

Testimony of
Matthew Epstein

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Subcommittee on Terrorism, Technology, and Homeland Security

“Saudi Support for Islamic Extremism
in the United States”

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Matthew Epstein
Assistant Director
The Investigative Project
5505 Connecticut Ave. NW #341
Washington, D.C. 20015

email: stopterror@aol.com
phone: 202.363.8602
fax: 202.966.5191

Executive Summary

Nearly two years to the day from the horrifying terrorist attacks of September 11, 2001, we must take a closer look at the organizations that claim to speak for the Muslim community in America, and how they came to such positions of influence. Despite Bush Administration outreach, large sections of the institutional Islamic leadership in America do not support U.S. counterterrorism policy, denouncing virtually every terrorism indictment, detention, deportation and investigation as religiously motivated attacks on Islam.

To be clear, I would like to state that militant Islamic fundamentalism is not synonymous with Islam the religion. The overwhelming majority of the world's more than one billion Muslims do not support violence or militancy.

The radicalization of the Islamic political leadership in the United States has developed parallel to the radicalization of the Islamic leadership worldwide, sharing a conspiratorial view that Muslims in the United States are being persecuted on the basis of their religion and an acceptance that violence in the name of Islam is justified. While such leaders protest that they have condemned terrorism, and they have in the abstract, they refuse to specifically condemn Islamist terrorist groups and leaders by name, or acknowledge responsibility for their acts of terror.

Although the high visibility of such individuals and organizations suggests broad leadership and significant followings in the United States, by many accounts, they draw support from far fewer American Muslims than they claim fall under their leadership. Unfortunately, however, militant Islamists command a disproportionate share of media and political attention as a result of substantial funding received from wealthy benefactors, led by the Saudis and their Wahhabi brand of Islam.

With deep pocketbooks and religious conviction, the Saudi Wahhabists have bankrolled a series of Islamic institutions in the United States that actively seek to undermine U.S. counterterrorism policy at home and abroad. In the United States, the Saudi Wahhabis regularly subsidize the organizations and individuals adhering to the militant ideology espoused by the Muslim Brotherhood and its murderous offshoots Hamas, Palestinian Islamic Jihad and al-Qaeda, all three of which are designated terrorist

organizations. Several of these U.S. based organizations drawing Saudi support have recently been shuttered and many of their leaders indicted, including, the Holy Land Foundation, Benevolence International Foundation and the Islamic Concern Project.

Saudi largess has similarly been bestowed upon the Council on American-Islamic Relations (CAIR), a U.S. based organization purporting to “promote a positive image of Islam and Muslims in America” and “empower the Muslim community in America through political and social activism.”¹ However, in supporting claims of religious discrimination, the Council on American-Islamic Relations and its leadership has managed to disguise its true agenda of supporting militant Islam and protecting the operations of radical groups supporting terrorism.

A careful review reveals that CAIR was a creation of the Hamas group in the United States. CAIR leaders have been heard expressing their support for Hamas both in public and on FBI surveillance tapes. CAIR has received support from, and lent support to, Hamas financial conduits in the United States. Several CAIR officers and employees have been recently indicted on terrorism-related charges. CAIR routinely questions the motives behind U.S. counterterrorism policy and law enforcement.

The rise of militant Islamic leadership in the United States requires particular attention if we are to succeed in the War on Terror. While the attacks of September 11, 2001 were executed by al-Qaeda, it is the bastions of militant Islam that provide the recruits for tomorrow’s Mohammed Attas and the political cover to conceal their operations. In this battle, we must distinguish between militant Islamic leaders, and the vast majority of Muslims in the United States and around the world who do not support their violent agenda. In preventing future attacks on American soil, we must actively drain the pools from which Islamist terrorist organizations recruit and confront the financial sponsors that create them.

¹ www.cair-net.org.

This testimony was made possible by the extensive resources of the Investigative Project, which is considered to be one of the largest non-governmental intelligence centers on militant Islamic organizations. The author would like to thank Steven Emerson, the founder and Executive Director of the Investigative Project, Tamar Tesler and Scott Rosenbaum for their input, assistance and research in the preparation of this testimony.

Introduction

Nearly two years to the day from the horrifying terrorist attacks of September 11, 2001, we must take a closer look at the organizations that claim to speak for the Muslim community in America, and how they came to such positions of influence.

Despite Bush Administration outreach, large sections of the institutional Islamic leadership in America do not support U.S. counterterrorism policy from Kabul to Gaza, and from Portland to Tampa. Listening to sermons at mosques, attending Islamic conferences, and reading Islamic publications, one would believe that the United States is engaged not in a War on Terrorism, but instead a War on Islam. In the U.S., militant Islamic leaders, operating under the false patina of serving as moderate religious, civil rights and political leaders, have denounced virtually every terrorism indictment, detention, deportation and investigation as religiously motivated attacks on Islam.

Instead of trying to cleanse the Islamic community from the extremism that exercises disproportionate influence, various Islamic leaders, claiming that they represent the majority of Muslims, have instead sought to portray counterterrorism efforts as part of an orchestrated campaign against Islam. Such a position only serves to protect the radicals and the terrorists who, as they did before 9/11, sought refuge in the unwillingness of American policymakers to distinguish militant Islamic supporters from the vast majority of Muslims who abjure violence.

To be clear, I would like to state that militant Islamic fundamentalism is not synonymous with Islam the religion. The overwhelming majority of the world's more than one billion Muslims do not support violence or militancy.

The radicalization of the Islamic political leadership in the United States has developed parallel to the radicalization of the Islamic leadership worldwide. They share several common characteristics, including (1) an increasingly pervasive conspiratorial view that Muslims in the United States and around the world are being persecuted on the basis of their religion, (2) a similarly conspiratorial belief that Western nations, led by the United States, aim to destroy Islamic culture, and (3) an acceptance that violence in the name of Islam is justified in the face of western aggression against the *ummah* (Islamic community). As a result, the institutional Muslim leadership in the United States, mirroring the rise of militant Islam, has grown increasingly anti-Western and anti-U.S. Various Islamic religious and political leaders have depicted U.S. counterterrorism as anti-Muslim in an effort to de-legitimize counterterrorism measures at home as religious witch-hunts.

