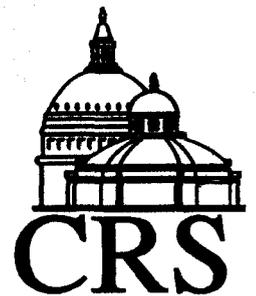


CRS Issue Brief

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

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

SUMMARY

International terrorism threatens U.S. foreign and domestic security and compromises a broad range of U.S. foreign policy goals. This issue brief examines emerging international terrorist threats and the U.S. policy response. Available policy options range from diplomacy, international cooperation and constructive engagement to economic sanctions, covert action, physical security enhancement and military force.

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

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

Current definitions of terrorism ignore the possibility of terrorist activity for financial profit or terrorists motivated by religious goals. Non-traditional harm such as computer "violence" is excluded as well. Such activity may well be on the rise, and the current policy mindset which sees all terrorism as politically motivated and vio-

lent behavior may limit our ability to combat new and expanding forms of terrorism.

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

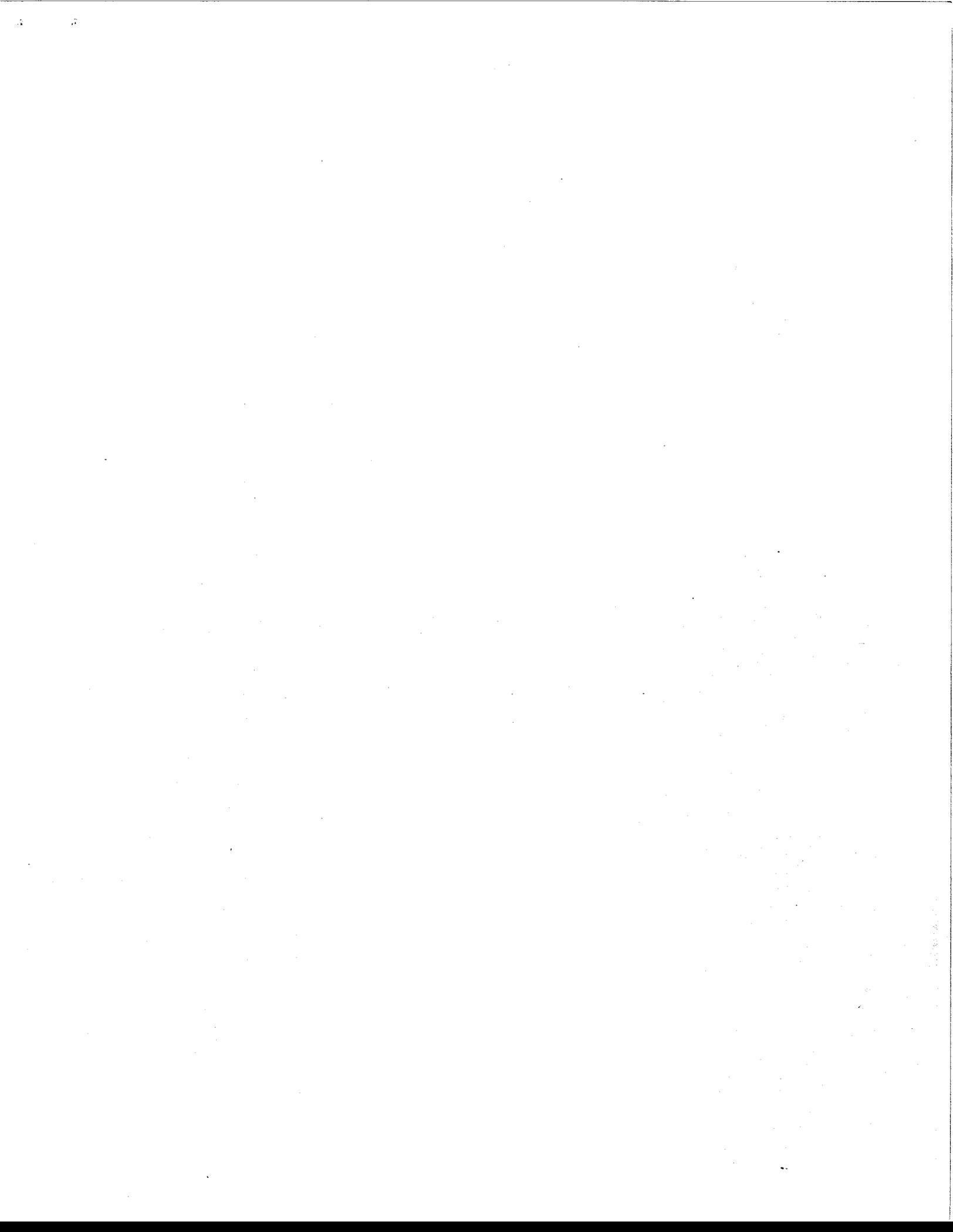
In the context of these developments, and in light of the shifting nature and enhanced intensity of the new terrorist threat, a re-evaluation of U.S. counter-terrorism policy, organizational structure, and preparedness to respond to major terrorist incidents in the United States may prove timely.

Radical Islamic fundamentalist groups are seen to pose a major terrorist threat to U.S. interests, and this threat is magnified by Iran's active funding, support, training and coordination of such group activity. Of the seven states on the State Department's terrorism list, Iran stands out as the one state currently engaged in sponsoring widespread, systematic, active, and ongoing acts of terrorism. Iran has been aggressively seeking nuclear weapons technology. Sanctions, to date, have not deterred such activity to any meaningful degree.

