



Congressional Statement Federal Bureau of Investigation

February 4, 1999

Statement for the Record of
Louis J. Freeh, Director
Federal Bureau of Investigation

on
President's Fiscal Year 2000 Budget

Before the
Senate Committee on Appropriations
Subcommittee for the Departments of Commerce, Justice, and
State, the Judiciary, and Related Agencies
Washington, D.C.

Good morning, Mr. Chairman and members of the Subcommittee. I am pleased to have this opportunity to join Attorney General Reno and Secretary of State Albright in discussing the threat to the United States posed by terrorists both abroad and at home.

At the outset, I would like to thank you and the Subcommittee for your extraordinary support for the FBI's counterterrorism programs and initiatives. Over the past several years, you have generously provided us with additional agents, technicians, and analysts, as well as the technical and forensic tools, that allow us to respond quickly and effectively to acts of terrorism against the United States and its citizens wherever they occur -- including, most recently, in Dar es Salaam, Tanzania, and Nairobi, Kenya. Annual funding for the FBI's Counterterrorism program has grown from \$78.5 million in 1993 to \$301.2 million in 1999. The number of agents funded for counterterrorism investigations has grown from 550 in 1993 to 1,383 in 1999. You have also provided additional funding for many programs in the FBI Laboratory and Critical Incident Response Group that directly support the FBI's capability for responding to the threat and acts of terrorism. I am confident that our efforts will justify your past commitment and continued support to this important area of the FBI's responsibility.

I would also like to commend the Subcommittee for its leadership in directing the preparation of the 5-year interagency plan that was submitted to the Congress on December 30, 1998. As you are aware, the preparation of the plan coincided with the preparation of two major Presidential Decision Directives regarding counterterrorism (PDD-62) and critical infrastructure protection (PDD-63). The plan was also prepared at the same time the FBI and many other agencies were responding to the terrorist bombings of United States Embassies in East Africa. I believe the Subcommittee will find the recommendations of the plan to be particularly timely, consistent with these recent executive orders, and reflect many of the lessons learned from our most recent experiences.

To help put today's discussion in perspective, I would like to start with a summary of the FBI's deployment and investigation of the recent terrorist bombings in East Africa and follow with an assessment of the current international and domestic terrorist threat and lessons learned from our recent experiences. Finally, I would like to describe current FBI counterterrorism initiatives, including those proposed in our 2000 budget request to Congress.

The Bombings in East Africa

On August 7, 1998, at approximately 10:40 a.m., local time, a bomb exploded near the United States Embassy in Dar es Salaam, Tanzania. Almost simultaneously, a

Legal Attache from Pretoria with Kenyan authorities was instrumental in that country's decision to allow the removal of two suspects for prosecution in the United States. We were also able to conduct investigation and searches in several other countries and locations.

As a result of these investigative efforts, 11 individuals associated with al-Qaeda, including Usama bin Laden, have each been indicted for conspiracy to kill United States nationals, the bombings of the United States Embassies in Tanzania and Kenya, and murder. One other individual, also an al-Qaeda member, has been indicted for conspiracy to kill United States nationals, perjury before a Federal Grand Jury, and lying to a Special Agent of the FBI. The progress and results that have been obtained in this case are the result of cooperation among many agencies, including the FBI, the Criminal Division, the United States Attorneys' offices in New York City and Washington, D.C., the Central Intelligence Agency, the Department of State, and Department of Defense, working together unselfishly in response to brutal acts of terrorism committed against the United States. Unfortunately, the bombing of United States Embassies in East Africa is only the latest in a series of international terrorist incidents directed against United States interests and policies.

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The International Terrorist Situation

The current international terrorist threat can be divided into three general categories that represent a serious and distinct threat to the United States. These categories also reflect, to a large degree, how terrorists have adapted their tactics since the 1970's by learning from past successes and failures, from becoming familiar with law enforcement capabilities and tactics, and from exploiting technologies and weapons that are increasingly available to them in the post-Cold War era.