While such leaders protest that they have condemned terrorism, and they have in the abstract, they refuse to specifically condemn Islamist terrorist groups and leaders by name, or acknowledge responsibility for their acts of terror. For example, in November of 1994, Nihad Awad, the Executive Director of the Council on American-Islamic Relations (CAIR), was interviewed on the CBS news program *60 Minutes*. Awad was asked his views on Hamas less than four weeks after the group took responsibility for a suicide bus bombing that killed 23 Israelis²:

“Mike Wallace: What do you think of the military undertakings of Hamas?

Nihad Awad: Well, I think that’s -- that’s for the people there to judge.

Wallace: I’m asking you.

Awad: The -- the United Nations Charter grants people who are under occupation to defend themselves against illegal occupation.”³

In June of 2000, Hussein Ibish, the communications director for the American Arab Anti-Discrimination Committee (ADC), was a guest on CNBC. Ibish was asked his views Hizbollah, and organization responsible for the deaths 241 American Marines:

“RIVERA: How do you stand about Hizbollah and Hamas? Do you condemn them?

² Associated Press. “Massive Security Effort Launched For Clinton’s Mideast Visit,” October 25, 1994.

³ CBS News Transcript. *60 Minutes*, November 13, 1994.

IBISH: I--it's not up to me to condemn people. I think he's absolutely...

RIVERA: But I want to know. How do you feel about them?

IBISH: No. I think that Hizbollah fought a very good war against the Israelis, a guerrilla war, a popular war that was clearly shown to be a war of liberation and that had the support of the majority of the south Lebanese people.”⁴

In exploring the factors behind the radicalization of the Islamic leaders in the United States, one element may have had the greatest impact: a flood of Persian Gulf dollars, primarily from Saudi Arabia, funding the penetration of militant Islam in the United States. This testimony will explore the vehicles through which militant Islamists cause the propagation of anti-Western religious, political and social Islam in the United States.

Foreign Sponsorship of Militant Islamic Agenda in the United States

Wealthy militant Islamic patrons from Saudi Arabia and other Persian Gulf kingdoms, as well as the governments themselves, have for years financed and otherwise supported a number of organizations in the United States that advance the agenda of propagating their violent strain of Islam known as Wahhabism. In recent months, major media, scholars of Islam and high ranking government officials have provided detailed accounts of Saudi support for Islamic extremism worldwide. Islamic militants have declared the United States a crucial battleground in their bid to extend their ideology worldwide. In this vein, they have richly supported U.S. based organizations operating as charitable associations, religious institutions, civil rights groups and political action committees which all have militant Islamic purposes.

The goals and means of this movement are discussed at conferences and conventions held across the country, such as the statements made by Abdulrahman Alamoudi, then head of the American Muslim Council (AMC), at the 1996 Islamic Association for Palestine conference held in Chicago, Illinois:

⁴ ADC Communications Director Hussein Ibish interviewed on Rivera Live on CNBC, June 5, 2000.

“It depends on me and you, either we do it now or we do it after a hundred years, but this country will become a Muslim country. And I [think] if we are outside this country, we can say oh, Allah destroy America but once we are here, our mission in this country is to change it. And (the prophet) told us that there are three ways of changing things, either by your hand or your mouth or within yourself, and we can change it by our hand and by our mouth, but positively. There is no way for Muslims to be violent in America, no way. We have other means to do it. You can be violent anywhere else but in America.”⁵

While stating he is against attacks in the United States, Alamoudi is not opposed to violence per se, but rather carrying out attacks on U.S. soil; he implicitly gave the green light for attacks on the U.S. overseas. When he says this country will become a Muslim country, a statement which would rarely come to public light, he is reflecting a hidden agenda in which the U.S. is viewed as becoming part of the Islamic empire.

Alamoudi, far from a fringe player in American politics, was the Executive Director of the American Muslim Council (AMC). Alamoudi’s organization was addressed by FBI director Robert Mueller at its 2002 annual convention held in Alexandria, Virginia and called “the most mainstream Muslim group in the United States” by Mueller’s spokesman.

In order to provide cover for their militant Islamic agenda and activities, extremists routinely seek to undermine U.S. counterterrorism measures. Along these lines, U.S. law enforcement is depicted as bias and racist. For example, on an informational compact disc distributed at some mosques in the Washington, D.C. metropolitan area, immigration and civil rights attorney Ashraf Nubani warned that:

“There is no reason, in general, that anyone should ever, ever, ever talk to law enforcement as Muslims in the United States. The FBI is just a tool of whoever is wielding it...and right now, it is very bad, it is very bad, it is very bad.”⁶

Similarly, groups such as AMC and the National Coalition to Protect Political Freedom authored and distributed warnings that Muslims in America not talk to the FBI. Posted on AMC’s website as late as 2001 was the following:

⁵ Abdulrahman Alamoudi. Islamic Association of Palestine Conference, Chicago, Illinois, 1996.

⁶ Compact Disc recording featuring Ashraf Nubani. Obtained from Washington D.C. metropolitan area mosque August 2003.

“Why not Talk? The FBI is looking for information to use against you, your family and/or your community. The FBI has a history of harassing and harming minority and immigrant communities. Some people are spending a long time in jail because they or their friends talked to the FBI.”⁷

Although the high visibility of such individuals and organizations suggests broad leadership and significant followings in the United States, by many accounts, they draw support from far fewer American Muslims than they claim fall under their leadership. As stated by the late Seif Ashmawy, former publisher of the Voice of Peace and someone who has testified before Congress on the activities of Muslim extremists and their ability to infiltrate and deceive the American public, “...both organizations [CAIR and AMC] champion extremists whose views do not represent Islam. They do not represent moderate Muslims such as myself.”⁸ Unfortunately, militant Islamists command a disproportionate share of media and political attention as a result of substantial funding received from wealthy benefactors, led by the Saudis and their Wahhabi brand of Islam.

