



Congressional Statement Federal Bureau of Investigation

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Statement for the Record of
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on
**Foreign Terrorists in America:
Five years after the World Trade Center**

Before the
Senate Judiciary Committee
Subcommittee on Technology, Terrorism, and Government Information
United States Senate
Washington, D.C.

Good morning, Chairman Kyl and members of the subcommittee. I am pleased to participate in this panel as we assess the international terrorist threat confronting the United States five years after the bombing of the World Trade Center. For many of us in this room, the threat of international terrorism was literally brought home by the World Trade Center bombing on February 26, 1993. Much has changed in the world since that event. In many ways, the world has become even more dangerous for Americans. But in the aftermath of the World Trade Center bombing and the attack on the Murrah Federal Building in Oklahoma City, the United States government has adopted measures to enhance its response to terrorism. These efforts have helped to restore a sense of the security Americans felt before the attack on the World Trade Center. Although we should not allow ourselves to be lulled into a false sense of security or underestimate the nature of the threat that confronts us, I believe it is important to note that in the five years since the Trade Center bombing, no significant act of foreign-directed terrorism has occurred on American soil.

This morning, I would like to very briefly discuss some things we have learned in the past five years. Then, I will elaborate on the international terrorist threat currently confronting the United States. I will close by discussing the FBI's response to this threat, and steps that could be taken to further enhance our response to the challenges international terrorism pose to the United States.

Lessons Learned

We have learned several important lessons since the World Trade Center bombing. I'll focus here on three broad trends we have identified.

One of these is that loosely affiliated groups of like-minded extremists -- like the one assembled by Ramzi Yousef for the plot against the World Trade Center -- pose a real and significant threat to our security and a particular challenge to law enforcement. These transnational groups often form on a temporary, ad hoc basis. Their memberships are generally unknown to law enforcement. These groups are not always beholden to, or dependant on, traditional state sponsors, such as Iraq, Iran, or Sudan for support. They are free to operate on their own terms and exploit the mobility that technology and a fluid command structure offers.

However, this flexibility and self-reliance can be a double-edged sword. After his

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capture in 1995, Ramzi Yousef conceded to investigators that a lack of funding forced his group's hand in plotting the destruction of the World Trade Center. Running short of money, the plotters could not assemble a bomb as large as they had originally intended. The timing of the attack was also rushed by a lack of finances. Incredibly, the plotters' desire to recoup the deposit fee for the rental truck used to transport the bomb helped lead investigators to them. As I will discuss in a moment, efforts to disrupt the fund-raising operations of organizations that finance terrorism may prove especially disruptive to the activities of these loosely affiliated terrorist groups.

During the past five years, we also have found that an increasing number of terrorist organizations possess a command of technology and have the expertise to use it for fund-raising, recruiting, and even operational planning. Several organizations with significant terrorist components maintain a regular presence on the Internet. For example, Hamas, Hizballah, and at least one Latin American group maintain their own home pages that include propaganda material and recruiting information.

During the trial of Shaykh Omar Abdel Rahman, on charges relating to the foiled plots to assassinate the president of Egypt and bomb major landmarks throughout New York, supporters used the Internet to solicit funds for his defense. These and more operational uses of technology, that I am not at liberty to comment upon here, clearly demonstrate that today's terrorists feel comfortable using advanced technology to support their destructive ambitions.

The misuse of technology underscores the wide range of tools and capabilities available to modern terrorists. The exploits of Ramzi Yousef, from the time he executed the World Trade Center bombing in February 1993 until his capture in Pakistan in February 1995, illustrate the integral role technology plays in international terrorism and the role it can play in assisting investigators to track down terrorists.

Within days of the explosion at the World Trade Center that left six innocent victims dead and approximately one thousand wounded, Ramzi Yousef made his way to Pakistan. Eventually, he and several associates moved on to the Philippines and rented a unit at the Dona Josefa apartment complex in Manila, which they used as a safehouse and an improvised bomb factory. On December 11, 1994, Yousef placed a small explosive on a Philippines airliner en route to Tokyo via Cebu. A Japanese businessman was killed when the device exploded under his seat. Subsequent investigation determined that the plotters had used the device to test a new bomb design. As we later discovered, Yousef was planning to place more powerful devices on U.S. airliners.