Some see utility in an informal "watchlist" of nations that do not currently qualify for inclusion on the terrorism list, but where added scrutiny may be warranted. Possible candidates include Afghanistan, Pakistan, Russia, Yemen, and some states that are parties to the conflict over former Yugoslavia.

An omnibus counter-terrorism bill was enacted (P.L. 104-132) on April 24, 1996.





MOST RECENT DEVELOPMENTS

The State Department's annual Patterns of Global Terrorism report, released April 30, 1997, did not modify its list of seven "terrorist" states. The number of terrorist incidents continued to fall, reaching a 25-year low in 1996, while the death toll from terrorist acts in 1996 almost doubled from 1995 levels of 163 to 311 in 1996. Terrorism by religious extremists continued to dominate international terrorism in 1997.

BACKGROUND AND ANALYSIS

In recent years, terrorism has been primarily viewed as an international and foreign policy issue. Numerous acts of state-sponsored terrorists and of foreign-based groups have given support to this notion. While U. S. policies, citizens and interests are prime targets for international terrorism -- in 1996, approximately 25% of all terrorist incidents worldwide were committed against U.S. citizens or property -- the vast majority of those acts take place on foreign soil. Although terrorism may be internationally motivated, financed, supported or planned, on the receiving end all terrorism is local. Thus, U.S. public perception of terrorism as primarily an overseas issue may be changing with the bombings of the Trade Center in New York and the Federal Building in Oklahoma City.

In April 1997, the State Department's Patterns of Global Terrorism Report for 1996 was released. Syria remained on the list of states supporting terrorism. Iran continued to be singled out as the world's most active supporter of international terrorism. The State Department data indicate that the number of international terrorist acts generally declined from 1987 through 1994: 322 in 1994, 431 in 1993, and 665 in 1987. However, incidents were up significantly in 1995 from 322 to 440, but down again to 296 in 1996. International terrorist acts against U.S. interests rose from 66 in 1994 to 99 in 1995, but were down to 73 in 1996. The number of U.S. citizens killed rose from 4 to 12 in 1995 and 25 in 1996. For the second time since 1990, the largest number of terrorist casualties occurred in Asia.

Recent statistics include a relatively high number of minor incidents (roughly 25% of all incidents) perpetrated against Turkey by the Kurdistan Workers Party (PKK). Overall, however, casualties associated with terrorist acts tend to be up. The total number of terrorist related deaths more than doubled in 1996 from 165 to 311, the number of persons wounded decreased from 6,291 to 2,652. The bombings of the N.Y. World Trade Center and the Jewish cultural center in Buenos Aires may indicate a trend to inflict higher casualties on what are generally less protected civilian targets. Access by terrorist groups to chemical, biological, or nuclear technology, and employment of such weapons, would raise casualty statistics even higher. Some also suggest that future incidents of state-sponsored terrorism may decrease significantly as, in a post Cold War era, groups find it harder to obtain sponsors and rogue states are less willing to risk exposure to broad based and severe international sanctions. Finally, some see a trend by major organizations such as the PLO, and to a lesser extent the IRA, to moderate their behavior, become legitimate, and pursue their goals through political negotiation, compromise, and other non-violent means.

International terrorism is recognized as a threat to U.S. foreign and domestic security; it also undermines a broad range of U.S. foreign policy goals. Terrorism

erodes international stability -- a major foreign and economic policy objective for the United States. Terrorist groups often seek to destabilize or overthrow governments, sometimes democratically elected -- or friendly -- governments, and such groups often draw their support from public discontent over the perceived inability of governments to deliver peace, security, and economic prosperity. Efforts by governments to enhance national or regional economic development and stability may become the object of particularly virulent attack. In this regard, and because of their avowed goals to overthrow secular regimes in countries with large Muslim populations, extremist Islamic fundamentalist groups, and Iran's support for such groups, are seen as a major threat to U.S. foreign policy goals and objectives.

Definitions

There is no universally accepted definition of international terrorism. One definition widely used in U.S. government circles, and incorporated into law, defines "international terrorism" as terrorism involving the citizens or property of more than one country. Terrorism is broadly defined as politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents. A "terrorist group" is defined as a group which practices or which has significant subgroups which practice terrorism (22 U.S.C. 2656f). One potential shortfall of this traditional approach is its focus on groups and group members and exclusion of individual (non-group organized) terrorist activity which has recently risen in frequency and visibility. Another possible weakness of these standard definitions is the criteria of violence in a traditional form. Analysts pointing to "virus" sabotage incidents warn that terrorists acts could include more sophisticated forms of destruction and extortion such as disabling a national infrastructure by penetrating vital computer software.

Current definitions of terrorism all share one common element -- politically motivated behavior. Such definitions do not include violence for financial profit or religious motivation. The rapid growth of transnational criminal organizations and the growing range and scale of such operations could well result in their use of violence to achieve objectives with financial profit as the driving motivation. In the case of Islamic extremist groups, religious and political motivation may be inextricably intertwined. Thus, although the basic assumption today is that all terrorist acts are politically motivated, some are driven by other factors, and this number may grow in light of expanding international criminal activity and a rising tide of radical Islamic fundamentalism. The current mindset may limit the ability of defenders to predict terrorist violence, confront it, and respond in appropriate terms. A new approach might focus more on defining terrorist *acts*, giving less emphasis to the motivation behind the acts.

U.S. Policy Response

Framework

Past administrations have employed a range of options to combat international terrorism, from diplomacy and international cooperation and constructive engagement to economic sanctions, covert action, protective security measures and military force. The application of sanctions is one of the most frequently used tools of U.S. policymakers. Governments supporting international terrorism (as identified by the Department

of State) are prohibited from receiving U.S. economic and military assistance. Export of munitions to such countries is foreclosed, restrictions are imposed on exports of "dual use" equipment such as aircraft and trucks.