With deep pocketbooks and religious conviction, the Saudi Wahhabists have bankrolled a series of Islamic institutions in the United States that actively seek to undermine U.S. counterterrorism policy at home and abroad. From Islamic centers to student associations, from relief organizations to bookstores, an ideology committed to the destruction of Western civilization is being offered as the only solution to the plight of the *ummah*. Saudi and Kuwaiti organizations including the World Assembly of Muslim Youth (WAMY) and the International Islamic Federation of Students Organizations (IIFSO) actively promote religious hatred and violence through the publication of books such as *The Protocols of the Elders of Zion* and the *Muslim Brotherhood*. *Islamic Views* is an Arabic language book written by WAMY, a Saudi government sponsored organization. Printed by the Saudi Government’s *Armed Forces Printing Press*, *Islamic Views* teaches that Islam “is a religion of *Jihad*” and that *Jihad* “was an answer for the Jews, the liars.”

“[T]each our children to love taking revenge on the Jews and the oppressors, and teach them that our youngsters will liberate

⁷ Posted on <http://amconline.org/main.shtml>. “In the case of FBI: Know Your Rights!” 2001.

⁸ Pittsburgh Newsweekly. “A CAIR-free Muslim,” January 16-22, 1996.

Palestine and al-Quds when they go back to Islam and make *Jihad* for the sake of Allah.”⁹

The Muslim Brotherhood, a book published by the Kuwaiti IIFSO and listed on their website as late as July 2001¹⁰, reads:

“...we want Muslim individual, Muslim family, Muslim nation, Muslim government, and a state that should be able to lead the Islamic governments, should be able to unite the dispersed Muslims, should be able to regain their honor and superiority, should be able to recover their lost lands, their usurped regions, and their occupied territories. Then it should be able to raise the flag of Jihad and the Call towards Allah till the entire world is benefited by Islamic teachings...

We want to make the whole world bow before the word of Allah. The command of Allah is:

*‘And fight with them till no mischief remains, and the religion is all for Allah.’*¹¹

In the United States, the Saudi Wahhabis regularly subsidize the organizations and individuals adhering to the militant ideology espoused by the Muslim Brotherhood and its murderous offshoots Hamas, Palestinian Islamic Jihad and al-Qaeda, all three of which are designated terrorist organizations.¹² By way of example, Saudi financial and operational support have been bestowed upon U.S. based “relief organizations” such as the Holy Land Foundation (Hamas) and Benevolence International Foundation (al-Qaeda), and “research institutes” such as the World Islam Studies Enterprise (Palestinian Islamic Jihad). In the last two years, all three of these U.S. organizations have been shut down as terrorist fronts or conduits and many of their leaders have been jailed on terrorism-related charges.

Several other organizations sustaining militant Islamic ideologies continue to function in the United States, including the American Muslim Council (AMC), the Islamic Society of North America (ISNA), the International Institute of Islamic Thought (IIIT) and Mercy International – USA. Such organizations have all benefited from Saudi

⁹ Saudi Armed Forces Printing Press. “Islamic Views,” 13th Edition, circa 1991.

¹⁰ www.iifso.org/book.htm, as of June 10, 2003

¹¹ Saeed Hawwa. “The Muslim Brotherhood,” International Islamic Federation of Student Organizations, 1985.

¹² Office of Foreign Assets Control. “Specially Designated Nationals and Blocked Persons,” September 5, 2003.

and other Persian Gulf support. These groups frequently cooperate on rallies, conferences and fundraising activities.

Similarly, Saudi largess has been bestowed upon the Council on American-Islamic Relations (CAIR), a U.S. based organization purporting to “promote a positive image of Islam and Muslims in America” and “empower the Muslim community in America through political and social activism.”¹³ Founded in 1994, CAIR’s stated mission is to actively combat “anti-Muslim discrimination nationwide.”¹⁴ However, in supporting claims of religious discrimination, the Council on American-Islamic Relations and its leadership has managed to disguise its true agenda of supporting militant Islam and protecting the operations of radical groups supporting terrorism.

A careful review reveals that the Council on American Islamic Relations and its leadership promote a militant strain of Islam in the United States, including anti-Western sentiments and support for violent Islamic causes. As with other such organizations in America, CAIR has received significant economic, political and operational support from Saudi funders.

The Council on American-Islamic Relations & Militant Islam

CAIR & Hamas

- The ideological and organizational roots of the Council on American-Islamic Relations can be found in the extremist Muslim Brotherhood and its violent Palestinian offshoot Hamas. In 1994, CAIR was founded by two officials from the Islamic Associate for Palestine (IAP), a primary U.S. based support organization for Hamas.

IAP & the origins of CAIR:

- In an article published in *The Link*, CAIR founder and Executive Director Nihad Awad explained that,

¹³ www.cair-net.org.

¹⁴Nihad Awad. “Muslim-Americans in Mainstream America,” *The Link*, February-March 2000.

