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

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

SUMMARY

International terrorism threatens U.S. foreign and domestic security and compromises a broad range of U.S. foreign policy goals. This issue brief examines emerging international terrorist 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.

Throughout successive administrations, a key element of stated U.S. policy has remained: no concessions to terrorism. Recent willingness by such groups as the PLO, and IRA to moderate behavior may indicate success of this policy. In this context, current U.S., British, and Israeli policies of engagement with such groups is seen by many as a response to changing circumstances.

Dramatic events, such as the Oklahoma City, World Trade Center, and U.S. embassy bombings in Kenya and Tanzania, as well as the Tokyo subway gas attack, have brought the issue of terrorism to the forefront of American public interest. These specific occurrences raise questions whether U.S. policy and organizational mechanisms are adequately focused to combat what may be a new brand of terrorist: one who does not work for any established organization and who is not an agent of any particular state sponsor, yet has access to the most lethal weaponry.

Formal definitions of terrorism do not include terrorist activity for financial profit or terrorists motivated by religious goals. Non-traditional harm such as computer "violence" may not be included as well. Such activity may well be on the rise, and policy and organizational mindsets geared to deal with

terrorism as politically motivated and violent behavior may limit our ability to combat new and expanding forms of terrorism.

Terrorist access to chemical, biological, or nuclear weaponry raises the specter of mass-casualty attacks. Faced with such prospects, governments are increasingly likely to consider utilizing covert operations to protect their citizenry.

In light of the shifting nature and enhanced intensity of the new terrorist threat, some analysts believe a comprehensive review of U.S. terrorism policy, organizational structure, and preparedness to respond to major terrorist incidents in the United States is desirable. PDD 62, which established a terrorism coordinator at the National Security Council (NSC), may take much of the terrorism decisionmaking process out of the realm of congressional oversight as NSC members do not generally testify on the Hill.

Radical Islamic fundamentalist groups pose a major terrorist threat to U.S. interests and friendly regimes. Nations facing difficult challenges include Algeria, Bahrain, Egypt, Israel, Jordan, Pakistan, and to a lesser degree, Russia and Saudi Arabia. One of the seven states on the State Department's terrorism list, Iran, is seen as the most active state sponsor. Iran has been aggressively seeking nuclear weapons technology. Sanctions have not deterred such activity to any meaningful degree. Some see utility in an informal "watch-list" of nations not currently qualifying for inclusion on the terrorism list. See also: CRS Report 98-733, *Terrorism: U.S. Response to Bombings in Kenya and Tanzania: A New Policy Direction?*

MOST RECENT DEVELOPMENTS

Investigations continue to determine culpability for the October 12, 2000 attack on U.S.S. Cole, a navy destroyer refueling in the Yemen's seaport of Aden. Seventeen American servicemen were killed and 39 injured in the explosion which seriously damaged the ship with the cost of repairs estimated at \$240 million. The attack is believed to be the work of radical Islamic militants. Meanwhile, Administration officials are weighing response options should culpability lead to Osama Bin Laden or other clearly identifiable private groups or state sponsors.

In related developments, Administration counter-terrorism officials continue to brief presidential transition team members. Suggested initiatives include (1) a regional initiative to isolate Afghanistan; (2) enhanced policy focus on sanctions against Iran for their active support of Mid- East terrorist groups and operations; and (3) elevating the State Department's Counter-Terrorism Office to full "Bureau" (Assistant Secretary) status.

BACKGROUND AND ANALYSIS

In recent years, 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 1999 approximately 52%, up from 40% in 1998, 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 took place on foreign soil. Although terrorism may be internationally motivated, financed, supported or planned, on the receiving end all terrorism is local. Thus, U.S. public perception of terrorism as primarily an overseas issue may be changing with the bombings of the Trade Center in New York and the Federal Building in Oklahoma City. The predominant method of attack during 1999 was bombing (roughly one-half); the most common targets were business related.

On May 1, 2000, the Department of State released its Patterns of Global Terrorism report (*Patterns 1999*). In 1999, casualties associated with terrorism worldwide were significantly down from 1998 data. The report indicates that worldwide deaths from terrorist incidents are down roughly threefold from 1998 (from 741 to 233) and the number of wounded was down roughly eightfold from 5,952 to 706. In terms of deaths by region, Asia ranked first; Africa, second; and the Middle East, third. In terms of wounded by region, Asia ranked first, Africa, second, and the Middle East, third as well. In 1998, Africa was highest in both the number of dead and wounded by terrorism; Asia was in second place. In 1999, the number of attacks rose in all regions of the world except the Middle East.

