



## United States Mission to the OSCE

### **Speech to the OSCE Conference on Combating Terrorist Financing**

As delivered by Ambassador Henry A. Crumpton,  
U.S. Coordinator for Counterterrorism  
Vienna, November 9, 2005

Thank you for the introduction and the opportunity to speak with you today. I thank the OSCE, especially the Secretary General, and our Austrian hosts for providing such a splendid venue. I am grateful for the UNODC's and NATO's support, and I also thank the US Department of Justice, which has worked diligently to prepare for the conference. Most of all I want to express my gratitude to all the OSCE participating States represented here today, for your commitment to fight terrorism.

It is an honor to appear before counterterrorism experts of the 55 participating States. It is also important, because the OSCE will play an increasingly valuable role in Europe and Eurasia. This role will grow because of the need to integrate our efforts across multiple national borders, to address transnational opportunities, such as economic prosperity, and transnational challenges, such as terrorism. Moreover, because the OSCE operates by consensus, the organization carries legitimacy and authority, invaluable forces in our collective counterterrorism campaigns.

The US places great emphasis on international cooperation, the enduring element in counterterrorism success. The US works to ensure that nations willing to fight terrorism have the means to do so. Effective counterterrorism is only possible if countries develop effective laws that criminalize support of terrorist groups. In cases where states lack capacity, we should work together to provide assistance and training to local enforcement bodies, financial intelligence units, and other entities involved in combating terrorism. This is in all of our interest.

The US has sought to focus the resources and abilities of a wide variety of multilateral organizations to build a global counterterrorism web. We have worked with the United Nations to set new, higher, international standards for combating terrorism. We have worked to encourage all countries to ratify and implement the existing conventions and protocols on counterterrorism. President Bush signed the UN Nuclear Terrorism Convention on September 14, 2005, the first day it was open for signature. The US is working closely with partners at the UN on a Comprehensive Convention on International Terrorism that will close gaps in international law. We are coordinating with partners who have the ability to provide assistance, such as the EU, the G8, and the OSCE, to build will and capacity to fight terrorism around the globe.

#### The Threat

In this modern era of terrorism, especially since 9/11, the US and our partners have engaged a non-state enemy that seeks, with random murder, to terrorize individuals, nations, and the

civilized world. The potential nexus of terrorism with weapons of mass destruction poses the most acute and dangerous threat. The enemy, the tactics, the weapons, and even the global battlefield itself continue to evolve rapidly. As an example, the enemy has adapted to operating in smaller numbers, even individuals, all with greater and greater lethality. From an operational perspective, these enemy forces are developing into micro targets with macro impact.

Although terrorist tactics come in many forms, and can be deployed by various political groups, today the primary terrorist threat is al Qaeda and their affiliated groups. Yet, we have scored some success. Most of the senior leaders are dead or incarcerated, and the remaining leaders, including bin Ladin, are isolated and concerned as much with their own survival as with their next attack. Through the efforts of a global coalition, we have degraded their capabilities. As an example, key financiers have been detained, over \$150 million USD of terrorist assets have been frozen, and millions more blocked in transit or seized at borders.

Because of these setbacks, al Qaeda increasingly seeks to gain strategic leverage from making local conflicts their own, from deploying operatives on a global scale to exploit otherwise local and national conditions. Al Qaeda wants to develop links of influence and control within disgruntled groups; al Qaeda wants to persuade these groups that global terrorism will somehow resolve their specific, local problems. Our enemies seek to exploit these social and political conditions, exploit those disadvantaged to wage an unwinnable war against the vulnerable.

## The Strategy

In recent testimony to the US Congress I stated that we must attack three strategic targets:

1. Enemy leadership
2. Enemy safe havens, which include
  - geographic space, such as state sponsors of terrorism, failing states, and ungoverned areas where terrorists can train and organize
  - cyberspace, which provides internet based means for communication, planning, resource transfer and intelligence collection, and
  - ideological space, which includes belief systems and cultural norms that enhance an enemy's perceived legitimacy and, thus, freedom of action.
3. The conditions that the enemy exploits to advance their cause -- local groups, grievances, communal conflicts and societal structures that may provide fertile soil in which extremism grows.

We must strike simultaneously at these strategic targets, at four levels: global, regional, national, and local. While al Qaeda and affiliates seek to forge links throughout these levels, our strategy must be aimed at breaking those links and isolating these three strategic targets and then attacking with all the instruments of statecraft, from law enforcement to economic development to multilateral political initiatives. Moreover, as noted above, we must undertake this effort through an international network of partnerships.

The enemy links that we can sever include communication, travel, intelligence, logistics, political accords, and finances. Let me address the last factor.

Attacking terrorist finances is not an end unto itself. We must remember this. Yet, cutting

financial links affords us the following advantages:

1. By breaking financial flows, enemy leadership becomes isolated and constrained. As an example, in the recently intercepted letter to al Qaeda's commander in Iraq, Zarqawi, from al Qaeda's number two, Zawahiri, he complains about the difficulties of command and control, and the lack of funds, and asks for 100,000 dollars.
2. Disrupting financial links can provide evidence to prosecute terrorists, their suppliers, their bankers, their couriers, their contributors, their recruiters, and others.
3. Monitoring and/or breaking financial transactions provides intelligence. The trail of money can lead to operatives and support networks, and can point the way to deeper intelligence collection, as a means to determine plans and intentions, motives, and perhaps ways to undercut the enemy's base. In other words money flows not only explain the who, how, when, and where – but perhaps also the why. We can use our knowledge of the financial flow dynamic and the broader support network to help map the terrain of the battlefield, to chart the best course to follow.

The deep understanding acquired through financial intelligence collection and analysis, especially when fused with other intelligence, enables us to focus precisely on real threats, to calibrate our attack, to avoid collateral damage to legitimate financial transaction that promote economic prosperity, the development of civil liberty and civil society, and charitable service. I am, therefore, especially pleased to note that this conference will discuss the importance of intelligence and law, and the value of charities. We need to address the real grievances and to provide for those in dire need -- otherwise they will continue to suffer and our terrorist enemies will continue to profit from these political and social injustices.

I applaud the OSCE for the outstanding work, in so many areas: human rights, arms control, electoral support, police training, and economic development. All this, and more, contributes to our global counterterrorism success. While we must attack the enemy and deny them safe haven, we must also fill these potential safe havens with liberal institutions, the binding networks of civil society. Enemy leaders must be replaced with civic leaders who build, not destroy. Enemy safe haven must be replaced with vibrant economic and social opportunity, in a context of security and justice. Poverty, discrimination, cultural alienation, corrupt systems must be replaced with the rule of law and moral authority.

We face a long, complex war, fought on many levels, fought with many instruments of statecraft, and fought with growing transnational partnerships – as reflected in the OSCE.

On behalf of President Bush and Secretary of State Rice, I offer these thoughts, these comments, with good will. I am confident that our dialog and our partnerships will continue to grow.

Your stalwart efforts, within the OSCE, as participating States, as officials and officers from your home office, and as global citizens, are acknowledged, not only here today, but more importantly, in the secure future of our children and grandchildren. You serve to protect us all. I salute you, and I offer you my respect and my thanks.