“After the Gulf War was over, I was offered a job with the Islamic Association for Palestine (IAP) as their public relations director...In this effort I worked closely with IAP president Omar Ahmad...Omar suggested to me that we leave the IAP and concentrate on combating anti-Muslim discrimination...In June 1994, we used a modest donation as a starting budget to open the Council on American-Islamic Relations (CAIR) in Washington, D.C.”¹⁵

- The first manifestation of Hamas’ presence in the United States was the creation of the Islamic Association for Palestine for North America (IAP) in 1981.¹⁶ Founded by Hamas leader Mousa Abu Marzook, IAP has served as a Hamas support organization in the United States by publishing Hamas communiqués, distributing Hamas recruitment videos and hosting conferences raising monetary and popular support for Hamas. Marzook has been listed by the Treasury Department as a Specially Designated Global Terrorist.
- IAP conferences held in the United States routinely incite hatred, including this incendiary statement clearly aimed at provoking violence against the U.S., made by a Hamas supporter at an IAP conference after the 1991 Gulf War:

“Dear brothers and sisters, we used to cross swords with America and with imperialism in a sportive way, by means of culture clash, by critique and writing in newspapers and journals and in debates. But the confrontation has reached a point of no return. All veils have fallen. All barriers have broken down. And today, America is right here at your doorstep, in everybody's house...The marines, dear brothers, are stealing the doors of your houses, and the doors of your mosques, in obstinate and open provocation. They are at our doors. Their plan is to penetrate the flesh of our girls. And our honor, and our values, in order to turn our society into a pervert nation.”¹⁷

The speaker was standing in front of a banner with “Hamas” spelled out in Arabic using human skulls, under the heading “Islamic Association for Palestine.”

- In an August 2002 court decision regarding the freezing of terrorist assets in the United States, a federal court judge found that “the Islamic Association for

¹⁵Nihad Awad. “Muslim-Americans in Mainstream America,” *The Link*, February-March 2000.

¹⁶ *Boim v. Quranic Literacy Institute, et al.* 127 F. Supp. 2d 1002, USDC Northern District of Illinois. January 10, 2001. Hamas was not formally established until 1987, until which time Hamas leaders operated under the Muslim Brotherhood in Palestine, the predecessor to Hamas.

¹⁷ Videotape. IAP Conference on Palestine.

- Palestine has acted in support of Hamas.”¹⁸ The decision was issued in support of the December 2001 Executive Order freezing the assets of the Holy Land Foundation for Relief and Development (HLF). The Treasury Department announced that the “U.S.-based Holy Land Foundation for Relief and Development provides millions of dollars each year that is used by HAMAS.”¹⁹
- CAIR received a \$5,000 initial disbursement from HLF in 1994.²⁰
 - In a March 1994 speech at Barry University, future CAIR Executive Director Nihad Awad announced, “...after I researched the situation inside and outside Palestine, I am in support of the Hamas movement...”²¹
 - On FBI wiretaps recorded in 1993, Omar Ahmed, who has served as President of IAP and Board Chairman of CAIR, is overheard professing his commitment to Hamas. According to the FBI translation and summary of the conversation:

“Another member [Ahmed] said we (the Union [IAP]) can’t, as an American organization say we represent Samah (pronouncing Hamas from the rear to the front). Can we go to the Congressman and tell him, I am Omar Yehya [Ahmed], Chairman of the Union [IAP], Yassir Arafat doesn’t represent me, but Ahmad Yasin does?”

An FBI note explains that “Ahmed Yasin” is Sheikh Ahmad Yassin, the spiritual leader of HAMAS.”²²
 - As Omar Ahmed suggests, CAIR has an active lobbying effort in Washington, D.C. and across the country. CAIR officials frequently meet with representatives from the White House, the State Department,²³ Congress and the FBI.²⁴ In 1997, CAIR Executive Director Nihad Awad was appointed to

¹⁸ Holy Land Foundation for Relief and Development vs. John Ashcroft in his official capacity as Attorney General of the United States. Civil Action # 02-422.

¹⁹ Treasury Department Office of Public Affairs. “Shutting Down the Terrorist Financial Network,” December 4, 2001.

²⁰ IRS Form 1023, Holy Land Foundation for Relief and Development.

²¹ Statement by Nihad Awad at a panel discussion, “The Road to Peace: the Challenge of the Middle East,” Barry University, March 22, 1994.

²² Exhibit 28 to HLF evidence submitted in support of Holy Land Foundation for Relief and Development vs. John Ashcroft in his official capacity as Attorney General of the United States. Civil Action # 02-422.

²³ CAIR News brief. “State Department PR Head Meets with U.S. Muslims,” Washington D.C., November 26, 2001.

²⁴ American Muslim News Briefs. “CAIR Meets with Administration officials to Discuss Community Concerns,” CAIR-net.org, September 18, 2001.

the “Civil Rights Advisory Panel to the White House on Aviation Safety and Security.”²⁵

- Future CAIR leadership was present at the infamous “1993 Philadelphia meeting,” which FBI documents describe as “a meeting in the United States among senior leaders of HAMAS, HLF RD and IAP.” According to FBI documents, the meeting was attended by future CAIR board chairman Omar Yahya Ahmed²⁶ and future founding board member of the Texas CAIR chapter Ghassan Elashi.²⁷ According to an FBI action memorandum analyzing wiretaps of the meeting:

“The overall goal of the meeting was to develop a strategy to defeat the Israeli/Palestinian peace accord, and to continue and improve their [HAMAS] fund-raising and political activities in the United States...

The participants decided that for fund-raising purposes, the United States theater was very valuable to them. They stated they could not afford to lose it. **In the United States**, they could raise funds, propagate their political goals, affect public opinion and influence decision-making of the U.S. Government.

It was mentioned that the United States provided them with a secure, legal base from which to operate. The democratic environment in the United States allowed them to perform activities that are extremely important to their cause. In discussing financial matters the participants stated a belief that continuation of the Holy War was inevitable.

It was decided that most or almost all of the funds collected in the future should be directed to enhance the Islamic Resistance Movement and to weaken the self-rule government. Holy War efforts should be supported by increasing spending on the injured, the prisoners and their families, and the martyrs and their families.”²⁸

The fact that participants in this senior Hamas meeting would go on to organize CAIR in the United States exposes the militant Islamic disposition of CAIR leadership.

²⁵ CV of Nihad Awad. Posted on

<http://www.islamonline.net/livedialogue/english/Guestcv.asp?hGuestID=Z7oSDW>.