Both timing and target selection by terrorist groups has produced significant political and economic impact on phenomena such as the Middle East peace process and tourism in nations such as Egypt. Some analysts have expressed concern that radical Islamic groups may seek to exploit economic and political instabilities in Saudi Arabia. Other potential target nations of such groups include Algeria, Bahrain, Egypt, India, Jordan, Turkey, and Pakistan. *Patterns 1999* suggests that a decline in state sponsorship of terrorism has moved terrorism eastward from Libya, Syria, and Lebanon to South Asia. The result: more U.S. policy focus on Usama bin Laden and the alliance of groups operating out of Afghanistan with the acquiescence of

the Taliban. A heavy area of focus remains the ability of terrorists to raise funds through non-state sources, often through charitable contributions, kidnaping, and drug trafficking.

Patterns 1999 cited North Korea, Cuba, and Syria as possible candidates for removal from the list of state sponsors of terrorism (see CRS Report RL30613, *North Korea: Terrorism List Removal?*). Iran, despite political changes in 1999, is again listed as the most active state sponsor of international terrorism. Iran and Syria were cited for supporting regional terrorist groups, and Lebanon was cited as a key safe haven. Concern was expressed by Russia and Chechnya's neighbors that increased radicalization of Islamist populations would encourage violence and spread instability elsewhere in Russia and beyond. Though not added to the list, Afghanistan and Pakistan were singled out as major sites of terrorist activity.

The bombings of U.S. Embassies in East Africa, of the N.Y. World Trade Center, and of the Jewish cultural center in Buenos Aires may indicate a trend to inflict higher casualties on what are generally less protected civilian targets. It appears 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; it also 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. 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. 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 major 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 potential shortfall of this traditional approach is its focus on groups and group members and exclusion of individual (non-group organized) terrorist activity which has recently risen in frequency and visibility. Another possible weakness of these standard definitions is the criteria of violence in a traditional form. Analysts pointing to "virus" sabotage incidents warn that terrorists acts could include more sophisticated forms of destruction and extortion such as disabling a national infrastructure by penetrating vital computer software.

Current definitions of terrorism all share one common element: politically motivated behavior. Such definitions do not include violence for financial profit or religious motivation.

The rapid growth of transnational criminal organizations and the growing range and scale of such operations could well result in their use of violence to achieve objectives with financial profit as the driving motivation. Thus, although the basic assumption today is that all terrorist acts are politically motivated, some are driven by other factors, and this number may grow in light of expanding international criminal activity and an increasing number of extremist acts carried out in the name of religious and cultural causes. A new approach might focus more on defining terrorist acts, giving less emphasis to the motivation behind the acts.

U.S. Policy Response

Framework

Past administrations have employed a range of options 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 tools of U.S. policymakers. Governments supporting international terrorism (as identified by the Department of State) are prohibited from receiving U.S. economic and military assistance. Export of munitions to such countries is foreclosed, restrictions are imposed on exports of "dual use" equipment such as aircraft and trucks.

Throughout successive administrations, U.S. policy as publicly stated has remained: *no concessions to terrorists*, the U.S. government will not pay ransoms, release prisoners, change its policies, nor agree to other acts that might encourage additional terrorism. Practice, however, has not always been so pure. Recent U.S. and Israeli overtures to the PLO, and recent U.S. and British approaches to the IRA clearly appear to reflect some change in approach as such groups begin to moderate their behavior.

Most experts agree that the most effective way to fight terrorism is to gather as much intelligence as possible; disrupt terrorist plans and organizations before they act; and organize multinational cooperation against terrorists and countries that support them. The U.N.'s role in mandating sanctions against Libya for its responsibility in the 1988 Pan Am 103 bombing was significant as the first instance when the world community imposed sanctions against a country in response to its complicity in an act of terrorism. Several factors made the action possible. First, terrorism has touched many more countries in recent years, forcing governments to put aside parochial interests. (Citizens from over 30 countries have reportedly died in Libyan-sponsored bombings.) Second, the end of the Cold War has contributed to increased international cooperation against terrorism. And third, U.S. determination to punish terrorist countries, by military force in some instances, once their complicity was established, was a major factor spurring other countries to join U.N.-sponsored action.

In the past, governments have often preferred to handle terrorism as a national problem without outside interference. Some governments were also wary of getting involved in others battles and possibly attracting additional terrorism in the form of reprisals. Others were reluctant to join in sanctions if their own trade interests might be damaged or they sympathized with the perpetrators' cause. Finally, there is the persistent problem of extraditing terrorists without abandoning the long-held principle of asylum for persons fleeing persecution for legitimate political or other activity.