The first threat category, state sponsors of terrorism, violates every convention of international law. State sponsors of terrorism currently designated by the Department of State are: Iran, Iraq, Syria, Sudan, Libya, Cuba, and North Korea. Put simply, these nations view terrorism as a tool of foreign policy. In recent years, the terrorist activities of Cuba and North Korea appear to have declined as the economies of these countries have deteriorated. However, the terrorist activities of the other states I mentioned continue, and in some cases, have intensified during the past several years.

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The second category of the international terrorist threat is represented by more formal terrorist organizations. These autonomous, generally transnational, organizations have their own infrastructures, personnel, financial arrangements, and training facilities. These organizations are able to plan and mount terrorist campaigns on an international basis and actively support terrorist activities in the United States.

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Extremist groups such as Lebanese Hizballah, the Egyptian Al-Gama' Al-Islamiyya, and the Palestinian Hamas have supporters in the United States who could be used to support an act of terrorism here. Hizballah ranks among the most menacing of these groups. It has staged many anti-American attacks in other countries, such as the 1983 truck bombings of the United States Embassy and the United States Marine Corps barracks in Beirut, the 1984 bombing of the United States Embassy Annex in Beirut, and the 1985 hijacking of TWA Flight 847 during which United States Navy diver Robert Stehem, a passenger on the flight, was murdered by the hijackers. Elements of Hizballah were also responsible for the kidnaping and detention of United States hostages in Lebanon throughout the 1980's.

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The activities of American cells of Hizballah, Hamas, and Al Gama' Al-Islamiyya generally revolve around fund-raising and low-level intelligence gathering. In addition, there are still significant numbers of Iranian students attending United States universities and technical institutions. A significant number of these students 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 upon these students studying in the United States for low-level intelligence and technical expertise. However, the Anjoman Islamie also represents a significant resource base upon which the government of Iran can draw to maintain the capability to mount operations against the United States, if it so decides.

The third category of international terrorist threat stems from loosely affiliated extremists, characterized by rogue terrorists such as Ramzi Ahmed Yousef and

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international terrorist financier Usama bin Laden. These loosely affiliated extremists may pose the most urgent threat to the United States because these individuals bring together groups on an ad hoc, temporary basis. By not being encumbered with the demands associated with maintaining a rigid, organizational infrastructure, these individuals are more difficult for law enforcement to track and infiltrate. Individuals such as Ramzi Yousef and Usama bin Laden have also demonstrated an ability to exploit mobility and technology to avoid detection and to conduct terrorist acts. Fortunately, in 1995, we were able to capture Yousef and return him to the United States to stand trial for the February 1993 bombing of the World Trade Center and the conspiracy to attack American aircraft overseas. Yousef was convicted in two trials and sentenced to life imprisonment.

The FBI believes that the threat posed by international terrorists in each of these categories will continue for the foreseeable future. As attention remains focused on Usama bin Laden in the aftermath of the East African bombings, I believe it is important to remember that rogue terrorists such as bin Laden represent just one type of threat that the United States faces. It is imperative that we maintain our capabilities to counter the broad range of international terrorist threats that confront the United States.

For many of us in this room, the threat of international terrorism was literally brought home by the World Trade Center bombing in February 1993. Although the plotters failed in their attempt to topple one of the twin towers into the other, an outcome that would have produced thousands of casualties, they succeeded in causing millions of dollars worth of damage in a blast that killed 6 persons and injured more than 1,000. After his capture in 1995, Ramzi Yousef, the convicted mastermind behind the New York City bombing and other terrorist acts, 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 on the rental truck used to transport the bomb helped lead investigators to them. As horrible as that act was, it could very well have been much more devastating.