Throughout successive administrations, U.S. policy as publicly stated has remained: *no concessions to terrorists*, the U.S. government will not pay ransoms, release prisoners, change its policies, or agree to other acts that might encourage additional terrorism. Practice, however, has not always been so pure. The United States will also use most available resources to gain the safe return of American citizens who are held hostage by terrorists. U.S. policy is to encourage other nations to do likewise. Recent U.S. and Israeli overtures to the PLO, and recent U.S. and British approaches to the IRA are clearly different; perhaps responses altered as such groups begin to moderate their behavior. It has recently been noted that the 1994 capture by France of the notorious "Carlos" is unlikely to have occurred without some acquiescence from Sudan. Some, however, see engagement with such groups or their sponsors as softening of a long established principle of no concessions.

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

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

Dilemmas

In their desire to combat terrorism in a modern political context, nations often face conflicting goals and courses of action: (1) providing security from terrorist acts, i.e. limiting the freedom of individual terrorists, terrorists groups, and support networks to operate unimpeded in a relatively unregulated environment versus (2) maximizing individual freedoms, democracy, and human rights. Efforts to combat terrorism are complicated by a global trend towards deregulation, open borders, and expanded commerce. Particularly in democracies such as the United States, the constitutional limits within which policy must operate, are often seen to conflict directly with a desire to more effectively secure the lives of citizens against terrorist activity.

Another dilemma for policymakers is the need to identify the perpetrators of particular terrorist acts and those who train, fund, or otherwise support or sponsor them. Such relationships are by their nature clandestine. Moreover, as the international community has increasingly demonstrated its ability to unite and apply sanctions against rogue states, states will become less likely to formally support terrorist groups or engage in state sponsored terrorism.

Today a non-standard brand of terrorist may be emerging: individuals who do not work for any established terrorist organization and who are apparently not agents of any state sponsor. The worldwide threat of such individual or "boutique" terrorism or that of "spontaneous" terrorist activity such as the bombing of bookstores in the United States after Ayatollah Khomeini's death edict against Salman Rushdie, appears to be on the increase. Thus, one likely profile for the terrorist of the 21st century may well be a private individual not affiliated with any established group. Another profile might be a group-affiliated individual acting independent of the group, but drawing on other similarly minded individuals for support. Because the current U.S. international counter-terrorism policy framework is sanctions-oriented, and has traditionally sought to pin responsibility on state-sponsors, some policy realignment may be required.

Another problem surfacing in the wake of the number of incidents associated with Islamic fundamentalist groups is how to condemn and combat such terrorist activity, and the extreme and violent ideology of specific radical groups, without appearing to be anti-Islamic in general. A desire to punish a state for supporting international terrorism may also be subject to conflicting foreign policy objectives. For example, many in the Administration and Congress who would seek to sanction Syria for its support of international terrorism would, at the same time, like to see Syria removed from the terrorist list to encourage and reward Syrian participation in the Middle East peace process. The State Department, however, has repeatedly stated that prior to removal from the list, Syria must first cease its terrorist support activities.

Policy Tools

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

Diplomacy/Constructive Engagement. Most responses to international terrorism involve use of diplomacy in some form as governments seek cooperation to apply pressure on terrorists. One such initiative was the active U.S. role take in the March 1996 Sharm al-Sheikh peacemaker/anti-terrorism summit. Another is the ongoing U.S. effort to get Japan and major European nations to join in U.S. trade and economic sanctions against Iran. Some argue that diplomacy holds little hope of success against determined terrorists or the countries that support them. However, diplomatic measures are least likely to widen the conflict and therefore are usually tried first.

In incidents of international terrorism by subnational groups, implementing a policy response of constructive engagement is complicated by the lack of existing channels and mutually accepted rules of conduct between governmental entities and the group in question. In some instances, as was the case with the PLO, legislation may specifically prohibit official contact with a terrorist organization or its members.

Increasingly, however, governments appear to be pursuing policies which involve verbal contact with terrorist groups or their representatives.

The media remain powerful forces in confrontations between terrorists and governments. Appealing to, and influencing, public opinion may impact not only the actions of governments but also on those of groups engaged in terrorist acts. From the terrorist perspective, media coverage is an important measure of the success of a terrorist act or campaign. And in hostage type incidents, where the media may provide the only independent means a terrorist has of knowing the chain of events set in motion, coverage can complicate rescue efforts. Governments can use the media in an effort to arouse world opinion against the country or group using terrorist tactics. Public diplomacy and the media can be used to mobilize public opinion in other countries to pressure governments to take action against terrorism. An example would be to mobilize the tourist industry to pressure governments into participating in sanctions against a terrorist state.

Economic Sanctions. In the past, use of economic sanctions was usually predicated upon identification of a nation as an active supporter or sponsor of international terrorism. More recently, the Clinton Administration has frozen the assets of 12 alleged Middle East terrorist organizations and 18 individuals associated with those organizations. Omnibus counter-terrorism legislation, currently before the Congress, includes provisions regulating or prohibiting fund-raising and financial transactions on behalf of terrorist organizations.

Economic sanctions fall into six categories: restrictions on trading, technology transfer, foreign assistance, export credits and guarantees, foreign exchange and capital transactions, and economic access. Sanctions may include a total or partial trade embargo, embargo on financial transactions, suspension of foreign aid, restrictions on aircraft or ship traffic, or abrogation of a friendship, commerce, and navigation treaty. Sanctions usually, require the cooperation of other countries to make them effective, and such cooperation is not always forthcoming.