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, terrorists 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 to conflict directly with a desire to secure the lives of citizens against terrorist activity more effectively.

Another dilemma for policymakers is the need to identify the perpetrators of particular terrorist acts and those who train, fund, or otherwise support or sponsor them. Moreover, 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.

Today a non-standard brand of terrorist may be emerging: individuals who do not work for any established terrorist organization and who are apparently not agents of any state sponsor. The worldwide threat of such 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 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 is sanctions-oriented, and has traditionally sought to pin responsibility on state-sponsors, some policy realignment may be required.

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 be subject to conflicting foreign policy objectives.

Policy Tools

The U.S. government has employed a wide array of policy tools to combat international terrorism, from diplomacy and international cooperation and constructive engagement to economic sanctions, covert action, protective security measures, and military force.

Diplomacy/Constructive Engagement. Most responses to international terrorism involve use of diplomacy in some form as governments seek cooperation to apply pressure on terrorists. One such initiative was the active U.S. role taken in the March 1996 Sharm al-Sheikh peacemaker/anti-terrorism summit. Another is the ongoing U.S. effort to get Japan and major European nations to join in U.S. trade and economic sanctions against Iran. Some argue that diplomacy holds little hope of success against determined terrorists or the countries that support them. However, diplomatic measures are 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. Increasingly, however, governments appear to be pursuing policies which involve verbal contact with terrorist groups or their representatives.

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. And 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. In the past, use of economic sanctions was usually predicated upon identification of a nation as an active supporter or sponsor of international terrorism. On August 20, 1998, President Clinton signed an executive order freezing assets owned by Saudi-born Islamic terrorist leader Osama bin Laden, specific associates, and their self-proclaimed Islamic Army Organization, and prohibiting U.S. individuals and firms from doing business with them. Previously, the Clinton Administration had frozen the assets of 12 alleged Middle East terrorist organizations and 18 individuals associated with those organizations. On October 8, 1997, the State Department released a list of 30 foreign terrorist organizations. As of October 1999, the number of organizations on this list stood at 28. The 1996 Antiterrorism and Effective Death Penalty Act makes it a crime to provide support to these organizations, and their members shall be denied entry visas into the United States.

On August 10, 1999, the United States froze the assets of Afghanistan's national airline under sanctions designed to punish the Taliban movement for harboring bin Laden. Apprehension of bin Laden remains a publically announced top priority for the U.S. counter-terrorism community, despite suggestions from some that such policy focus overstates his importance, aids his recruitment efforts, neglects other foreign policy and national security priorities, and diverts resources from other counter-terrorism areas where they are badly needed. In related developments, on July 6, 1999, the United States banned trade with parts of Afghanistan controlled by the Taliban.

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 make them effective, and such cooperation is not always forthcoming.

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.

Other major laws that can be used against countries sponsoring terrorism are the Export Administration Act, Arms Export Control Act, foreign assistance legislation. The Export Administration Act (Section 6(j)) allows the President to regulate export of dual use technology and prohibit or curtail the export of critical technology or other technological data. U.S. sales of technology, particularly high technology processes, have been considerable, and sales restrictions or prohibitions are known to have put pressure on states reluctant to control terrorism. Under this Act, exports of various sensitive articles to terrorism-list states are strictly controlled or prohibited because of their support of terrorism. The Arms Export Control Act authorizes the President to restrict the sale of defense articles and restrict or suspend defense services to states fostering terrorism. Foreign assistance authorization and appropriations acts deny foreign aid to countries supporting terrorism and require the U.S. to vote against loans to such countries in the multilateral development banks. Country specific export control restrictions on munitions list items and dual use equipment apply to Iraq and Iran and are found in the Iraq Sanctions Act (Section 586 of P.L. 101-513). More recently, Executive Orders 12957 and 12959 prohibit U.S. development of Iran's oil industry and U.S. exports to and imports from Iran, as well as third country reexport of U.S. products to the Islamic Republic. P.L. 104-172, the 1996 Iran Oil Sanction's Act, prohibits U.S. trade with companies that invest more than \$40 million in Iran's or Libya's petroleum development, or with companies not complying with U.N. mandated embargoes on sales of oil equipment to Libya. On March 17, 2000, Secretary of State Albright announced suspension of a ban on imports of Iranian pistachio nuts, caviar, and carpets — a move seen as a gesture to Iranian reformers and their supporters.

P.L. 104-132 prohibits the sale of arms to any country the President certifies is not cooperating fully with U.S. anti-terrorism efforts. The seven terrorist list countries and Afghanistan are currently on this list. Sections 325 and 326 of this law also require that aid be withheld to any country providing lethal military aid to countries on the terrorism list.

