

"FIGHTING TERRORISM IN AFRICA"

Douglas Farah

Before The HOUSE COMMITTEE ON INTERNATIONAL RELATIONS
SUBCOMMITTEE ON AFRICA

April 1, 2004

Thank you for the opportunity to talk with you today about the extremely important issue of terrorism in West Africa. I represent myself here, and do not speak for the institutions I work with.

We know there are at least two international terrorist groups operating in West Africa: Hezbollah, which has long-standing, historic ties to the Lebanese diasporas centered in Abidjan, Ivory Coast and dominating trade throughout the region; and al Qaeda, which has had an interest in the regional diamond trade that extends at least back to the mid-1990s. Why would these groups chose West Africa? There are multiple reasons, but one of the most important factors is that in states such as Liberia, Sierra Leone and most others in the region, governments are weak, corrupt and exercise little control over most of the national territory. Some states, like Liberia under Charles Taylor, were in essence functioning criminal enterprises. For the right price, Taylor let al Qaeda, Russian organized crime, Balkan organized crime, Hezbollah, and other criminal elements operate under his protection. Al Qaeda sought to exploit the diamond businesses in West Africa, East Africa and Europe for many years.

New evidence has emerged to support the data already public on the al Qaeda ties to the African diamond trade. The existing data comes largely from the testimony of al Qaeda members convicted of the 1998 U.S. embassy bombings in East Africa; my own investigations on the ground into al Qaeda's ties in West Africa, particularly to Charles Taylor in Liberia and the RUF in Sierra Leone; and investigations by the London-based NGO Global Witness. Among the new elements are public statements by the prosecutor and chief investigator for the Special Court for Sierra Leone, the U.N.-backed body investigating crimes against humanity committed in Sierra Leone's brutal civil war. Both men, veteran Department of Defense employees, have verified the presence not only of the three senior al Qaeda members I had identified as running the diamond business, but the presence of at least two other senior al Qaeda terrorists.

One of the most interesting confirmations of bin Laden's personal interest in the West African diamond trade came in November 2003. Shaykh Abdul Qadir Fadlallah Mamour, a radical Senegalese Muslim cleric expelled from Italy for supporting al Qaeda, was asked by reporters if he had ever met bin Laden. Yes, Mamour replied, he had met bin Laden three times between 1993 and 1996. The reason, he said, was because bin Laden had financed Mamour's diamond business, which consisted of "selling diamonds between West Africa and Belgium."

The documentary and anecdotal evidence points to two phases in al Qaeda's diamond activities. The first started sometime before 1996, when bin Laden lived in the Sudan, and was aimed at helping finance the organization. This lasted until the end of 2000. Some of the evidence was provided by Wadi el Hage, bin Laden's personal secretary until he was arrested in September 1998. During his trial, El Hage's file of business cards, personal telephone directory and handwritten notebooks were introduced as evidence. The notebooks contain extensive notes on buying diamonds and chronicles attempts to sell diamonds across Africa and Europe. There is a page on Liberia, with telephone numbers and names. His address book and business card file were full of the names of diamond dealers and jewelers, often including the purchaser's home phone number.

Unfortunately, U.S. and European intelligence agencies paid little attention to what was viewed as secondary documents and statements in the trials. Most of el Hage's notebooks, written in Arabic, have still not been translated into English. It is not clear how profitable al Qaeda's diamonds ventures were. El Hage and others did not keep sales records. The record in Sierra Leone and Liberia is also sketchy. The first known contacts with the Taylor regime came in September 1998-just weeks after the bombings of two U.S. embassies in East Africa. A group of senior al Qaeda leaders involved in those attacks moved to West Africa, where they intermittently bought diamonds for the next two years.

The picture in West Africa changes dramatically toward the end of 2000, when senior al Qaeda operatives arrived in Monrovia, Liberia. They set up a monopoly arrangement for the purchase of diamonds through Taylor with the RUF. Then, al Qaeda buyers went on a spree that lasted several months. But here the intention was not to make money, but rather to buy the stones as a way of transferring value from other assets. This was in the months immediately prior to 9/11, when the terrorists were moving their money out of traceable financial structures into commodities in preparation for the aftermath of the attacks. To do this, the al Qaeda operatives were paying a premium over the going rate for uncut stones, leaving regular buyers without any merchandise. The pace of the purchases picked up beginning in January 2001 and lasted until just before 9/11. Telephone records from the middlemen handling the purchases show calls to Afghanistan until Sept. 10. The available evidence points to al Qaeda purchasing some \$30 million to \$50 million worth of RUF diamonds during the eight months prior to 9/11.

Hezbollah operates in a more institutional manner in West Africa, where it has been operational almost since its birth in the early 1980s. Because of the hundreds of thousands of Lebanese in West Africa--the vast majority being Shi'ite Muslims--the organization has a natural constituency and family ties that bind the region to the Lebanese conflict. Hezbollah collects donations from businesses, runs shakedown operations, operates front companies, and is also deeply involved in the "blood diamond" trade. For a glimpse of how much money Hezbollah raises in the region, consider one known case. On Dec. 25, 2003, a flight from Cotonou, Benin, in West Africa to Beirut, crashed on takeoff. On board were senior Hezbollah members, carrying \$2 million in contributions to the organization from across the region. In the diamond trade, Hezbollah operates in Sierra Leone, Liberia and the Democratic Republic of Congo. These three countries all provided diamonds as a revenue stream to all factions of the Lebanese civil war. Hezbollah remains the strongest of the groups involved in the trade. I have spoken to Hezbollah loyalists in the diamond trade in Africa. In one of the more unusual twists, these same merchants do businesses with Israeli diamond merchants. The war, one explained to me, was in the Middle East, while business was done in Africa.

In short, al Qaeda and Hezbollah have maintained an active presence in West Africa for a significant period of time.

Al Qaeda does not appear to have an extensive infrastructure in West Africa. Rather, the group was able to take advantages of the setting and resources to further its cause. I concur with Gen. Charles Wald, the deputy commander of U.S. forces in Europe, who recently noted signs of al Qaeda in northern Nigeria and Mauritania, where radical Islamic clerics have gained a foothold. "They are there for a purpose, whether looking for real estate, or recruiting or looking for arms, whatever it is, there's a presence," Wald said. "It may be small, but it's a bad indicator." Hezbollah uses the region extensively to raise funds, recruit new members and launder money. Because it is part of a large community, its presence there is much greater than that of al Qaeda, and more institutional. Because of that, it is both easier to identify and more difficult to uproot.

If the United States is serious about dealing with terrorism in Africa, the first step must be to greatly enhance human intelligence on the ground. Societies in which telephones are rare, Internet communications limited to a small percentage of the population in the capital and business deals depend largely on familial relationships, our high-tech monitoring systems are of little use. People must be on the

ground, not just in the capital but in the hinterland, to be able to map the connections and trace financial patterns that can be used by terrorists. The United States intelligence community must also take West Africa more seriously. Since the end of the Cold War West Africa, at least, has been a backwater assignment, where reports by even the most enterprising officials were ignored. The conditions that favored al Qaeda in West Africa: corruption; conflicts over natural resources that are little studied or understood; lack of government control in vast areas; the emergence of sophisticated organized criminal networks; all continue to exist These "failed states" or "stateless regions" are the ideal operating grounds for terrorists and other groups that pose significant threats U.S. national security and the stability of much of Africa.

Thank you.