The President has a variety of laws at his disposal, but the broadest in its potential scope is the International Emergency Economic Powers Act. The Act permits imposition of restrictions on economic relations once the President has declared a national emergency because of a threat to the U.S. national security, foreign policy, or economy. While the sanctions authorized must deal directly with the threat responsible for the emergency, the President can regulate imports, exports, and all types of financial transactions, such as the transfer of funds, foreign exchange, credit, and securities, between the United States and the country in question. Specific authority for the Libyan trade embargo is in Section 503 of the International Trade and Security Act of 1985, while Section 505 of the Act authorizes the banning of imports of goods and services from any country supporting terrorism.

Other major laws that can be used against countries sponsoring terrorism are the Export Administration Act, Arms Export Control Act, foreign assistance legislation. The Export Administration Act (Section 6(j)) allows the President to regulate export of dual use technology and prohibit or curtail the export of critical technology or other technological data. U.S. sales of technology, particularly high technology processes, have been considerable, and sales restrictions or prohibitions are known to have put pressure on states reluctant to control terrorism. Under this Act, exports of various

sensitive articles to terrorism-list states are strictly controlled or prohibited because of their support of terrorism. The Arms Export Control Act authorizes the President to restrict the sale of defense articles and restrict or suspend defense services to states fostering terrorism. Foreign assistance authorization and appropriations acts deny foreign aid to countries supporting terrorism and require the U.S. to vote against loans to such countries in the multilateral development banks. Country specific export control restrictions on munitions list items and dual use equipment apply to Iraq and Iran and are found in the Iraq Sanctions Act (Section 586 of P.L. 101-513).

More recently, Executive Orders 12957 and 12959 prohibit U.S. development of Iran's oil industry and U.S. exports to -- and imports from -- Iran as well as third country reexport of U.S. products to the Islamic Republic. P.L. 104-172, the 1996 Iran Oil Sanction's Act prohibits U.S. trade with companies that invest more than \$40 million in Iran's or Libya's petroleum development, or with companies not complying with U.N. mandated embargoes on sales of oil equipment to Libya.

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

Covert Action. Intelligence gathering, infiltration of terrorist groups and military operations involve a variety of clandestine or so called "covert" activities. Much of this activity is of a passive monitoring nature. A more active form of covert activity occurs during events such as a hostage crisis or hijacking when a foreign country may quietly request advice, equipment or technical support during the conduct of operations, with no public credit to be given the providing country.

Some nations have periodically gone beyond monitoring or covert support activities and resorted to unconventional methods beyond their territory for the express purpose of neutralizing individual terrorists, and/or thwarting preplanned attacks. Examples of activities might run the gamut from intercepting or sabotaging the delivery of weapons to a terrorist group to seizing and transporting a wanted terrorist to stand trial to assassination or murder. Arguably, such activity might be justified as preemptive self defense under Article 51 of the U.N. charter. On the other hand, it could be argued that such actions violate customary international law. Nevertheless, a July 1989 memorandum by the Department of Justice's Office of Legal Counsel advises that the President has the authority to violate customary international law and can delegate such authority to the Attorney General level, should the national interest so require.

Assassination is specifically prohibited by U.S. Executive Order (most recently, E.O. 12333), but bringing of wanted criminals to the United States for trial is not. There exists an established U.S. legal doctrine that allows an individual's trial to proceed regardless of whether he is forcefully abducted from another country, or elsewhere. For example, Fawaz Yunis, a Lebanese who participated in the 1985 hijacking of a Jordanian airliner with two Americans among its 70 passengers, was lured aboard a yacht in international waters off the coast of Cyprus in 1987 by federal agents, flown to the United States for trial, and convicted.

Experts warn that bringing persons residing abroad to U.S. justice by means other than extradition or mutual agreement with the host country, i.e., by abduction and their surreptitious transportation, can vastly complicate U.S. foreign relations, perhaps jeopardizing interests far more important than "justice", deterrence, and the prosecution of a single individual. For example, the abduction of a Mexican national in 1990 to stand trial in Los Angeles on charges relating to torture and death of a DEA agent led to vehement protests from the government of Mexico, a government subsequently plagued with charges of drug related corruption. The timeframe when the abduction took place -- shortly after plans had been announced to negotiate NAFTA -- gave the Mexican government substantial leverage over the United States, which was committed to a free trade agreement. Subsequently, the two countries signed a treaty to Prohibit Transborder Abductions in November 1994. Notwithstanding the unpopularity of such abductions in nations that fail to apprehend and prosecute those accused, the "rendering" of such wanted criminals to U.S. courts is permitted under limited circumstances by a January 1993 Presidential Decision Directive issued under the Bush Administration, and reaffirmed by President Clinton. Such conduct, however, raises prospects of other nations using similar tactics against U.S. citizens.

The world is increasingly moving into an era in which terrorists may gain access to nuclear, chemical or biological weaponry. Faced with potential of a nuclear or biological holocaust, few nations concerned with the welfare of their citizenry will be quick to disregard consideration of covert operations designed to neutralize this threat.

Rewards for Information Program. Money is a powerful motivator. Rewards for information have been instrumental in Italy in destroying the Red Brigades and in Colombia in apprehending drug cartel leaders. A State Department program is in place, supplemented by the aviation industry, offering rewards of up to \$4 million to anyone providing information that would prevent or resolve an act of international terrorism against U.S. citizens or U.S. property, or that leads to the arrest or conviction of terrorist criminals involved in such acts. This program was at least partly responsible for the arrest of Ramzi Ahmed Yousef, the man accused of masterminding the World Trade Center bombing. The program was established by the 1984 Act to Combat International Terrorism (P.L. 98-533), and is administered by State's Diplomatic Security Service. Rewards over \$250,000 must be approved by the Secretary of State. The program can pay to relocate informants, and immediate family who fear for their safety. The 1994 "crime bill" (P.L. 103-322) helps relocate aliens and immediate family members in the U.S. who are reward recipients. Expanded participation by the private sector in funding and publicizing such reward programs warrants consideration.