On July 6, 1999, President Clinton issued an executive order imposing sanctions against the Taliban and on October 15, 1999, the U.N. security Council unanimously adopted a resolution imposing limited sanctions against the Taliban. The Council demanded that the Taliban turn over alleged Saudi terrorist suspect Usama bin Laden to a country where he will be effectively brought to justice. Sanctions called for include (1) denying aircraft landing and takeoffs to and from Taliban controlled territory, and (2) freezing funds and financial resources from Taliban owned or controlled undertakings.

The United States can suspend airline service to and from a nation or deny entry to terrorists and their supporters. In 1978, the United States joined with West Germany, Canada, Britain, France, Italy, and Japan in declaring a willingness to suspend commercial airline service between any of those countries and any country harboring hijackers. Recently, efforts

have been made to sanction third-party countries for trading with an already sanctioned country.

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. 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.

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 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 of 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. For example, Fawaz Yunis, a Lebanese who participated in the 1985 hijacking of a Jordanian airliner with two Americans among its 70 passengers, was lured aboard a yacht in international waters off the coast of Cyprus in 1987 by federal agents, flown to the United States for trial, and convicted.

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, perhaps 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. Subsequently, 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 issued under the Bush Administration, and reaffirmed by President Clinton. Such conduct, however, raises prospects of other nations using similar tactics against U.S. citizens.

Although conventional explosives — specifically car bombs — 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

holocaust, nations may be more prone to consider covert operations designed 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, offering rewards of up to \$4 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 the Unabomber, of Ramzi Ahmed Yousef, the man accused of masterminding the 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 U.S. who are reward recipients. Expanded participation by the private sector in funding and publicizing such reward programs has been suggested by some observers.

Extradition/Law Enforcement Cooperation. International cooperation in such areas as law enforcement, customs control, and intelligence activities is an important tool in combating international terrorism. 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 to extradite for political or extraterritorial offenses and the refusal of some countries to extradite their nationals. 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 Department of State has recently sought to curtail the availability of the political offense exception, found in many extradition treaties, to avoid extradition.

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 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 and (2) the August 1998 missile attacks against bases in Afghanistan and a chemical production facility in Sudan.

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 been organized to perform anti-terrorist operations when needed. Details about the unit are secret, but estimates are that it has about 800 assigned personnel.

Use of military force presupposes the ability to identify a terrorist group or sponsor and its location, knowledge often unavailable to law enforcement officials. Risks of military force include (1) military casualties or captives, (2) foreign civilian casualties, (3) retaliation and escalation by terrorist groups, (4) holding the wrong parties responsible, (5) sympathy for the "bullied" victim, and (6) perception that the U.S. ignores rules of international law.

P.L. 104-264 includes a sense of the Senate statement that if evidence suggests “beyond a clear and reasonable doubt” that an act of hostility against any U.S. citizen was a terrorist act sponsored, organized, condoned or directed by any nation, then a state of war should be considered to exist between the United States and that nation.

International Conventions. To date, the United States has joined with the world community in developing all of the major anti-terrorism 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 new convention not yet in force is the Convention for the Marking of Plastic Explosives. Implementing legislation is in P.L. 104-132. On December 8, 1999, the U.N. General Assembly adopted the Anti-Terrorism Financing Convention that grew out of G-8 nation endeavors to combat terrorist financing.

Potential Tools

An International Court for Terrorism. Each year bills are introduced urging 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. While some of the media struggle to maintain objectivity, they are occasionally manipulated into the role of mediator and often that of publicist of terrorist goals. Though not an international incident, 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. See 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 bi-partisan body, issued its report which included a blueprint for U.S. counterterrorism policy with both policy and legislative recommendations.

The NTC report is likely to stimulate strong congressional interest in counterterrorism policy when the 107th Congress convenes in January 2001. Likely areas of focus are (1) a more proactive counterterrorism policy; (2) a stronger state sanctions policy; and (3) a more

cohesive/better coordinated U.S. federal counterterrorism policy. (See CRS Report RS20598, *National Commission on Terrorism Report: Background and Issues for Congress*.)

