action inflates terrorists' sense of importance and facilitates their recruitment efforts. Other disadvantages or risks associated with the use of military force include (1) military casualties or captives, (2) counter-retaliation and escalation by terrorist groups, (3) holding the wrong parties responsible, (4) failure to destroy the principal leaders of the organization, (5) negative foreign reaction, including sympathy for the "bullied" victim, and (6) perception that the United States ignores rules of international law. In addition, the costs associated with Operation Enduring Freedom (an estimated $1.8 billion a month) and the apparently open-ended nature of the U.S. military commitment in Afghanistan have concerned some observers.

International Conventions. To date, the United States has joined with the world community in developing all of the major antiterrorism conventions. These conventions impose on their signatories an obligation either to prosecute offenders or extradite them to permit prosecution for a host of terrorism-related crimes, including hijacking vessels and aircraft, taking hostages, and harming diplomats. An important convention is the Convention for the Marking of Plastic Explosives. Implementing legislation is in P.L. 104-132. On September 8, 1999, the United States signed the U.N. Convention on the Suppression of Terrorist Bombings; and on January 12, 2000, the U.N. Anti-Terrorism Financing Convention was signed as well. Both these conventions were submitted to the Senate for advice and consent during the 106th Congress and currently remain there.

Potential Tools

An International Court for Terrorism. Many experts have urged that an international court be established, perhaps under the U.N., to sit in permanent session to adjudicate cases against persons accused of international terrorist crimes. The court would have broad powers to sentence and punish anyone convicted of such crimes. Critics point out many administrative and procedural problems associated with establishing such a court and making it work, including jurisdictional and enforcement issues. An International Court of Justice in the Hague exists, but it deals with disputes between states and lacks compulsory jurisdiction and enforcement powers.

Media Self-Restraint. For some, the term "media self-restraint" is an oxymoron; the sensational scoop is the golden fleece, and dull copy is to be avoided. The media are occasionally manipulated into the role of mediator and often that of publicist of terrorist goals. The publication of the Unabomber's "manifesto" illustrated this. Notably, there have been attempts by the media to impose its own rules when covering terrorist incidents. Standards established by the Chicago *Sun-Times* and *Daily News* include paraphrasing terrorist demands to avoid unbridled propaganda; banning participation of reporters in negotiations with terrorists; coordinating coverage through supervising editors who are in contact with police authorities; providing thoughtful, restrained, and credible coverage of stories; and allowing only senior supervisory editors to determine what, if any, information should be withheld or deferred. Such standards are far from uniformly accepted. In an intensely competitive profession consisting of a multinational worldwide press corps, someone is likely to break the story. On October 11, 2001, it was agreed by five major U.S. news organizations that they would abridge video statements by Osama bin Laden. See generally, CRS Report 97-960, *Terrorism, the Media, and the Government: Perspectives, Trends and Options for Policymakers*.

Policy Reform

On June 5, 2000, the National Commission on Terrorism (NTC), a congressionally mandated bipartisan body, issued its report, which included a blueprint for U.S. counter terrorism policy with both policy and legislative recommendations.

The NTC report continues to stimulate strong congressional interest in counter-terrorism policy in the 107th Congress. Areas of ongoing focus are (1) a more proactive counter-terrorism policy; (2) a stronger state sanctions policy; and (3) a more cohesive, better coordinated U.S. federal counter-terrorism policy. (See CRS Report RS20598, *National Commission on Terrorism Report: Background and Issues for Congress*.) On September 21, 2001, the House leadership announced creation of a Terrorism and Security Subcommittee to the House Intelligence Committee. Meanwhile, the January 31, 2001 report of the U.S. Commission on National Security continues to generate intense congressional and Administration interest. The congressionally-mandated bipartisan Commission recommended unifying the Coast Guard, the Customs Service, the Federal Emergency Management Agency (FEMA), and the Border Patrol into a new Cabinet status homeland security body — in effect, a national homeland security agency. Under such a proposal, the new agency would coordinate defense against, and responses to, terrorist attacks on U.S. soil. Also under the proposal, the National Guard would be given domestic security as a primary mission. Furthermore, legislation sponsored by Senators Joseph Lieberman and Arlen Specter in the Senate (S. 1534) and by Representative Mac Thornberry in the House of Representatives (H.R. 1158) also would amalgamate FEMA, the Border Patrol, Customs and the Coast Guard into a new agency.