Extradition/Law Enforcement Cooperation. International cooperation in such areas as law enforcement, customs control, and intelligence activities is an important tool in combatting international terrorism. One critical law enforcement tool in combatting international terrorism is extradition of terrorists. International extradition traditionally has been subject to several limitations, including the refusal to extradite for political or extraterritorial offenses and the refusal of some countries to extradite their nationals. The United States has been encouraging the negotiation of treaties with fewer limitations, in part as a means of facilitating the transfer of wanted terrorists. Because much terrorism involves politically motivated violence, the Department of State has recently sought to curtail the availability of the political offense exception, found in many extradition treaties, to avoid extradition.

Military Force. Although not unlimited, military force, particularly when wielded by a superpower such as the United States, carries substantial clout. Proponents of selective use of military force usually emphasize the military's unique skills and specialized equipment. The April 1986 decision to bomb Libya for its alleged role in the bombing of a German discotheque exemplifies use military force. Another example is the 1993 bombing of Iraq's military intelligence headquarters by U.S. forces in response to Iraqi efforts to assassinate former president George Bush during a visit to Kuwait.

Concerns about the terrorist threat prompted an extensive buildup of the military's counter-terrorist organization. A special unit known as "Delta Force" at Fort Bragg, NC, has been organized to perform anti-terrorist operations when needed. Details about the unit are secret, but estimates are that it has about 800 assigned personnel. The failure of the April 1980 Iran rescue mission and the October 1983 bombing of the U.S. Marine headquarters in Beirut raised questions about the adequacy of the training and equipment of regular military units for use against terrorists.

Use of military force presupposes the ability to identify a terrorist group or sponsor and its location, knowledge often unavailable to law enforcement officials. For example, to date, those investigating the September 1995 wave of bombings in Paris as well as the rocket grenade attack on the U.S. embassy in Moscow, have not been able to link these incidents to a specific individual, group or state-sponsor. Moreover, such efforts, as in the case of the Pan-Am 103 bombing, may take up to a year or more, and still there will be those who cast doubt on the findings. Policymakers using military instruments seek public support. Such support tends to be strongest during or immediately after an incident when outrage is still widespread, emotional and hot. Risks include (1) military casualties or captives, (2) foreign civilian casualties, (3) retaliation and escalation by terrorist groups, (4) holding the wrong parties responsible, (5) sympathy for the "bullied" victim, and (6) perception that the U.S. ignores rules of international law.

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

International Conventions. International conventions are considered an integral part of international law and as such contribute actively to the making and conduct of international policy. In the area of terrorism, such conventions define a consensus view of what constitute internationally recognized crimes; what obligations nations have to protect against and prosecute those committing those crimes; and what mechanisms and procedures shall be utilized to guarantee prosecution and enhance overall cooperation to achieve the goals of each specific convention. To date, the United States has joined with the world community in developing all of the major anti-terrorism conventions. These conventions impose on their signatories an obligation either to prosecute offenders or extradite them to permit prosecution for a host of terrorism-related crimes including hijacking vessels and aircraft, taking hostages, and harming diplomats. An important new convention not yet in force is the Convention for the Marking of Plastic Explosives. Implementing legislation is in P.L. 104-132.

Potential Tools

An International Court for Terrorism. Each year bills are introduced urging that an international court be established, perhaps under the U.N., to sit in permanent session to adjudicate cases against persons accused of international terrorist crimes. The court would have broad powers to sentence and punish anyone convicted of such crimes. Critics point out many administrative and procedural problems associated with establishing such a court and making it work, including jurisdictional and enforcement issues. An International Court of Justice in the Hague exists, but it deals with disputes between states and lacks compulsory jurisdiction and enforcement powers.

Media Self-Restraint. For some, the term "media self-restraint" is an oxymoron; the sensational scoop is the golden fleece and dull copy is to be avoided. While some of the media struggle to maintain objectivity, they are occasionally manipulated into the role of mediator and often that of publicist of terrorist goals. Though not an international incident, the publication of the unabomber's "manifesto" illustrated this. Notably, there have been attempts by the media to impose its own rules when covering terrorist incidents. Standards established by the *Chicago Sun-Times* and *Daily News* include paraphrasing terrorist demands to avoid unbridled propaganda; banning participation of reporters in negotiations with terrorists; coordinating coverage through supervising editors who are in contact with police authorities; providing thoughtful, restrained, and credible coverage of stories; and allowing only senior supervisory editors to determine what, if any, information should be withheld or deferred. Such standards are far from uniformly accepted. In an intensely competitive profession consisting of a multinational worldwide press corps, someone is bound to break the story.

U.S. Organization and Program Response

The chain of command on anti-terrorism planning runs from the President through the National Security Council, a representative of which chairs a Senior Interagency Coordinating Group (ICG) on Terrorism. The State Department is designated the lead agency for countering terrorism overseas; the Justice Department's Federal Bureau of Investigation (FBI) is the lead agency for domestic terrorism; and the Federal Aviation Administration is the lead for hijackings when a plane's doors are closed. These roles were reaffirmed by Presidential Decision Directive No. 39 in June 1995. Intelligence information among the various agencies is coordinated by an Intelligence Committee, chaired by a representative of the CIA. A Special Situation Group, headed by the Vice President, handles crisis management. An important policy question is whether current organizational structure brings excessive focus on state-sponsored actions at the expense of attention on so-called "gray area" terrorist activity (i.e. terrorist activity not clearly linked to any perpetrator, group, or supporting/sponsoring nation). In light of recent trends in terrorist activity, some suggest an independent comprehensive review of counter-terrorism policy, organizational structure, and preparedness to respond to major terrorist incidents in the United States is warranted.