U.S. Organization and Program Response

The chain of command on anti-terrorism planning runs from the President through the National Security Council, a representative of which chairs a senior interagency Terrorism Security Group (TSG). 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; and the Federal Aviation Administration is the lead for hijackings when a plane's doors are closed. These roles were reaffirmed by Presidential Decision Directive (PDD) No. 39 in June 1995. PDD 62 (Protection Against Unconventional Threats) and PDD 63 (Critical Infrastructure Protection) of May 22, 1998: (1) established within the NSC a National Coordinator for Security, Infrastructure Protection, and Counterterrorism who also provides "advice" regarding the counterterrorism budget; (2) established within the NSC two Senior Directors who report to the National Coordinator—one for infrastructure protection and one for counterterrorism; (3) established a new interagency working group primarily focused on domestic preparedness for WMD incidents; and (4) laid out the architecture for critical infrastructure protection. Intelligence information among the various agencies is coordinated by an Intelligence Committee, chaired by a representative of the CIA. An important policy question is whether current organizational structure brings excessive focus on state-sponsored actions at the expense of attention on so-called "gray area" terrorist activity (i.e. terrorist activity not clearly linked to any perpetrator, group, or supporting/sponsoring nation). In light of recent trends in terrorist activity, some suggest an independent comprehensive review of counter-terrorism policy, organizational structure, and preparedness to respond to major terrorist incidents in the United States is warranted. Whether PDD 62, by establishing a national terrorism coordinator at the NSC, takes too much of the terrorism decisionmaking process out of the realm of congressional oversight is another issue as NSC members generally do not testify before Congress.

A number of Administration programs focus specifically on combating international terrorism. They include the Department of State's (1) Anti-Terrorism Assistance Program (ATA), (2) Counter-Terrorism Research and Development Program, and (3) Diplomatic Security Program. The DOD Authorization Act (Title XIV) for FY1997 (P.L. 104-201) seeks to ensure DOD assistance to federal, state, and local officials in responding to biological, chemical and nuclear emergencies.

On January 22, 1999, President Clinton announced a \$10 billion initiative to address terrorism. Included were \$1.4 billion to protect against chemical and biological terrorism and \$1.46 billion to protect critical systems from cyber and other attacks.

Anti-Terrorism Assistance Program

The State Department's anti-terrorism assistance program provides training and equipment to foreign countries to help them improve their anti-terrorism capabilities. More than 20,000 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's FY1998 \$18 million

request for this program was fully funded at \$19 million; the FY1999 request totaled \$21 million and was funded at \$41 million (which included \$20 million from a FY1999 emergency security supplemental appropriations), and the FY2000 request was \$23 million.

Counter-Terrorism Research and Development Program

The State Department's Counter-Terrorism Research and Development Program, which is jointly funded by the Departments of State and Defense, constitutes a response to combat the threat posed by increasingly sophisticated equipment and explosives available to terrorist groups. Recent projects include detectors for nuclear materials, decontaminants for chemical and biological weapons, law enforcement and intelligence database software and surveillance technology. The State Department's FY1997- FY2000 budget requests for these programs totaled \$1.8 million. DoD's FY2000 request totaled \$52.2 with a \$54.8 million request projected for FY2001.

Diplomatic Security Program

The Diplomatic Security Program of the State Department is designed to protect U.S. personnel, information and facilities abroad. Providing security guards and counterintelligence awareness are important elements of the program. Detection and investigation of passport and visa fraud is another component of the program.

The Administration's FY2000 request for the Diplomatic Security Program is \$226.514 million. One component of the broader program provides protection of international organizations, foreign missions and officials under the Foreign Missions Act of 1982. Security enhancement for U.S. embassies is funded through the "Acquisition and Maintenance of Buildings Abroad" account. The FY1999 request was \$640.8 million with \$1,030.6 million appropriated.

The State Department's FY2000 request to Congress includes \$568 million for embassy security (see CRS Report 98-771, *Embassy Security: Background, Funding, and the FY2000 Budget*). The Administration included in its State Department request an advance appropriation of \$3 billion for FY2001-FY2005. Beginning with a FY2001 baseline of \$300 million, the Administration will allocate these funds in additional \$150 million increments each year ending with \$900 million for FY2005.

Options for Program Enhancement

Numerous options have been proposed to improve the effectiveness of programs designed to combat terrorism. Some notable areas cited for improvement include contingency planning; explosives detection; joint or multinational research, operational and training programs/exercises; nuclear materials safeguarding; and disaster consequence management. Some have suggested that U.S. public diplomacy/media programs could be broadened to support anti-terrorism policy objectives. Cyber security remains an important area for program enhancement. On January 9, 2000, the Administration released a comprehensive plan to combat cyber-terrorism including \$2 billion in proposed spending next year to make the nation's computer systems less vulnerable to attack. Plan elements include (1) enhanced funding for research and development; (2) creation of an ROTC-type corps of information specialists; and (3) creation of a national institute charged with forging a research partnership with the private sector.