While mixing chemicals at the Dona Josefa apartment on January 7, 1995, a fire broke out forcing Yousef and two co-conspirators, Abdel Hakim Murad and Wali Khan, to flee into the street. Concerned that he had left his laptop computer in the apartment, Yousef sent Murad back into the unit to retrieve it. Philippine Police arrested Abdel Hakim Murad and were able to recover the computer intact. Wali Khan was arrested days later. Yousef successfully fled the Philippines and ultimately made his way back to Pakistan.

By decrypting Yousef's computer files, investigators uncovered the details of a plot to destroy numerous U.S. air carriers in a simultaneous operation. Codenamed "BOJINKA," the plot involved using a timing device made from an altered Databank watch. Flight schedules and a decrypted letter found on the computer indicated that five participants were to simultaneously plant devices on flights to the United States. After the bombings, four of the participants were to return to Karachi, Pakistan. The fifth was to return to Doha, Qatar.

Meanwhile, back in Pakistan, Yousef's luck finally was running out. A plot to kidnap and kill U.S. diplomats and foreign officials in Pakistan was foiled by a cooperating witness who revealed the plan to U.S. Embassy personnel. On February 7, 1995, the FBI arrested Yousef in Islamabad and rendered him back to the United States.

Approximately two months later, Abdel Hakim Murad was rendered from the Philippines after his arrest at the Dona Josefa apartments. In December, Wali Khan also was rendered to the United States. Eventually, Khan and Murad were convicted and sentenced to life in prison for their participation in the plot to bomb U.S. airliners.

Yousef has now been convicted of both the plot to bomb airliners and for masterminding the bombing of the World Trade Center.

If we doubt the level of commitment that drives rogue terrorists to strike at their perceived enemies, just weeks ago Ramzi Yousef provided a glimpse into the mind set of a terrorist. When sentenced to life in federal prison without possibility of parole, Yousef boasted of his destructive exploits saying, "Yes, I am a terrorist and proud of it."

As this case illustrates, the threat of international terrorism demands continued vigilance. Today's terrorists have learned from the successes and mistakes of terrorists that went before them. The terrorists of tomorrow will have an even more dizzying array of weapons and technologies available to them.

One of the more challenging aspects of this threat stems from the third aspect of modern international terrorism I would like to discuss. That is the interrelated nature of certain terrorist incidents. As recent events have shown, this "web of terrorism" perpetuates violence upon violence and poses a particular challenge to nations like the United States that take a firm stand against terrorism. There is an indication that the November 1997 attack on foreign tourists in Luxor, Egypt, was apparently an example of this type of interwoven violence. The ambush appears to have been carried out in an attempt to pressure the United States into releasing Shaykh Rahman, who is serving a life sentence in federal prison for his part in planning attacks against the president of Egypt and several sites in New York City.

Since his imprisonment in 1995, followers of the Shaykh have issued several threats warning of violence in retaliation for his continued imprisonment. The FBI continues to monitor these threats very closely.

Terrorism is perpetrated by individuals with a strong commitment to the causes in which they believe. An action in one location often brings reaction in another, although not necessarily a coordinated one. The web-like nature of terrorism underscores the need for vigilance in counteracting terrorist groups. Unfortunately, American successes can spur reprisals. As the United States develops a stronger investigative and prosecutorial response to terrorism, we may witness more attempts at reprisals both here and abroad.

Presence of Foreign Terrorist Groups in the United States

Today, due to the foresight of the Congress and Executive Branch in the aftermath of the World Trade Center and Oklahoma City bombings, the FBI has an enhanced capability to track the activities of foreign terrorist organizations maintaining a presence in the United States.

There are obvious operational considerations that limit what we can discuss in an open forum about the presence of terrorist groups in the United States. I can tell you that the FBI has identified a significant and growing organizational presence here.

Palestinian Hamas, Iranian-backed Hizballah, and Egyptian-based al-Gama' at al Islamiyya each has established an active presence in the United States. The activities of the American wings of these organizations generally revolve around fund-raising and low-level intelligence gathering.