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

responding to biological, chemical and nuclear emergencies. Initial funding for this mission is appropriated by the FY1997 Defense Appropriations Act (incorporated into P.L. 104-208), which provides DOD with \$100 million for defense against weapons of mass destruction for obligation during the current fiscal year. However, because such activities require extensive planning and preparation as well as often cumbersome coordination, DOD officials may find themselves hard pressed to effectively obligate such funding in the FY1997 time frame unless Congress extends the availability of funds or provides additional appropriations for this mission.

Anti-Terrorism Assistance Program

The State Department's anti-terrorism assistance program provides training and equipment to foreign countries to help them improve their anti-terrorism capabilities. More than 16,000 individuals from 83 countries have received training since the program's inception in 1983 in such skills as crisis management, VIP protection, airport security management, and bomb detection and deactivation. P.L. 104-208 appropriated \$18 million for the State Department's antiterrorism assistance programs -- \$1 million less than requested. Also appropriated was \$50 million for Israeli purchases of counterterrorism equipment.

Counter-Terrorism Research and Development Program

The State Department's Counter-Terrorism Research and Development Program, which is jointly funded by the Departments of State and Defense, constitutes a response to combat the threat posed by increasingly sophisticated equipment and explosives available to terrorist groups. Recent projects include detectors for nuclear materials, decontaminants for chemical and biological weapons, law enforcement and intelligence database software and surveillance technology. The State Department's FY1997 budget request for these programs totals \$1.8 million, down \$2 million from FY1996. P.L. 104-208 appropriated the \$1.8 million requested. DOD's FY1997 request for the counterterrorism technical support program totalled \$16.5 million and P.L. 104-208 appropriated this amount plus an additional \$6 million for pulse fast neutron analysis (PFNA) detection technology development.

Diplomatic Security Program

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

The Administration's FY1997 request for the Diplomatic Security Program is \$210.9 million, down roughly \$16 million from the FY1996 request. One component of the broader program provides protection of international organizations, foreign missions and officials under the Foreign Missions Act of 1982.

Options for Program Enhancement

Numerous options have been proposed to improve the effectiveness of programs designed to combat terrorism. Some notable areas cited for improvement include contingency planning; explosives detection; joint or multinational research, operational

and training programs/exercises; nuclear materials safeguarding; and disaster consequence management. Some have suggested that U.S. public diplomacy/media programs could be broadened to support anti-terrorism policy objectives.

State-Supported Terrorism

The Secretary of State maintains a list of countries that have "repeatedly provided support for acts of international terrorism". Data supporting this list is drawn from the intelligence community. Listed countries are subject to severe U.S. export controls -- particularly of dual use technology and selling them military equipment is prohibited. Providing foreign aid under the Foreign Assistance Act is also prohibited. Section 6(j) of the 1979 Export Administration Act stipulates that a validated license shall be required for export of controlled items and technology to any country on the list, and that the Secretaries of Commerce and State must notify the House Committee on Foreign Affairs, and both the Senate Committees on Banking, Housing, and Urban Affairs, and Foreign Relations, at least 30 days before issuing any validated license required by this Act. In addition, Section 509(a) of the 1986 omnibus anti-terrorism act (P.L. 99-399) bars export of munitions list items to countries on the terrorism list.

Adding and Removing Countries on the List

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

Congressional report language provides guidelines to facilitate designation. A House Foreign Affairs Committee report approving the Anti-Terrorism and Arms Export Amendments Act of 1989 (H.Rept. 101-296) included as criteria (1) allowing territory to be used as a sanctuary; (2) furnishing lethal substances to individuals/groups with the likelihood that they will be used for terrorism; (3) providing logistical support to terrorists/groups; (4) providing safe haven or headquarters for terrorists/organizations; (5) planning, directing, training or assisting in the execution of terrorist activities; (6) providing direct or indirect financial support for terrorist activities; and (7) providing diplomatic facilities such as support or documentation to aid or abet terrorist activities. A Senate report had similar criteria (S.Rept. 101-173).

Paragraph 6(j)(4) of the Export Administration Act prohibits removing a country from the list unless the President first submits a report to the committees mentioned above. When a government comes to power (i.e., a government different from that in power at the time of the last determination), the President's report, submitted before the proposed rescission would take effect, must certify that (1) there has been a fundamental change in the leadership and policies of the government of the country concerned (this means an actual change of government as a result of an election, coup, or some other means); (2) the new government is not supporting acts of international terrorism; and (3) the new government has provided assurances that it will not support acts of international terrorism in the future. When the same government is in power,

the President's report -- **submitted at least 45 days before the proposed rescission would take effect** -- must justify the rescission and certify that, (1) the government concerned has not provided support for international terrorism during the preceding 6-month period; and (2) the government concerned has provided assurances that it will not support acts of international terrorism in the future. Congress can let the President's action take effect, or pass legislation to block it, the latter most likely over the President's veto. To date Congress has passed no such legislation or resolution, although Syria would be the likely target of such endeavors, should the Administration prematurely seek its removal from the terrorism list.