State-Supported Terrorism

The Secretary of State maintains a list of countries that have “repeatedly provided support for acts of international terrorism.” Data supporting this list is drawn from the intelligence community. Listed countries are subject to severe U.S. export controls, particularly of dual use technology, and selling them military equipment is prohibited. Providing foreign aid under the Foreign Assistance Act is also prohibited. Section 6(j) of the 1979 Export Administration Act stipulates that a validated license shall be required for export of controlled items and technology to any country on the list, and that the Secretaries of Commerce and State must notify the House Committee on Foreign Affairs, and both the Senate Committees on Banking, Housing, and Urban Affairs, and Foreign Relations, at least 30 days before issuing any validated license required by this Act. In addition, Section 509(a) of the 1986 omnibus anti-terrorism act (P.L. 99-399) bars export of munitions list items to countries on the terrorism list. Indirect state sponsorship or sponsorship by proxy is addressed in a second State Department terrorist list (required by P.L. 104-132) — which is distinct from the list of state sponsors generally referred to as the “list”— prohibits the sale of arms to nations not fully cooperating with U.S. anti-terrorism efforts. Strong language critical of Greece in *Patterns 1999* prompts some to question whether Greece should be included in the latter category of nations. The current list of countries not fully cooperating includes the seven state supporters plus Afghanistan. P.L. 104-132 also requires the withholding of foreign assistance to nations providing lethal military aid to countries on the list of state sponsors.

Adding and Removing Countries on the List

In late January each year, under the provisions of Section 6(j) of the Export Administration Act of 1979, as amended, the Secretary of Commerce in consultation with the Secretary of State provides Congress with a list of countries supporting terrorism. Compilation of the list is the result of an ongoing process. Throughout the year the Department of State gathers data on terrorist activity worldwide, and then beginning about November, the list is formally reviewed. Each new determination under Section 6(j) of the Act must also be published in the Federal Register. (For removal criteria see CRS Report RL30613, *North Korea: Terrorism List Removal?*.)

Paragraph 6(j)(4) of the Export Administration Act prohibits removing a country from the list unless the President first submits a report to the House Committee on Foreign Affairs, and the Senate Committees on Banking, Housing, and Urban Affairs, and Foreign Relations. When a government comes to power (i.e., a government different from that in power at the time of the last determination), the President’s report, submitted before the proposed rescission would take effect, must certify that (1) there has been a fundamental change in the leadership and policies of the government of the country concerned (this means an actual change of government as a result of an election, coup, or some other means); (2) the new government is not supporting acts of international terrorism; and (3) the new government has provided assurances that it will not support acts of international terrorism in the future. When the same government is in power, the President’s report — **submitted at least 45 days before the proposed rescission would take effect** — must justify the rescission and certify that, (1) the government concerned has not provided support for international terrorism

during the preceding 6-month period; and (2) the government concerned has provided assurances that it will not support acts of international terrorism in the future. Congress can let the President's action take effect, or pass legislation to block it, the latter most likely over the President's veto. To date Congress has passed no such legislation or resolution, although Syria would be the likely target of such endeavors, should the Administration prematurely seek its removal from the terrorism list. *Patterns 1999* notes that "if a state sponsor meets the criteria from being dropped from the terrorism list, it will be removed — notwithstanding other differences we may have with a country's other policies and actions."

Countries on the List

Currently seven countries are on the "terrorism list": Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. (For further information on states sponsoring international terrorism, see *Patterns of Global Terrorism (Patterns 1999)*, Department of State, April 2000.) Of the seven, five are Middle Eastern nations with predominantly Muslim populations. (See CRS Report 98-722, *Terrorism: Middle Eastern Groups and State Sponsors*). Of these, Iran and Iraq could currently be characterized on one extreme as active supporters of terrorism: nations that use terrorism as an instrument of policy or warfare beyond their borders. Iran, Iraq, and Libya are major oil producers, holding 17% of the world's remaining oil and producing, in 1994, 5.5% of the world's oil supply, 31% of Europe's (OECD) oil consumption, and 9% of Japan's. Such dependence on oil complicates universal support for sanctions against these nations.

On the other extreme one might place countries such as Cuba or North Korea, which at the height of the Cold War were more active, but in recent years have seemed to settle for a more passive role of granting ongoing safe haven to previously admitted individual terrorists. Closer to the middle of an active/passive spectrum is Libya, which grants safe haven to wanted terrorists. Syria, though not formally detected in an active role since 1986, reportedly uses groups in Syria and Lebanon to project power into Israel and allows groups to train in territory under its control, placing it somewhere in the middle to active end of the spectrum. And Sudan, which allows sites for training, remains an enigma. Although Sudan has been considered primarily a passive supporter, charges have been made that Sudan was actively involved in a 1995 attempt to assassinate Egyptian President Hosni Mubarak.