In addition, there are still significant numbers of Iranian students attending U.S. universities and technical institutions. In 1997, 419 student visas were issued to new and returning Iranian students. A significant number of these individuals are hardcore members of the pro-Iranian student organization known as the Anjoman Islamie, which is comprised almost exclusively of fanatical, anti-American, Iranian Shiite Muslims. The Iranian government relies heavily on these students studying in the United States for low-level intelligence and technical expertise. However, the Anjoman Islamie also provides a significant resource base which allows the government of Iran to maintain the capability to mount operations against the United States, if it so decided.

Response to Terrorism

In the face of these potential threats, the U.S. government has significantly enhanced its response to international terrorism in the five years since the World Trade Center bombing. There are five traditional offensive ways through which the government fights terrorism: diplomacy, sanctions, covert operations, military options, and law enforcement action. Some of the measures in place span more than one of these areas. For example, the Antiterrorism and Effective Death Penalty Act (AEDPA) of 1996 includes both diplomatic and law enforcement provisions.

Enactment of the AEDPA has enhanced the ability of the U.S. government to respond to terrorist threats. As I mentioned, this act includes a wide range of counterterrorism provisions. For example, section 302 of the Act authorizes the Secretary of State, in conjunction with the Attorney General and Secretary of the Treasury, to designate as foreign terrorist organizations (FTOS) groups that meet certain specified criteria. This designation means that funds raised in the United States by FTOS can be blocked by U.S. financial institutions.

The Act provides law enforcement with a potentially powerful tool. Among other things, it gives us a means to disrupt the ability of terrorist organizations to fund their destructive activities.

However, it would be overly optimistic to consider this act a panacea to the problem of international terrorism. Financial investigations are by their nature personnel-intensive and time-consuming. Investigations into the financial operations of clandestine organizations on the shadowy fringes of transnational politics can be particularly complex.

It will take time for the AEDPA to have significant impact on the 30 groups designated as foreign terrorist organizations.

I encourage the Congress to give the AEDPA time to work. As with many measures of this type, its most powerful impact may stem from its deterrent effect. As investigators build successful cases and prosecutors develop sound prosecutorial strategies to enforce the provisions of the AEDPA, targeted groups may decide that fund-raising activities in the United States are not worth the risks.

As you are aware, recent congressional appropriations have helped strengthen and expand the FBI's counterterrorism capabilities. To enhance its mission, the FBI centralized many specialized operational and analytical functions in the Domestic Counterterrorism Center.

Established in 1996, the FBI Counterterrorism Center combats terrorism on three fronts: international terrorism operations both within the United States and in support of extraterritorial investigations, domestic terrorism operations, and countermeasures relating to both international and domestic terrorism.

The FBI Counterterrorism Center represents a new direction in the FBI's response to terrorism. Eighteen federal agencies maintain a regular presence in the center and participate in its daily operations. These agencies include the Central Intelligence Agency, the Defense Intelligence Agency, and the United States Secret Service, among others. This multiagency arrangement provides an unprecedented opportunity for information-sharing and real-time intelligence analysis.

This sense of cooperation also has led to other important changes. During the past several years, the FBI and CIA have developed a closer working relationship. This has strengthened the ability of each agency to respond to terrorist threats, and has improved the ability of the U.S. government to respond to terrorist attacks that do occur. Because warning is critical to the prevention of terrorist acts, the FBI also is in the process of expanding the terrorist threat warning system first implemented in 1989. The system reaches all aspects of the law enforcement and intelligence communities. Currently, more than 35 federal agencies involved in the U.S.

government's counterterrorism effort receive information via secure teletype through this system. The messages also are transmitted to all 56 FBI field offices and 33 foreign liaison posts.

If threat information requires nationwide unclassified dissemination to all federal, state, and local law enforcement agencies, the FBI transmits messages via the National Law Enforcement Telecommunications System. In addition, the terrorist threat warning system allows for the dissemination of unclassified terrorism warnings to the U.S. corporate community as well as the public at large, via the Internet, press releases, and press conferences.