Countries on the List

There are currently seven countries on the "terrorism list": Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. (For further information on states sponsoring international terrorism, see *Patterns of Global Terrorism*, Department of State, April 1996.) Of the seven, five are Middle Eastern nations with predominantly Muslim populations. (See CRS Report 95-872, *Terrorism: Middle Eastern Groups and State Sponsors*.) Of these, Iran and Iraq could currently be characterized on one extreme as active supporters of terrorism: nations that use terrorism as an instrument of policy or warfare beyond their borders. Iran, Iraq, and Libya are major oil producers, holding 17% of the world's remaining oil and producing, in 1994, 5.5% of the world's oil supply, 31% of Europe's (OECD) oil consumption, and 9% of Japan's. Such dependence on oil complicates universal support for sanctions against these nations.

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

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

Iran. The U.S. government names Iran as the most active state sponsor of terrorism today, arguably by far the major state-sponsored threat to U.S. interests worldwide. Iran is deeply involved in the planning and execution of terrorist acts by its own agents and surrogate groups. It provides ongoing direction, funding, training, and other support to a variety of radical Islamic terrorist groups including Hizballah in Lebanon, as well as Hamas and Palestinian Islamic Jihad (PIJ) to undermine the Middle East peace process. In 1995, Iran was believed to have funded Hizballah about

\$100 million, and reports indicate that in spring of 1996, Iran provided Hizballah with katyusha rockets launched into northern Israel. There are press reports that Iran is building a terrorist infrastructure in the region by providing political indoctrination, military training, and financial help to dissident Shia groups in neighboring countries, including Kuwait, Bahrain, and Saudi Arabia. More recently, Iran has reportedly concentrated efforts to make Sudan a center for terrorist training and activities. Iran was placed on the terrorism list in January of 1984. Tehran conducted at least eight assassinations of dissidents outside Iran in 1996. President Clinton has halted U.S. trade with Iran and barred U.S. companies from any involvement in the Iranian oil sector.

The threat perceived from Iran as a leading supporter of terrorism is substantially raised by reports that Iran is acquiring nuclear technology and seeking nuclear weapons technology.

Iraq. On September 13, 1990, Iraq was placed once again on the terrorism list, after having been removed in 1982. Iraq's ability to instigate terror has been curbed by U.S. and U.N. sanctions which were imposed after the Kuwait invasion. Nevertheless, the State Department's global terrorism report for 1996 indicates that Iraq is rebuilding its ability to mount terrorist attacks abroad. The report states that Saddam Hussein's regime continues to murder dissidents and provide a safehaven for a variety of Palestinian rejectionist groups. In the past, Iraq has temporarily expelled terrorists, only to invite them back later.

Libya. Libya has a long history of involvement in international terrorism. Libya was placed on the terrorism list when it was started in December 1979 and approximately \$1 billion in bank deposits belonging to Libya are frozen by the United States. Libyan terrorism has been sharply reduced after imposition of U.N. sanctions in the wake of Libyan involvement in the bombings of Pan Am flight 103 and in the 1989 bombing of French UTA flight 772 which killed 170 persons including seven Americans. Evidence suggests Libya has not abandoned its support for international terrorism as an instrument of foreign policy, and it still refuses to hand over those accused of terrorist acts. Throughout 1996, Libya continued to support groups opposed to the Mid-East peace process that engage in violence. Nevertheless, the response of the international community and U.S. Congress (P.L. 104-172) seems to have been relatively effective in restraining the level of Libya's outlaw behavior and may provide one model for future international action.

Syria. Syria was placed on the first terrorism list in December 1979. It is generally believed within the western community that Syria has a long history of using terrorists to advance its own interests. The United States has said that it has no evidence of Syrian government direct involvement in terrorism since 1986. Informed sources suggest, however, that the Syrian government remains active, hiding behind the sophisticated operational level of their intelligence services and their ability to mask such involvement. Many major terrorist groups are known to maintain an active presence in Syria or in Syrian-controlled Lebanon and Syria has allowed Iran to supply Hizballah with weaponry via Damascus. Providing such support and safe haven has caused prominent Members of Congress to contend that Syria should remain on the terrorism list, and Administration spokespersons have firmly maintained in testimony before Congress that until this problem is resolved, Syria will remain on the list. In contrast, many observers speculate that the Administration has made it clear to Syria

that it will take steps to remove Syria from the list should a peace treaty with Israel be signed. Syria is also considered a pariah state by the U.S. because of involvement in drug trafficking by some of its ruling elites and their alleged involvement in counterfeiting of U.S. currency.

Sudan. Sudan was added to the terrorism list in August 1993. Sudan continues to harbor members of some of the world's most violent organizations and according to the State Department's global terrorism report for 1996 continues to serve as a refuge, nexus, and training hub for a number of terrorist organizations. Egypt and Ethiopia have charged the Sudanese government with involvement in a failed assassination attempt against President Hosni Mubarak while in Ethiopia in June 1995. On September 11, 1995, the Organization for African Unity (OAU), in an unprecedented action criticizing a member, passed a resolution calling on Sudan to extradite to Ethiopia, three suspects charged in the assassination attempt. Sudan, continues to permit its territory to be used by Iran to transport weapons to Islamic extremist groups and as a meeting place for Iranian-backed terrorist groups.

Cuba. Fidel Castro's government has a long history of providing arms and training to terrorist organizations. A cold war carryover, Cuba was added to the 1982 U.S. list of countries supporting international terrorism based on its support for the M-19 guerrilla organization in Columbia. The 1996 State Department Global Terrorism report acknowledged there was no evidence Cuban officials were directly involved in sponsoring an act of terrorism in 1996, but noted that Havana remains a safe haven to several international terrorists. The report noted that Cuba no longer actively supports armed struggles in Latin America or elsewhere. Nevertheless, Havana has not renounced political support for groups that engage in terrorism.