²⁶ Exhibit 14 to HLF evidence submitted in support of Holy Land Foundation for Relief and Development vs. John Ashcroft in his official capacity as Attorney General of the United States. Civil Action # 02-422.

²⁷ Action Memorandum from Dale Watson, Assistant Director Counterterrorism Division FBI, to Richard Newcomb, Office of Foreign Assets Control. “Holy Land Foundation for Relief and Development International Emergency Economic Powers Act,” November 5 2001; Texas Secretary of State. Articles of Incorporation, Council on American Islamic Relations, September 29, 1998.

²⁸ Action Memorandum from Dale Watson, Assistant Director Counterterrorism Division FBI, to Richard Newcomb, Office of Foreign Assets Control. “Holy Land Foundation for Relief and Development International Emergency Economic Powers Act,” November 5 2001.

- CAIR actively raised money for HLF via their mailing list *CAIR-NET*.²⁹ In 2001, HLF's assets were frozen by the Treasury Department, which found the organization to be a Hamas conduit. The Texas chapter of CAIR and HLF share a common founder in Ghassan Elashi. As stated above, Elashi himself was present at the 1993 Philadelphia meeting that planned Hamas fundraising in the United States. This meeting shows that future leadership of CAIR participated in meetings with senior Hamas leaders and discussed Hamas fundraising in the United States.

CAIR Leadership Under Indictment

In the last year, at least three former CAIR employees or directors have been indicted on terrorism, money laundering or fraud related charges. Ghassan Elashi, a founding board member of CAIR's Texas chapter,³⁰ was indicted on charges of engaging in financial transactions with terrorist entities. In addition, former CAIR employees Ismail Randall Royer and Bassam Khafagi were indicted in separate investigations out of the Eastern District of Virginia and the Eastern District of Michigan.

- Ghassan Elashi was a founding board member of the Texas chapter of CAIR.³¹ Ghassan Elashi was also a founder of the now frozen HLF, originally known as the Occupied Land Fund.³² On December 17, 2002, Elashi was indicted in the Northern District of Texas for engaging in financial transactions with Hamas leader Musa Abu Marzook, a Specially Designated Terrorist. According to the indictment, Elashi and his company Infocom received at least \$250,000 of investment capital from accounts controlled by Marzook.³³

²⁹ CAIR-NET. "CAIR: American Muslims Asked to Pray for Palestinians," September 9, 1996.

³⁰ Texas Secretary of State. Articles of Incorporation, Council on American Islamic Relations, September 29, 1998.

³¹ Texas Secretary of State. Article of Incorporation, Council on American Islamic Relations, September 29, 1998.

³² California Secretary of State. Article of Incorporation, Occupied Land Fund, January 11, 1989.

³³ United States v. Bayan Elashi, Ghassan Elashi, et al. United States District Court for the Northern District of Texas. December 17, 2002.

- In June 2003, Randall Todd Royer (aka Ismail Royer), who had served as a CAIR Communications Specialist,³⁴ was indicted by a Grand Jury on charges that he and 10 other Muslim men were part of a conspiracy to support “violent jihad” overseas. The indictment states that Royer traveled to Pakistan and trained with weapons at Lashkar E-Tayyiba terrorist camps, where he also fired automatic weapons at Indian troops.³⁵ Lashkar E-Tayyiba has been designed by the Treasury Department as a terrorist organization. Members of Royer’s group declared that their intent was to fight against Americans in Afghanistan.³⁶ In the mid-1990’s, Royer engaged in military warfare when he joined a combat unit of Muslim irregulars in Bosnia-Herzegovina.³⁷

In a May 2003 Washington Times editorial, Royer identified himself as the Communications director for the National Liberty Fund,³⁸ an organization created to raise money for the legal defense of indicted Palestinian Islamic Jihad leader Sami al-Arian.³⁹ Criticizing the government’s case, Royer stated, “One wonders why the government bothered to indict him if it was not prepared to go to trial.”⁴⁰

According to a biography posted on IslamOnline.net, Royer served as CAIR’s Communication Specialist starting in 1997.⁴¹ He worked for CAIR at least through late October 2001 according to reports in the media. Thus, while he was still working for CAIR, Royer purchased an AK-47 assault rifle and 219 rounds of ammunition, distributed newsletters for a group later designated as a foreign terrorist organization and fired at Indian targets in Kashmir, according to a federal indictment.⁴²

- In January 2003, Bassam Khafagi was indicted and arrested on bank fraud charges involving checks and money transfers between his corporation, International Media

³⁴ Biography for Ismail Royer posted by IslamOnline.

³⁵ United States of America v. Randall Todd Royer, et. al. United States District Court for the Eastern District of Virginia, June 2003 Term – At Alexandria.

³⁶ Oral Hearings. United States of America v. Randall Todd Royer, et. al. United States District Court for the Eastern District of Virginia.

³⁷ Washington Post. “Virginia Jihad Suspects: 11 Men, Two Views,” August 8, 2003.

³⁸ Randall Royer. “Jihad Suspect on Trial,” Washington Times, May 29, 2003.

³⁹ <http://www.nationallibertyfund.org>; Flyer, “Stand up for Justice,” Fundraiser for Dr. Sami al-Arian’s Legal Defense Fund, April 10, 2003.

⁴⁰ Randall Royer. “Jihad Suspect on Trial,” Washington Times, May 29, 2003.

⁴¹ Biography for Ismail Royer posted by IslamOnline.net.

⁴² United States of America v. Randall Todd Royer, et. al. United States District Court for the Eastern District of Virginia, June 2003 Term – At Alexandria.