A complex challenge facing those charged with compiling and maintaining the list is the degree to which diminution of hard evidence of a government's active involvement indicates a real change in behavior, particularly when a past history of active support or use of terrorism as an instrument of foreign policy has been well established. Removing a country from the list is likely to result in some level of confrontation with Congress, so the bureaucratically easier solution is to maintain the status quo, or add to the list, but not to delete from it.

Iran. In a change from *Patterns 1998*, *Patterns 1999* names Iran as the most active state sponsor of terrorism despite acknowledged political changes in Iran during 1999. Iran continues to be deeply involved in the planning and execution of terrorist acts by its own agents and surrogate groups. It provides ongoing direction, safehaven, funding, training, weapons and other support to a variety of radical Islamic terrorist groups including Hizballah in Lebanon, as well as Hamas and Palestinian Islamic Jihad (PIJ) to undermine the Middle East peace process. There are press reports that Iran is building a terrorist infrastructure in the region by providing political indoctrination, military training, and financial help to dissident Shia groups in neighboring countries, including Kuwait, Bahrain, and Saudi Arabia.

Iran has reportedly concentrated efforts to make Sudan a center for terrorist training and activities and reportedly continues to conduct assassinations of writers and political dissidents beyond its borders. Iran was placed on the terrorism list in January of 1984. President Clinton has halted U.S. trade with Iran and barred U.S. companies from any involvement in the Iranian oil sector. The threat perceived from Iran as a leading supporter of terrorism is substantially raised by reports that Iran is acquiring nuclear technology and seeking nuclear weapons technology.

Iraq. On September 13, 1990, Iraq was placed once again on the terrorism list, after having been removed in 1982. Iraq's ability to instigate terror has been curbed by U.S. and U.N. sanctions which were imposed after the Kuwait invasion. Nevertheless, *Patterns 1999* indicates that Saddam Hussein's regime continues to murder dissidents and provide a safehaven for a variety of Palestinian rejectionist groups. There are numerous claims that the Iraqi intelligence is behind killings and at least one planned bombing during 1999. Iraq also provides active assistance to the MEK, a terrorist group opposed to the Teheran regime. In the past, Iraq has temporarily expelled terrorists, only to invite them back later.

Libya. Libya has a long history of involvement in international terrorism. Libya was placed on the terrorism list when it was started in December 1979 and approximately \$1 billion in bank deposits belonging to Libya are frozen by the United States. Libyan terrorism has been sharply reduced after imposition of U.N. sanctions in the wake of Libyan involvement in the bombings of Pan Am flight 103 and in the 1989 bombing of French UTA flight 772 that killed 170 persons, including seven Americans. Evidence suggests Libya has not abandoned its support for international terrorism as an instrument of foreign policy, and it still refuses to hand over some accused of terrorist acts. Throughout 1998, Libya continued to support groups opposed to the Mid-East peace process that engage in violence. Nevertheless, the response of the international community and U.S. Congress (P.L. 104-172) seems to have been relatively effective in restraining the level of Libya's outlaw behavior and may provide one model for future international action. There is no evidence of Libyan involvement in recent acts of international terrorism. In April 2000, Libya took what *Patterns 1999* notes as "an important step by surrendering ... two Libyans accused of bombing Pan Am flight 103 ... in 1988."

Syria. Syria was placed on the first terrorism list in December 1979. It is generally believed within the western community that Syria has a long history of using terrorists to advance its own interests. The United States has said that it has no evidence of Syrian government direct involvement in terrorism since 1986. Informed sources suggest, however, that the Syrian government remains active, hiding behind the sophisticated operational level of their intelligence services and their ability to mask such involvement. Many major terrorist groups are known to maintain an active presence (including training camps and operational headquarters) in Syria or in Syrian-controlled Lebanon and Syria has allowed Iran to supply Hizballah with weaponry via Damascus. Providing such support, free movement, and safe haven has caused prominent Members of Congress to contend that Syria should remain on the terrorism list, and Administration spokespersons have firmly maintained in testimony before Congress that until this problem is resolved, Syria will remain on the list. In contrast, the Administration has made it clear to Syria that it will consider removing Syria from the list should a peace treaty with Israel be signed. Some observers argue that Syria should continue to be subject to U.S. sanctions because of involvement in drug trafficking by some of its ruling elites and their alleged involvement in counterfeiting of U.S. currency.