We are fortunate that in the nearly six years since the World Trade Center bombing, no significant act of foreign-directed terrorism has occurred on American soil. At the same time, however, we have witnessed a pattern of terrorist attacks that are either directed at United States interests or initiated in response to United States Government policies and actions. Among these acts are:

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- 2 x the 1993 murders of two Central Intelligence Agency employees and the wounding of several others by Mir Amal Kasi in Langley, Virginia;
 - 3 x the March 1995 attack against three employees of the United States consulate in Karachi, Pakistan, which resulted in the deaths of two Americans;
 - o the July 1995 hostage taking of four western tourists, including an American, by terrorists in Kashmiri, India;
 - o the plot by Shayk Omar Abdel Rahman and his followers to bomb several New York City landmarks, including the United Nations building, the Holland and Lincoln Tunnels, and federal buildings;
 - 5 o the November 1995 bombing of a Saudi Arabian National Guard building in Riyadh, Saudi Arabia, which resulted in the deaths of five United States citizens assigned to the United States military training mission to Saudi Arabia;
 - 19 o the June 1996 bombing at the Al-Khobar Towers, Dhahran, Saudi Arabia, which resulted in the deaths of 19 United States servicemen and the injury of 240 other military personnel and dependents;
 - o a plot led by Ramzi Yousef to destroy numerous United States air carriers in a simultaneous operation;
 - o a plot, also led by Ramzi Yousef, to kidnap and kill United States diplomats and foreign officials in Pakistan;
 - o the November 1997 ambush and massacre of foreign tourists in Luxor, Egypt, which appears to have been undertaken to pressure the United States Government to release Shayk Rahman from federal prison;
 - 4 o the November 1997 murder of four United States businessmen and their driver in Karachi, Pakistan, believed to be in retaliation against the FBI's capture and rendition of Mir Amal Kasi;

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- o the kidnaping of seven Americans during 1998 in Colombia by terrorists groups, bringing to 92 the total number of United States citizens reported kidnaped in that country between 1980 and 1998, of which 12 Americans have died in captivity; and
- o the December 1998 kidnaping of a group of western tourists, including two Americans, by terrorists in Yemen, during which four hostages were killed and one American hostage wounded when Yemeni security forces attempted a rescue operation.

As these examples illustrate, the threat of terrorism is real both at home and abroad. Usama bin Laden readily acknowledges trying to obtain chemical and biological weapons for use in his jihad, or holy war, against the United States. We also know that domestic terrorist groups have also expressed interest in chemical and biological agents. The willingness of terrorists to carry out more large-scale incidents designed for maximum destruction places a larger proportion of our population at risk. Today, Americans engaged in activities as routine as working in an office building, commuting to and from work, or visiting museums and historical sites in foreign lands, can become random victims in a deadly game acted out by international terrorists. America's democratic tradition and global presence make United States citizens and interests targets for opportunists who are willing to shed the blood of innocents for their causes.

Responding to the Threat of International Terrorism

The United States has developed a strong response to international terrorism. Legislation and Executive Orders enacted over the past 15 years have strengthened the ability of the United States Government to protect its citizens through five affirmative ways: diplomacy, sanctions, covert operations, military options, and law enforcement actions. For this, the Congress and the Executive Branch deserve the gratitude of the American people. We cannot accurately gauge how many potential strikes our government's strong stand against terrorism has discouraged. We can, however, measure with considerable satisfaction the success we have had in preventing plots detected in the planning stages and our successes in investigating, locating, apprehending, and prosecuting individuals who have carried out terrorist activities. I would like to highlight two aspects of this response, renditions and fund raising, that demonstrate the commitment of the United States Government to combating terrorism.

During the past decade, the United States has successfully obtained custody of 13 suspected international terrorists from foreign countries to stand trial in the United States for acts or planned acts of terrorism against our citizens. Based on its policy of treating terrorists as criminals and applying the rule of law against them, the United States is one of the most visible and effective forces in identifying, locating, and apprehending terrorists on American soil and overseas. The majority of terrorist renditions have been accomplished with the cooperation of the foreign government in which the terrorist suspect was located. Among the individuals recently returned to the United States by this process have been Mir Amal Kasi, who shot and killed two Central Intelligence Agency employees in Langley, Virginia, in 1993, and who was rendered from Afghanistan to the United States in 1997, and Tsutomu Shirosaki, a Japanese Red Army member, who was rendered to the United States in 1996, more than 10 years after firing rockets at the United States Diplomatic Compound in Jakarta, Indonesia. Every time the United States obtains custody of a terrorist for trial, we send a clear message to terrorists everywhere that no matter how long it takes, no matter the difficulty, we will find you and you will be held accountable for your actions.