The FBI's counterterrorism capabilities also have been enhanced by the expansion of our Legal Attache--or Legat offices--around the world. These small offices can have a significant impact on the FBI's ability to track terrorist threats and bring investigative resources to bear on cases where quick response is critical. As I've mentioned, the FBI currently has 33 Legat offices. Many of these have opened within the past 5 years in areas of the world where identifiable threats to our national interests exist. We cannot escape the disquieting reality--as evidenced by the World Trade Center bombing--that in the late 20th century, crime and terrorism are carried out on an international scale. The law enforcement response must match the threat. By expanding our first line of defense, we improve the ability of the United States to prevent attacks and respond quickly to those that do occur. Given the nature of the evolving terrorist threat and the destructive capabilities now available to terrorists, the American people deserve nothing less.

Terrorism is increasingly an indiscriminate crime. The World Trade Center bombers exhibited little concern about who their victims would be. Their primary interest seemed simply to ensure a high number of casualties. Likewise, though Shaykh Omar Abdel Rahman and his plotters targeted specific facilities, such as the U.N. Headquarters and a federal building housing the FBI's New York City field office--in addition to other sites throughout the city--they evidently gave little thought to their potential victims. Again, the nature of the planned attacks indicate that the primary goal was to cause as much destruction and as many casualties as possible.

How a free society responds to such threats is a question that the Congress has addressed in years past and undoubtedly will continue to confront for years to come. During the past five years, the United States has made great strides in strengthening its counterterrorism capabilities. But, there is more to be done.

Future needs I would like to close by talking briefly about steps we can take to further strengthen our abilities to prevent and investigate terrorist activity.

One of the most important of these steps involves the adoption of a balanced public policy on encryption. Court authorized electronic surveillance (wiretaps) and the execution of lawful search and seizure warrants are two of the most critically important law enforcement investigative techniques used to fight crime and prevent terrorism. Law enforcement remains in unanimous agreement that the continued widespread availability and ever increasing use of strong, non-recoverable encryption products will soon nullify our effective use of these important investigative techniques and will ultimately devastate our ability to effectively fight crime, prevent acts of terrorism and protect the public safety and national security of the United States.

Most encryption products manufactured today for use by the general public are non-recoverable. This means that they do not include features that provide for timely law enforcement access to the plain text of encrypted criminally-related and lawfully seized communications and computer files. Other than some form of a key-recovery system or feature, there is no viable technical solution to this problem for law enforcement. Non-recoverable or uncrackable encryption is now and with ever increasing regularity, allowing violent criminals and terrorists to communicate about their criminal intentions with impunity and to store evidence of their crimes on computer, impervious to lawful search and seizure.

In many of our important investigations today, effective law enforcement is being frustrated by criminals and terrorists using commercially available, non-recoverable encryption products. Examples include the Aldrich Ames spy case; the Ramzi Yousef

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international terrorist case, which involved a plot to blow up 11 U.S. commercial aircraft in the Far East; and numerous international drug trafficking investigations, to include those along the southwest border of the United States.

It is for this reason that law enforcement is urgently calling for our nation's policy makers to adopt a balanced public policy on encryption. Several bills have been introduced in Congress that address certain aspects of the encryption issue. Unfortunately, most of these legislative proposals, with the exception of a proposal adopted by the House Permanent Select Committee on Intelligence, fail to adequately address law enforcement's needs in this area and would promote the widespread availability and use of non-recoverable encryption products regardless of the adverse impact on public safety, effective law enforcement, and national security.

Law enforcement believes that we are now at a historical crossroad on this issue. If public policy makers act wisely, the safety of all Americans will be enhanced for decades to come. But if narrow interests prevail, law enforcement will soon be unable to provide the level of protection that the American people properly expect and deserve. We do not think it is too late to deal effectively with this issue and I would encourage the subcommittee to look closely at the action taken by the House Permanent Select Committee on Intelligence in their efforts to adopt a balanced encryption policy.