Sudan. Sudan was added to the terrorism list in August 1993. Sudan continues to harbor members of some of the world's most violent organizations and according to *Patterns 1999* continues to serve as a refuge, nexus, and training hub for a number of terrorist organizations including Hizballah, Hamas, and bin Laden's al-Qaida organization. Egypt and Ethiopia have charged the Sudanese government with involvement in a failed assassination attempt against President Hosni Mubarak while in Ethiopia in June 1995. On September 11, 1995, the Organization for African Unity (OAU), in an unprecedented action criticizing a member, passed a resolution calling on Sudan to extradite three suspects charged in the assassination attempt to Ethiopia. The U.N. Security Council has also demanded extradition of the three suspects. Sudan continues to permit its territory to be used by Iran to transport weapons to Islamic extremist groups and as a meeting place for Iranian-backed terrorist groups.

Cuba. Fidel Castro's government has a long history of providing arms and training to terrorist organizations. A cold war carryover, Cuba was added to the 1982 U.S. list of countries supporting international terrorism based on its support for the M-19 guerrilla organization in Columbia. *Patterns 1999* does not cite evidence that Cuban officials were directly involved in sponsoring an act of terrorism in 1999, but notes that Havana remains a safe haven to several international terrorists. The report noted that Cuba no longer actively supports armed struggles in Latin America or elsewhere. Nevertheless, Havana continues to maintain close ties to other state sponsors of terrorism. The Castro regime also reportedly maintains close ties with leftist insurgent groups in Latin America.

North Korea. North Korea was added to the "official" list of countries supporting terrorism because of its implication in the bombing of a South Korean airliner on November 29, 1987, which killed 115 persons. According to the State Department, North Korea is not conclusively linked to any terrorist acts since 1987. A North Korean spokesman in 1993 condemned all forms of terrorism, and said his country resolutely opposed the encouragement and support of terrorism. A similar statement was made in November 1995. Nevertheless, North Korea continues to provide political sanctuary to members of a group that hijacked a Japan Airlines flight in 1970 and may be linked to the murder of a South Korean diplomat in Vladivostok in 1996. *Patterns 1999* notes that North Korea has made "some positive statements condemning terrorism in all its forms" and has stressed that actions triggering removal from the list "are consistent with its stated policies."

An Informal Watchlist?

Some suggest that there is utility in drawing to Congress' attention countries that do not currently qualify for inclusion in the terrorism list but where added scrutiny may be warranted. Such a list would be similar to the Attorney General's National Security Threat List that includes sponsors of international terrorism, the activities of which warrant monitoring by the FBI within the United States. Although informal, it would be controversial and speculative. But it would reflect legitimate concerns of those in the intelligence and policy community and might serve as an informal warning mechanism to countries that their activities are being scrutinized. For example, the State Department warned Pakistan in January 1993 that it was under "active continuing review" to determine whether it should be placed on the terrorism list. When the list came out in April 1993, Pakistan was not on it. (See CRS Issue Brief IB94041, *Pakistan-U.S. Relations*.) Sudan was also warned that it was being subjected to special review prior to its being placed on the terrorism list in August 1993.

Currently, some informally discussed candidates for such a list include (1) **Afghanistan**, which *Patterns 1999* characterizes as “the primary safehaven for terrorists”— concerns are that Islamic fundamentalist terrorists linked to numerous international plots continue to train and operate out of the country and/or enter or exit with impunity, and more specifically that the Taliban continues to offer sanctuary to Osama bin Laden and his associated terror networks; (2) **Pakistan** — *Patterns 1999* notes that Pakistan has tolerated terrorists living and moving freely within its territory; supported groups that engage in violence in Kashmir; and provided indirect support for terrorists in Afghanistan; (3) **Yugoslavia** — concerns remain over potential use of terrorism in reaction to NATO military operations. Another concern is that militant Iranian elements remaining in the territory of former Yugoslavia may resort to terrorist violence against European nations and the United States; (4) **Lebanon** — growing concern exists over terrorist groups operating with impunity from there, often under Syrian protection; (5) **Greece** — which *Patterns 1999* describes as “one of the weakest links in Europe’s efforts against terrorism” and where the absence of strong government measures allows terrorists “to act with virtual impunity;” and (6) **Yemen** — a growing safe haven for international terrorist groups where a growing kidnaping industry flourishes. *Patterns 1999* also reflects a growing concern in policy circles that **Chechnya** may increasingly become a magnet and rallying center for Islamic radicals and notes that concern exists that “increased radicalization of Islamist populations connected to the **Chechnya** conflict would encourage violence and spread instability elsewhere in Russia and beyond.”