In the 107th Congress, the USA PATRIOT Act enacted in October 2001 (P.L.107-56) contained a number of provisions related to terrorism. It gave law enforcement increased authority to investigate suspected terrorists, including enhanced surveillance procedures such as roving wiretaps; it provided for strengthened controls on international money laundering and financing of terrorism; it improved measures for strengthening of defenses along the U.S. northern border, said to be an important conduit for terrorists; and it authorized disclosure of foreign intelligence information obtained in criminal investigations to intelligence and national security officials.

U.S. Organization and Program Response

The chain of command on antiterrorism planning runs from the President through the National Security Council's (NSC's) Principals Committee, through the NSC's Deputies Committee, a representative of which chairs a senior interagency Counterrorism and National Preparedness Policy Coordinating Committee (PCC). The PCC oversees four working groups charged with overseeing policy in four generic areas: (1) continuity of federal operations; (2) preventing and responding to foreign terrorism; (3) preventing and responding to weapons of mass destruction (WMD) attacks; and (4) preventing and responding to cyberthreats. The State Department is designated the lead agency for countering terrorism overseas; the Justice Department's Federal Bureau of Investigation (FBI) is the lead agency for domestic terrorism; the Federal Aviation Administration is the lead for hijackings when a plane's doors are closed; and the Federal Emergency Management Agency (FEMA) is the

lead agency for consequence management. Intelligence-sharing on foreign terrorist threats is carried out through the Counterterrorism Community Terrorist Threat Warning System housed in the CIA's Counterterrorism Center. The system is a joint product of five agencies: CIA, the Defense Intelligence Agency, the National Security Agency, the State Department Bureau of Intelligence and Research, and the FBI. Warnings, advisories, and assessments are distributed from the system to other federal government agencies.

On October 8, 2001, President Bush signed Executive Order 13228 establishing the Office of Homeland Security (OHS) to lead, oversee, and coordinate a comprehensive national strategy to protect the nation against terrorism as part of a complex web of new organizational structures and relationships. The OHS is chaired by former Governor Tom Ridge of Pennsylvania. A Homeland Security Council (HSC) and subordinate councils similar in structure and function to the existing National Security Council (NSC) system was established as well. The executive order creating OHS specified that the Homeland Security Council would be responsible for administering policy for national security emergency preparedness "with respect to terrorist threats and attacks within the United States" and that it would be the "principal forum for consideration of policy" related to such threats and attacks. A previous executive order (12656) of November 18, 1988, amended by the new order had assigned such responsibilities to the NSC. In addition, retired General Wayne Downing was designated as the President's National Director and Deputy National Security Adviser for Combating Terrorism. Former NSC anti-terrorism coordinator Richard Clarke was selected to be the Special Adviser to the President for Cybersecurity. Director Downing and Adviser Clarke report both to Chairman Ridge and to National Security Advisor Condoleezza Rice. General Downing chairs the Policy Coordinating Committee on Counterterrorism and National Preparedness.

In light of the recent terrorist attacks, it is likely that a comprehensive review of counter-terrorism policy, organizational structure, and preparedness to respond to major terrorist incidents in the United States will be undertaken. Whether establishing a director for combating terrorism at the NSC takes too much terrorism decision making out of the realm of congressional oversight, as NSC members generally do not testify before Congress, is another issue. Similar questions of congressional access arise with respect to the high-profile OHS – responsible for coordinating domestic responses to terrorism – which was established by executive order and the direction of which is vested in a presidential assistant.

A number of Administration programs focus specifically on combating international terrorism. Among the most important are the Department of State's (1) Antiterrorism Assistance Program (ATA), (2) Counterterrorism Research and Development Program, and (3) Diplomatic Security Program.