Another area of vital interest to the FBI is the proliferation of chemical, biological, and nuclear materials within the criminal and terrorist communities. These weapons of mass destruction represent perhaps the most serious potential threat facing the United States today. In response to this threat, the FBI has significantly expanded its investigative capabilities in this area.

Prior to the World Trade Center and Oklahoma City bombings, the FBI had dedicated a very small staff to weapons of mass destruction (WMD) investigations. Those two investigations, which required thousands of FBI Agent and support personnel, prompted the Attorney General to request an increase of 175 field agents to the WMD program, which the Congress subsequently supported. To coordinate the activities of these personnel, the FBI has created two WMD units at FBI Headquarters: one to address operations, cases, and threats, which tripled in 1997 over 1996 figures, and another to implement our countermeasures program, which coordinates exercises, deployments, and the first responder training initiative.

A successful WMD terrorist attack could prove catastrophic and would require a unified response from various agencies at the federal, state, and local levels. To improve response capabilities on a national scale, the FBI is working closely with five other federal agencies--the Department of Defense, the Department of Energy, the Public Health Service, the Environmental Protection Agency, and the Federal Emergency Management Agency--that make up the nucleus of the response to WMD incidents. The FBI also maintains extensive liaison with members of the intelligence community, including the CIA, the National Security Agency, and others involved in WMD and counterproliferation matters.

As the 1995 sarin attack on the Tokyo subways demonstrated, unconventional weapons are no longer purely the domains of military arsenals. In the hands of terrorists, they can pose a grave risk to our citizens and our nation's interests. Again, Congress and the Executive Branch should be commended for their foresight in responding to this threat. Given the potentially grave consequences of inaction, I encourage continued support of the FBI's initiative to confront the WMD threat through proactive investigations and cross-agency training.

Cooperation among law enforcement and intelligence agencies at all levels represents an important component of a comprehensive response to terrorism. This cooperation assumes its most tangible operational form in the joint terrorism task forces that exist in 16 cities across the nation. These task forces are particularly well-suited to responding to international terrorism because they combine the international investigative resources of the FBI and other federal agencies with the street-level expertise of local law enforcement agencies. This cop-to-cop cooperation has proven highly successful in preventing several potential terrorist attacks.

Perhaps the most notable cases have come from New York City, where the city's Joint Terrorism Task Force has been instrumental in thwarting two high-profile international terrorism plots--the series of bombings planned by Shaykh Rahman in 1993, and the July 1997 attempted bombing of the New York City subway.

These plots were prevented. Today, the conspirators who planned them either sit in federal prisons, or are awaiting trial thanks, in large part, to the comprehensive investigative work performed by the Joint Terrorism Task Force.

Given the success of the Joint Terrorism Task Force concept, the FBI plans to develop additional task forces in cities around the country. By integrating the investigative abilities of the FBI and local law enforcement agencies these task forces represent an effective response to the threats posed to individual American communities by international terrorists.

Conclusion

The bombing of the World Trade Center was a watershed event. It taught us in a painful but unmistakable way that international terrorism can and does occur in the United States. This case also demonstrated the ability of American intelligence and law enforcement agencies to track and apprehend the perpetrators of such atrocities. Today, Ramzi Yousef and most of his co-plotters are sitting in federal prison, deprived of the freedom they so recklessly exploited. The World Trade Center bombing heralded a new era--but not one of increased numbers of foreign-directed terrorist acts in the United States. Rather, it has led to a renewed and enhanced focus on responding to the international terrorist threat confronting the American people.

To adequately understand the international terrorist threat currently facing the United States, we must appreciate the unique position America occupies in the world today. As the sole super power, the policies of the United States are viewed with intense interest by nations around the world. To individuals and groups who feel powerless to effect their own destinies through legal means, the breadth of influence and power wielded by the United States represents a stunning contrast--and an attractive target for their frustrations.

The FBI has developed a broad-based response to the many external threats that confront the United States today. Due to the measures I've discussed and several other initiatives, we are much better prepared to address the international terrorist threat than we were five years ago. With the continued support of Congress and the Executive Branch, and in cooperation with the intelligence and law enforcement communities, we will continue to enhance our ability to protect the American people from the threat of international terrorism.

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