Group, Inc., and personal bank accounts.⁴³ As late as November 1, 2002, Khafagi served as Director of Community Relations for the Council on Islamic-American Relations (CAIR).⁴⁴ According to media reports, Khafagi employed by CAIR at the time of his arrest.⁴⁵

Khafagi was also a founding member and President of the Islamic Assembly of North America (IANA).⁴⁶ According to corporate records, Khafagi served in a leadership position at IANA during the time senior Al-Qaida recruiter Abdelrahman Al-Dosari (a.k.a. Shaykh Abu Abdel Aziz “Barbaros”) spoke at IANA’s 1993, 1994 and 1995 conferences.⁴⁷

CAIR Supports 9/11 Conspiracy Theories Absolving Osama bin Laden

As part of its agenda to undermine U.S. counterterrorism measures, CAIR officials and representatives have openly espoused conspiracy theories questioning al-Qaeda’s responsibility for 9/11.

- On October 7, 2001, CAIR-New York Executive Director Ghazi Khankan asked an audience:

“Why is it assumed that Muslims were behind the attack on 9/11? We know at least three people assumed to be hijackers who are still alive in the Middle East. The question is, who is impersonating these Muslim names? Who benefits from assuming Muslims are behind this tragedy and who benefits from this tragedy? I think the media should seriously go and investigate these three and find out if they are really the 3 hijackers or someone else is impersonating them. I think it is a very important thing that we insist the media not cover up these facts.”⁴⁸

- On October 5, 2001, CAIR-New York encouraged its constituents to write letters to the Editor of the New York Times questioning the identity of the 9/11 hijackers:

⁴³ United States of America v. Bassem Kamel Khafagi, United States District Court of Michigan.

⁴⁴ Khafagi was listed as the Director of Community Relations for CAIR at a fundraiser held on November 1, 2002.

⁴⁵ Spokesman Review. “Egyptian with UI ties held in probe,” March 14, 2003.

⁴⁶ Colorado Secretary of State. Islamic Assembly of North America, May 10, 1994.

⁴⁷ Shaykh Abu Abdel Aziz. “Jihad and Revival,” Islamic Assembly of North America (IANA) 1993 Conference; Chicago, IL.

⁴⁸ CAIR 7th Annual Fundraising Dinner. “Braving the Storm,” Vienna, VA, October 7, 2001

“The important questions are: Who is impersonating these three Muslim Arabs? Why are Muslim Arabs been implicated in this terrorism? And, who could ‘benefit’ from this horrific tragedy? Definitely mainstream Muslims by the consensus of Islamic religious scholars since the dawn of Al-Islam could NOT be the culprits...”⁴⁹

CAIR Defends Islamic Terrorists and Their Financiers

In an effort to undermine the financial War on Terrorism largely carried out by the Department of Justice, Department of Treasury and the new Bureau of Customs and Immigration Enforcement, CAIR officials have decried the arrest of terrorist leaders and the seizing of terrorist assets in the U.S. as baseless witch hunts.

- Questioning the arrest of indicted Palestinian Islamic Jihad leader Sami Al-Arian, CAIR Board Chairman Omar Ahmed said,

“...we are very concerned that the government would bring charges after investigating an individual for many years without offering any evidence of criminal activity. This action could leave the impression that Al-Arian’s arrest is based on political considerations, not legitimate national security concerns.”⁵⁰

Of course, the arrest of Sami al-Arian was the culmination of a 100+ page indictment drawing upon thousands of hours of wiretaps and videotapes, and thousands of pages of documents. However, Ahmed surely knows that his constituents will never review the indictment or evidence. The effect of Ahmed’s statement is to undermine Muslim support for U.S. law enforcement and create fear in the Islamic community that the U.S. government is their enemy.

- Following the arrest of the Elashi brothers for engaging in financial transactions with designated terrorists, CAIR-Dallas chairman Mohamed Elmougy defended the Elashis stating, “All I can tell you is the community is behind the Elashi brothers, and they are caught in a kind of political game.”⁵¹

⁴⁹ New York Times Letter to the Editor. “True Muslims Cannot Commit Suicide nor Kill Innocent Civilians. That is Why Recognized Muslims Are not Part of the WTC Tragic Attack,” as posted on <http://www.cair-ny.com/>, October 5, 2001.

⁵⁰ <http://www.pakistanlink.com/Community/2003/Feb/28/10.html>, April 25, 2003.

⁵¹ Associated Press. “Aid Sought for 5 Suspected of Terror Ties,” February 15, 2003.

- In May 2003, Johns Hopkins School of Advanced International Studies hosted a forum titled “Bridging the Gap Between America and the Muslim World: The Role of Muslim and Arab American Organizations.” Guest speaker and CAIR Executive Director Nihad Awad commented on the closure of Islamic charities in the United States. On the issue of the shutting down Islamic relief groups that served as conduits for terrorism, and in particular the Benevolence International Foundation, Awad observed that:

“Some of these relief organizations, serious charges against them were plea-bargained. And they ended up just charging one of the officials of that relief organization in Chicago of giving boots to Bosnian soldiers at the time when the US government was helping the Bosnian people. ...

I am sure if we...put under the microscope, every major civic or political organization in this country, including the Red Cross, you will see that some few dollars went here and there in some country, but we don’t shut down the entire operation of the Red Cross because it hurts millions of people.”⁵²

The relief organization in Chicago identified by Awad is Benevolence International Foundation (BIF). During the sentencing hearing for BIF leader Enaam Arnout, the Chicago U.S. Attorneys filed a response clearly stating that BIF and its leaders had provided significant financial and operational support to al-Qaeda:

“As defendant now acknowledges, defendant became well-acquainted with Usama Bin Laden and *al Qaeda* in the 1980s, having spent significant time in bin Laden’s *al Masada* camp in Afghanistan and then living in Bin Laden’s house. In 1997, defendant arranged to preserve in electronic form historical documents concerning Usama Bin Laden and *al Qaeda* as well as other persons and groups. These items, which have been discussed in detail in the government’s *Santiago Proffer* and other filings, include the August 1988 minutes of the founding of *al Qaeda* and handwritten notes taken by defendant himself in October 1988 of a *shura* (“consultation”) council meeting at Bin Laden’s house involving Bin Laden and others that occurred two months after *al Qaeda* had been formed.