During Fiscal Year 1998, FBI investigative actions prevented 10 planned terrorist acts. Nine acts were prevented with the arrest of six members of an Illinois-based white supremacist group who were planning to target the Southern Poverty Law Center and its founder, Morris Dees; the Simon Wiesenthal Center; and the New York City office of the Anti-Defamation League of B'nai B'rith. This group had also discussed robbing an armored car using a LAW rocket; poisoning the water supply of East St. Louis, Illinois; and committing several murders, including a homosexual man, a black female attorney, a member of another white supremacist group who had made derogatory comments about the Aryan Nations, and a former member of their own group. The arrest of Byron Bazarte in August 1998 prevented the bombing of an unspecified target in Washington, D.C.

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number, the potential for destruction has increased as terrorists have turned toward large improvised explosive devices to inflict maximum damage. The ease with which people can obtain the recipes for manufacturing explosives and developing chemical and biological weapons facilitates the potential of a major incident. As technology and materials become more accessible, the possibility of misuse and subsequent fatalities increases. One has only to look at the bombing of the Murrah Federal Building, in Oklahoma City, to see the devastating potential for a terrorist act. Prior to April 19, 1995, no one would have believed that Americans would commit such a tragic act against other Americans. But they did, and the potential for another such incident continues.

Looking Forward

If there was ever any doubt about the level of commitment and determination that drives rogue terrorists to strike their perceived enemies, convicted terrorist Ramzi Yousef provided a glimpse into the mind set of these individuals. When sentenced to life imprisonment without the possibility of parole, Yousef boasted of his destructive exploits saying, "Yes, I am a terrorist and proud of it."

Today's terrorists have learned from the successes and mistakes of terrorists who went before them. The terrorists of tomorrow will learn from the successes and mistakes of the Ramzi Yousef, Usama bin Laden, and others. Tomorrow's terrorists will have an even more dizzying array of deadly weapons and technologies, including chemical and biological agents and computer networks, available to them for committing their insidious acts. We cannot lull ourselves into a false sense of security based on the capabilities that exist today and the successes we have achieved. Rather, we must continue to improve upon our existing readiness and develop the capabilities, technologies, and techniques that will be required to keep pace with acts of terrorism in the future.

The FBI has developed its Strategic Plan for 1998 - 2003 to guide us as we deal with the challenges and changing crime problems that face this organization. Under this plan, we have identified as our highest priority foreign intelligence, terrorist, and criminal activities that directly threaten the national or economic security of the United States. Two of the strategic goals set for this priority area are especially relevant to the problems we are discussing today:

- Prevent, disrupt, and defeat terrorist operations before they occur; and
- Deter the unlawful exploitation of emerging technologies by foreign powers, terrorists, and criminal elements.

Our goal is to move beyond just responding to acts of terrorism, whether these terrorist acts be bombings here in the United States or in foreign countries or cyber attacks against the national information infrastructure. We recognize that to be successful in the future, the FBI must become more proactive in dealing with these complex threats and problems.

I would like to discuss several areas that I believe are especially important to our national response to the problem posed by terrorism. In doing so, I would like to highlight some of the programs and investments the Subcommittee has supported in prior years and our requests for the 2000 budget. For 2000, the FBI is requesting increases totaling \$9,000,000 for our Counterterrorism initiative and 207 positions (60 agents) and \$36,742,000 for our Technology and Cyber Crimes initiative.

Rapid Deployment. The United States Government's response to the bombings in East Africa demonstrated the firm and unequivocal commitment to responding to acts of terrorism wherever they may occur. Terrorists must know that if they act against the United States, the FBI will pursue them relentlessly and for as long as it takes to bring them before the bar of justice.