North Korea. North Korea was added to the "official" list of countries supporting terrorism because of its implication in the bombing of a South Korean airliner on November 29, 1987, which killed 115 persons. According to the State Department, North Korea is not conclusively linked to any terrorist acts since 1987. A North Korean spokesman in 1993 condemned all forms of terrorism, and said his country resolutely opposed the encouragement and support of terrorism. A similar statement was made in November 1995. Nevertheless, North Korea continues to provide political sanctuary to members of a group that hijacked a Japan Airlines flight in 1970 and may be linked to the murder of a South Korean diplomat in Vladivostoc in 1996.

An Informal Watchlist?

Some suggest that there is utility in drawing to Congress' attention countries that do not currently qualify for inclusion in the terrorism list but where added scrutiny may be warranted. Such a list would be similar to the Attorney General's National Security Threat List which includes sponsors of international terrorism, the activities of which warrant monitoring by the FBI within the United States. Although informal, it would no doubt be controversial and speculative. Nevertheless, it would reflect legitimate concerns of those in the intelligence and policy community and might serve as an informal warning mechanism to countries that their activities are being scrutinized. For example, the State Department warned Pakistan in January 1993 that it was under "active continuing review" to determine whether it should be placed on the terrorism list. When the list came out in April, 1993, Pakistan was not on it. (See CRS

Issue Brief 94041, *Pakistan-U.S. Relations*.) Sudan was also warned that it was being subjected to special review prior to its being placed on the terrorism list in August 1993.

Currently, some informally discussed candidates for such a list include (1) **Afghanistan** -- concerns are that Islamic fundamentalist terrorists may be training and operating out of the country and/or entering or exiting with impunity, (2) **Pakistan** -- concerns are that support may be provided to militant separatists in Kashmir and Punjab, and those who have tried to use Pakistani territory for bases and training, (3) **Yemen** -- concern that terrorists may be regularly transiting Yemen with impunity, and that Yemen may be allowing militant Islamic fundamentalists to train on its territory. There is concern, but little evidence, that hard line elements parties to the conflict over former Yugoslavia: **Bosnia-Herzegovia, Croatia, or Serbia** might employ terrorism. Another concern is that militant Iranian elements remaining in the region may resort to terrorist violence against European nations and the United States. Finally, Turkish intelligence sources have expressed concern over reports that **Russia** may be providing shelter to PKK Kurdish terror groups seeking establishment of a pro-Russian independent Kurdish state in continuation of Russian cold war policy of supporting PKK-type activity. However, the degree to which Russia may, or may not, actively support or countenance such activity remains undetermined.

Legislative Initiatives

On April 24, 1996, P.L. 104-132 was enacted, containing elements to combat domestic as well as international terrorism. It authorized \$1 billion over 4 years for federal counterterrorism efforts, with the FBI to receive the largest share. Specific provisions (1) make fundraising for designated terrorist organizations a criminal offense; (2) formally establish membership in a terrorist organization as grounds for visa denial; (3) facilitate deportation of suspected terrorists and/or aliens convicted of crimes; (4) require tagging of plastic explosives for easier detection by law enforcement authorities; (5) prohibit financial transactions by U.S. persons with terrorist states; (6) prohibit granting U.S. foreign assistance to countries that aid, or provide "lethal military equipment" to terrorist states; (7) permit U.S. citizens to sue terrorist states for damages arising from terrorist related activity; (8) prohibit export of defense articles or services to countries not fully cooperating with U.S. counterterrorism efforts; (9) require foreign airlines using U.S. airports to employ the same security standards required of U.S. airlines at the airport; (10) broaden the categories of substances subject to provisions prohibiting possession of nuclear or biological agents; (11) prohibit use of chemical weapons against U.S. nationals or property; (11) expand U.S. extraterritorial jurisdiction over terrorist acts: (a) **when committed in the U.S.** where some aspect of the act, such as planning, took place on foreign soil, or (b) **when committed outside the U.S.** if a conspiracy took place to harm U.S. citizens hatched outside the U.S. included some overt act within the U.S., or (c) **when committed anywhere**, if a victim is a U.S. government employee.

Absent from the bill were proposals to (1) allow multi-point wiretaps and emergency wiretap authority in terrorist cases; (2) allow use of the military to help cope with chemical and biological incidents; (3) require "tagging" of conventional explosives; (4) facilitate law enforcement agency ability to monitor digitally transmitted telecommunications and to facilitate tracing of phone calls; and (5) liberalize federal agency access to common carrier records such as hotel/motel records.

On September 30, 1996, the President signed into law P.L. 104-208, which included FY1997 foreign operations appropriations. Included were new provisions (1) denying GSP treatment to countries on the terrorism list; (2) governing detention and removal of aliens generally, including provisions denying visas to aliens who are members of organizations that the alien knew or should have known were terrorist; (3) increasing availability of visas for participants (and their families) in the State Department's terrorism information rewards program; and (4) appropriating \$1.146 billion for antiterrorism funding including (a) \$18 million for State's antiterrorism assistance program; (b) \$23.7 million for their diplomatic security program; (c) \$14.3 million for security upgrades at U.S. missions; (d) \$50 million for Israeli purchases of counterterrorism equipment; (e) \$21.5 million to the Defense Department for the interagency counterterrorism research and development technical support working group; (f) \$157.7 million for FBI program increases including hiring of 500 agents; and (g) \$197.6 million to the Transportation Department for explosives detection equipment.