In or about 1993, Bin Laden advised *al Qaeda* member Jamal Ahmed al Fadl that *al Qaeda* was using several charities to fund its operations overseas, specifically naming *al Birr*, which translates in English to “Benevolence.” Al Fadl understood from conversations with Bin Laden and others in *al Qaeda* that the charities would receive funds that could be withdrawn in cash and a portion of the money used for legitimate relief purposes and another portion diverted for *al*

⁵² Audiotape of Nihad Awad speaking at Johns Hopkins SAIS. “Bridging the Gap Between America and the Muslim World: The Role of Muslim and Arab American Organizations,” *Conflict Prevention and Resolution Forum*. May 13, 2003.

Qaeda operations. The charities also provided assistance for *mujahideen* who traveled.”⁵³

Belittling the significance of BIF support for terrorism serves only to discredit counterterrorism law enforcement and incite the Islamic community.

- Following the 1998 attacks on the U.S. Embassies in East Africa, a Los Angeles television station posted a billboard advertisement featuring a picture of Osama bin Laden with the headline “the sworn enemy.” CAIR issued a press release protesting that the billboard was “offensive to Muslims.”⁵⁴

CAIR Sponsors Rallies and Conferences that Support Terrorism

- On May 24, 1998, CAIR co-sponsored a rally at Brooklyn College.⁵⁵ One of the featured speakers, Wagdy Ghuniem, advised the audience that, “Allah says, he who equips a warrior of Jihad is like the one who makes Jihad himself.”⁵⁶
- On October 28, 2000, CAIR co-sponsored a rally in Washington DC where invited speaker Abdurahman Alamoudi proclaimed, “Hear that, Bill Clinton, we are all supporters of Hamas – Allahu Akbar. I wish they added that I am also a supporter of Hezbollah.”⁵⁷

Saudi Support for CAIR

In a press release dated November 8, 2001, CAIR officials proclaimed that they do not receive support from foreign sources:

⁵³ United States of America v. Anaam Arnout, Government’s Response to Defendant’s Position Paper as to Sentencing Factors, USDC Northern District of Illinois.

⁵⁴ CAIR-Southern California Action Alert. “CAIR demands removal of billboard stereotyping Muslims,” October 28, 1998.

⁵⁵ MSANEWS. Direct Submission from the IAP Information Office, “50 Years of Occupation,” May 23, 1998.

⁵⁶ Audiotape. Brooklyn College, New York, May 24, 1998.

⁵⁷ Videotape. Anti-Israel Rally, Washington DC, October 28, 2000.

“We do not support directly or indirectly, or receive support from, any overseas group or government. In all its actions and statements, CAIR seeks to reflect the mainstream beliefs and views of the Muslim community in North America.”⁵⁸

But in fact, records show that CAIR received significant Saudi financial support to sustain and expand its American operations.

World Assembly of Muslim Youth (WAMY)

CAIR has repeatedly sent representatives to Saudi Arabia seeking financial and political support. CAIR often received such support from the World Assembly of Muslim Youth (WAMY).

The relationship between WAMY and the Saudi government was perhaps best described by Dr Abdul Wahab Noorwali, Assistant Secretary General of WAMY, “Saudi Arabia's support has been enormous since the establishment of WAMY in 1963. The Kingdom provides us with a supportive environment that allows us to work openly within the society to collect funds and spread activities. It also provides us with protection abroad through Saudi embassies and consulates, in addition to financial support.”⁵⁹ Abdullah Naseef, Vice Chairman of the *Majlis as-Shura* of the Saudi Arabian Government, Vice Chairman of WAMY and former Secretary-General of the Muslim World League, explained “Praise is due to Allah SWT and then to the kings of Saudi Arabia who supported this pioneering organization and other non-governmental bodies such as the Muslim World League in Makkah in 1962 and the World Assembly of Muslim Youth in Riyadh in 1973.”⁶⁰

- In 1998, the *Saudi Gazette* reported that CAIR’s Executive Director Nihad Awad addressed a press conference at the WAMY headquarters in Riyadh, Saudi Arabia. According to the report, “He [Awad] said CAIR needed funds to fight discrimination against Muslims, to promote the true image of Islam and to combat the anti-Islamic propaganda.”⁶¹

⁵⁸ CAIR Press Release. “Islamophobic Smear Campaign Goes Public.” November 8, 2001.

⁵⁹ Middle East Newsfile. “WAMY Team in Afghanistan Risks Life to Deliver Aid,” November 20, 2001.

⁶⁰ <http://www.iiasa.org/researchcenter/symposium.htm> accessed July 27, 2003.

⁶¹ Saudi Gazette. “Nike Violating agreement on Offensive Logo says CAIR,” July 3, 1998.

- According to a December 23, 1999 *Arab News* article, Dr. Hamid Shaygi, assistant Secretary General of WAMY announced at a Riyadh press conference, with Nihad Awad in attendance, that WAMY “was extending both moral and financial support to CAIR in its effort to construct headquarters at a cost of \$3.5 million in Washington, D.C.” The article continued saying WAMY would also “introduce CAIR to Saudi philanthropists and recommend their financial support for the headquarters project.”⁶²
- On one fundraising trip to Saudi Arabia in 2002, CAIR and the World Assembly of Muslim Youth (WAMY) proudly announced their cooperation on a million dollar public relations campaign. As reported by *The Muslim World*, the weekly newspaper of the Saudi Muslim World League:

“WAMY supports CAIR campaign against US anti-Islamic sentiment

RIYADH - The World Assembly of Muslim youth (WAMY) is extending support to the Council on American-Islamic Relations (CAIR), a US-based organization, which has launched a media campaign by publishing advertisements in leading American newspapers and distributing books on Islam free of charge...