Antiterrorism Assistance and Terrorism and Crime Programs

The State Department's antiterrorism assistance (ATA) program provides training and equipment to foreign countries to help them improve their antiterrorism capabilities. More than 28,000 individuals from 100 countries have received training since the program's inception in 1983 in such skills as crisis management, VIP protection, airport security

management, and bomb detection and deactivation. The Administration is requesting $52 million for FY2003 for a consolidated Center for Antiterrorism and Security Training which would "help reduce the terrorist and security risk for U.S. personnel and assets, as well as non-official Americans abroad." The TIPOFF terrorism and crime database, maintained by the State Department Bureau of Intelligence and Research, enables the use of sensitive intelligence to detect "known persons of concern" as they apply for U.S. visas overseas. The Department requested $3.4 million for the program for FY2003.

Assistance to Victims Programs

Facilitating payment of compensation to victims of terrorism by state sponsors or their agents was the subject of legislative focus in the 106th Congress as well. P.L. 106-386, among other things, allowed victims of terrorist acts committed by Cuba and Iran to collect payment of judgments rendered from funds held by the U.S. government and clarified circumstances under which immunity from jurisdiction or attachment may not apply when victims of state sponsored terrorism seek compensation.

Counterterrorism Research and Development Program

The State Department's Counterterrorism Research and Development Program is overseen by State's Coordinator for Counterterrorism and is managed by the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict. The program focuses on the inter-agency Technical Support Working Group (TSWG) which constitutes an R&D response to the threat posed by increasingly sophisticated equipment and explosives available to terrorist groups. TSWG's major project areas include the following: chemical, biological, radiological, and nuclear countermeasures; explosives detection and defeat; infrastructure protection; investigative support and forensics; personnel protection; physical security; surveillance collection and operations support; and tactical operations support. State and DoD provide core funding for TSWG activities. Total TSWG program funding was $65 million in 2001.

Diplomatic Security Program

The Diplomatic Security Program of the State Department is designed to protect U.S. personnel, information, and facilities domestically and abroad. Constructing secure facilities abroad, providing security guards, and supporting counterintelligence are some important elements of the program. Detection and investigation of passport and visa fraud is another important component. The Diplomatic Security Program is contained in three budget accounts: the Diplomatic and Consular Programs account (which covers salaries and operating expenses such as guards and armored vehicles), the Embassy Security, Construction, and Maintenance account (which covers our overseas offices and residences), and the Protection of Foreign Missions and Officials account (which provides extraordinary protection for these purposes in the United States).

The FY2002 budget estimate for the Diplomatic Security Program included $713 million in security for the Diplomatic and Consular Programs account ($488 million for worldwide security upgrades and $226 million for ongoing operations and salaries); $665 million for worldwide security construction in the Embassy Security, Construction and Maintenance

account; and $10 million in the Protection of Foreign Missions and Officials account. The FY2003 budget request includes $553 million for worldwide security upgrades in the Diplomatic and Consular programs account, $609 million in worldwide security construction in the Embassy Security, Construction and Maintenance account and $11 million for Protection of Foreign Missions and Officials.

Options for Program Enhancement

Some notable areas cited for improvement of programs to combat terrorism include contingency planning; explosives detection; joint or multinational research, operational, and training programs/exercises; nuclear materials safeguarding; development of detection equipment for nuclear, chemical, and biological weapons, and disaster/crisis consequence management, including training of first responders. Some have suggested that U.S. public diplomacy/media programs could be broadened to support antiterrorism policy objectives. As such a mission involves not only "diplomacy," but is also a form of "warfare," some suggest removing this mission from the Department of State. In the wake of anthrax incidents in the United States, others see merit in creation of a federal rumor control hotline or website. Cybersecurity remains an important area for program enhancement. Another option includes enhancing investigative, law enforcement, and prosecution capabilities in other countries to include terrorism fundraising. An option which has been recommended by a number of bipartisan congressional commissions is an enhanced role for the National Academies and the National Laboratories in facilitating more concerted and better coordinated involvement of the U.S. scientific community in assessing threats, developing countermeasures, and designing responses to terrorism.

FOR ADDITIONAL READING

CRS Products

CRS Report RL31119, *Terrorism, Near East Groups and State Sponsors, 2001*, by Kenneth Katzman.

CRS Report RL30613, *North Korea: Terrorism List Removal*, by Larry Niksch and Raphael Perl.

CRS Terrorism Briefing Book: *Military Responses*, by Christopher Bolkom.

CRS Terrorism Briefing Book: *State-Sponsored Terrorism*, by Kenneth Katzman, Rensselaer Lee, and Raphael Perl.