Earlier, I described the scope of the deployment of FBI personnel to East Africa. Based on that experience, in the aftermath of the near simultaneous bombings in Tanzania and Kenya, I directed the establishment of five FBI Rapid Deployment Teams to provide a capability of responding to multiple incidents. With the funding you provided in the Omnibus Consolidated Appropriations and Emergency Supplemental Act of 1999, we are establishing teams in New York City, Washington, D.C. (2), Miami, and Los Angeles. Since the establishment of these teams, there have been three instances where teams have been placed on full alert due to the receipt of

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increasing demand for basic and advanced courses, as well as speciality courses that require advanced techniques, that cannot be met with existing facilities.

For 2000, the FBI is requesting \$9,000,000 to construct a practical problems training course at Redstone Arsenal as a first step toward improving instructional facilities. The proposed practical problems training course would be comprised of a series of mock buildings that would permit more realistic training scenarios and exercises for students.

State and local bomb technicians may be among the first emergency responders to encounter a terrorist device, including devices that may combine the use of explosives and a chemical, biological, or radiological agent. Recognizing the importance for providing State and local bomb technicians with a capability for detecting the presences of such agents, the FBI developed a multi-year initiative to provide basic equipment and chemical/biological detection technology to the approximately 630 State and local bomb technician squads across the Nation. Congress directed the Attorney General in the 1999 Justice Appropriations Act to provide \$25,000,000 from the Department's Working Capital Fund to begin this initiative. For 2000, the Department is requesting \$45,000,000 to continue this initiative which is being managed by the FBI. This request directly supports the recommendation contained in the 5-Year Interagency Counterterrorism and Technology Plan to prepare bomb technicians to address incidents involving a combination of explosives and chemical, biological, or radiological agents.

International Partnerships and Cooperation. If, as recent events seem to indicate, terrorists are going to strike against the United States through its presence and citizens in foreign countries, then it is in our national interest to develop and expand "cop-to-cop" relationships with friendly foreign law enforcement, provide basic counterterrorism crime scene and related training, and share with them our forensic and related technologies.

As I indicated earlier, FBI Legal Attaches from Cairo and Pretoria were the first non-resident United States law enforcement officials to arrive on the scene of the terrorist bombings in Dar es Salaam and Nairobi. Both of these individuals were instrumental in establishing productive relationships with the host governments and local law enforcement authorities so that our main body of agents, technicians, and others could do their jobs once they arrived. Our Legal Attaches provided critical advice to local authorities on protecting the crime scenes so that key evidence was not destroyed. And, as I also noted earlier, our Legal Attache on scene in Nairobi was instrumental in persuading Kenyan authorities to turn over to the United States tw>

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This Subcommittee has strongly supported my efforts to increase the number of FBI Legal Attache Offices. I am hopeful that we can continue to depend upon your support as we complete the four year expansion strategy that was started in 1996.

Both Tanzanian and Kenyan authorities expressed interest in receiving training and technical assistance so that they will not only be better prepared in the event of future acts of terrorism, but also out of a desire to provide more effective basic law enforcement services -- modeled after those of American law enforcement -- to their citizens. Investments in these types of cooperative programs, such as the Antiterrorism Training Assistance program of the Department of State and the International Law Enforcement Academy in Budapest, will help provide foreign law enforcement with basic knowledge, such as taking the steps needed to protect terrorism crime scenes until the arrival of FBI rapid deployment teams and prevent the contamination or destruction of evidence that could eventually be used in a United States Court to prosecute an international terrorist.

In support of the Attorney General's leadership efforts within the G-8 to strengthen international cooperation to combat terrorism, the FBI is developing the WorldFACTS system, which will provide G-8 countries with access to four FBI forensic systems: EXPRESS, which correlates information from bombing crime scenes and undetonated explosives devices, and provides a reference base for explosives; comparing and matching firearms evidence from shooting incidents and seized firearms; searching and matching latent fingerprints from crime scenes and evidence; and storing and

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