Speaking to newsmen at WAMY's new office in Riyadh, on 12 November, Muhammad Ibn Ali Al-Qotaibi, Editor-in-Chief of *Future Magazine*, a WAMY publication, said CAIR had already booked a quarter-page for every Friday of 52 week, in the 'USA Today.' The advertisement will commence in the 3rd week of Ramadhan and will cost \$1.04 million...

Al-Qotaibi said Awadh had already met leading Saudi businessmen at the Riyadh Chamber of Commerce and Industries on 12 November, to brief them about the projects and raise funds. Among the top businessmen Awadh is scheduled to meet, with Prince Waleed Ibn Talal.

He said CAIR was also planning the Publication of advertisements in 10 other leading newspapers in America, and that is why he is in the Kingdom seeking funds for the purpose.”⁶³ (emphasis added)

Prince Alwaleed bin Talal

- In 2002, CAIR received \$500,000 from Saudi Prince Alwaleed bin Talal. As reported by *Arab News* on November 18, 2002:

⁶²Arab News. “WAMY spends SR12m on new mosques,” December 23, 1999.

⁶³ *The Muslim World*. “WAMY supports CAIR campaign against US anti-Islamic sentiment,” November 9, 2002. See also *Saudi Gazette*. “WAMY supports CAIR campaign against US anti-Islamic sentiment,” November 13, 2002.

“Prince Alwaleed ibn Talal, chairman of Kingdom Holding Company, has donated \$500,000 to the Council on American-Islamic Relations (CAIR) to finance two of its projects.

The donation was announced when he received in his office in Riyadh Nihad Awad, general manager of CAIR.

Awad is on a Middle East tour to gather support for CAIR programs and projects. He will also take part in symposiums in several Arab countries to discuss the challenges that Muslims face in the United States.

During his meeting with Prince Alwaleed, Awad discussed the smear campaign being launched in the Western media against Islam and Muslims by certain entities.

Awad briefed the prince on the programs and projects that are being developed in the United States by CAIR to project the true image of Islam and Muslims and to defend their legitimate rights and freedoms.⁶⁴

Islamic Development Bank

- According to a Saudi Government press release, in August 1999, the Islamic Development Bank approved “\$250,000 as a contribution to the purchase of land in Washington DC to be the headquarters for an education and research center under the aegis of the Council for American Islamic Relations.”⁶⁵

With headquarters in Jeddah, Saudi Arabia, the stated purpose of the Bank is to:

“foster the economic development and social progress of member countries and Muslim communities individually as well as jointly in accordance with the principles of Shari'ah i.e., Islamic Law.”⁶⁶

According to news reports, the Islamic Development Bank was formally opened in October 1975, inspired by King Faisal of Saudi Arabia. Of the \$900 million in founding capital, Saudi Arabia was reported as the top contributor with \$240 million.⁶⁷

⁶⁴ Arabnews.com. “Prince Al-Waleed ibn Talal Donates \$500,000 to CAIR,” November 18, 2002.

⁶⁵ http://www.saudiembassy.net/press_release/99_spa/08_15_aid.html, August 15, 1999.

⁶⁶ www.isdb.org.

⁶⁷ The Economist. “Petro-aid takes off,” February 15, 1975.

International Islamic Relief Organization (IIRO)

- According to tax documents filed by the International Islamic Relief Organization (IIRO), CAIR was given at least \$12,000 in financing from the U.S. offices of IIRO.⁶⁸

According to federal affidavit, the U.S. operations of IIRO were financed by \$10 million from IIRO in Jeddah Saudi Arabia. IIRO in the United States was a direct subsidiary of its Saudi parent, sharing leadership and funds with the Jeddah-based headquarters.⁶⁹

IIRO's U.S. offices were first raided by the FBI in 1997 as part of a Hamas money laundering investigation.⁷⁰ More recently, federal terrorism investigators have confirmed that IIRO is the subject of a current terrorism and money laundering investigation focusing on material support to al-Qaeda and Hamas. As declared by Senior Special Agent David Kane with the Bureau of Immigration and Customs Enforcement, "I know that terrorists who have attacked or tried to attack the United States around the world have been associated with MWL/IIRO."⁷¹

Conclusion

The rise of militant Islamic leadership in the United States requires particular attention if we are to succeed in the War on Terror. While the attacks of September 11, 2001 were executed by al-Qaeda, it is the bastions of militant Islam that provide the recruits for tomorrow's Mohammed Attas and the political cover to conceal their operations. As stated earlier, militant Islamic fundamentalism is not synonymous with Islam the religion. In this battle, we must distinguish between militant Islamic leaders, and the vast majority of Muslims in the United States and around the world who do not

⁶⁸ IRO IRS Form 990, 1995 & 1997. Note: IIRO was incorporated in the United States as International Relief Organization (IRO).

⁶⁹ United States of America v. Soliman Biheiri, Declaration in Support of Pre-Trial Detention, USDC Eastern District of Virginia.

⁷⁰ Search Warrant In the Matter of the Search of 360 S. Washington Street, Falls Church, Virginia, 3rd Floor, January 30, 1997.

⁷¹ United States of America v. Soliman Biheiri, Declaration in Support of Pre-Trial Detention, USDC Eastern District of Virginia.

support their violent agenda. In preventing future attacks on American soil, we must actively drain the pools from which Islamist terrorist organizations recruit and confront the financial sponsors that create them.

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Attachment A

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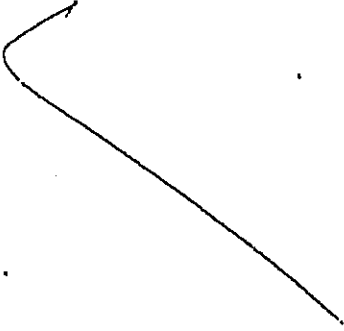
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Attachment B