



THE SABAN CENTER
for MIDDLE EAST POLICY
at THE BROOKINGS INSTITUTION

ANALYSIS PAPER

Number 16, May 2008

THE CHANGING NATURE OF
STATE SPONSORSHIP
OF TERRORISM

DANIEL L. BYMAN



THE SABAN CENTER
for MIDDLE EAST POLICY
at THE BROOKINGS INSTITUTION

ANALYSIS PAPER

Number 16, May 2008

THE CHANGING NATURE OF STATE SPONSORSHIP OF TERRORISM

DANIEL L. BYMAN

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	V
ABBREVIATIONS	VII
EXECUTIVE SUMMARY	IX
THE AUTHOR	XI
INTRODUCTION	1
A SPECTRUM OF SPONSORSHIP	3
OVERVIEW OF MAIN SPONSORS TODAY	7
IMPACT AND MOTIVATIONS	25
RECOMMENDATIONS FOR FIGHTING THE NEW STATE SPONSORSHIP	33
CONCLUSION	39
APPENDIX	40

ACKNOWLEDGEMENTS

This report benefited tremendously from the ideas and support of my colleagues at the Saban Center for Middle East Policy at the Brookings Institution. Andrew Apostolou, Reid Creedon, Martin Indyk, Kenneth Pollack, Bruce Riedel, Bilal Saab, and Chana Solomon-Schwartz all read all or parts of the manuscript and offered many insights that made the final product far richer. Sarah Yerkes of Georgetown University also helped considerably as a research assistant.

ABBREVIATIONS

AMAL	AFWAJ AL-MUQAWAMA AL-LUBNANIYA (BATTALIONS OF THE LEBANESE RESISTANCE)
ELN	EJERCITO DE LIBERATION NACIONAL
FARC	FUERZAS ARMADAS REVOLUCIONARIAS DE COLOMBIA
FATA	FEDERALLY ADMINISTERED TRIBAL AREAS (OF PAKISTAN)
G8	GROUP OF EIGHT
ICU	ISLAMIC COURTS UNION
IDF	ISRAEL DEFENSE FORCES
IRGC	ISLAMIC REVOLUTIONARY GUARD CORPS
ISCI	ISLAMIC SUPREME COUNCIL OF IRAQ (FORMERLY SCIRI, THE SUPREME COUNCIL FOR THE ISLAMIC REVOLUTION IN IRAQ)
ISI	DIRECTORATE FOR INTER-SERVICES INTELLIGENCE
JAM	JAYSH AL-MAHDI
JUI-F	JAMIAT ULEMA-E-ISLAMI OF FAZLUR REHMAN
LeT	LASHKAR-E TAYYABA
LTTE	LIBERATION TIGERS OF TAMIL EELAM
MEK	MUJAHEDIN-E KHALQ
PIJ	PALESTINE ISLAMIC JIHAD
PKK	PARTIYA KARKERÊN KURDISTAN (KURDISTAN WORKERS' PARTY)
PJAK	PARTIYA JIYANA AZADA KURDISTANÊ (PARTY FOR FREE LIFE IN KURDISTAN)
PUK	PATRIOTIC UNION OF KURDISTAN
TFG	TRANSITIONAL FEDERAL GOVERNMENT (OF SOMALIA)

EXECUTIVE SUMMARY

The U.S. approach toward state sponsorship of terrorism rests on a flawed understanding of the problem and an even more flawed policy response. The U.S. Department of State's current formal list of state sponsors includes Cuba, Iran, North Korea, Sudan, and Syria. But Cuba and North Korea have done almost nothing in this area in recent years, and Sudan has changed its ways enough that elsewhere the Bush administration credits Sudan as a "strong partner in the War on Terror." Of those on the list, only Syria and Iran remain problems, and in both cases their involvement in traditional international terrorism is down considerably from their peaks in the 1980s.

What seems like a brilliant policy success, however, is really an artifact of bad list management, because much of the problem of state sponsorship today involves countries that are not on the list at all. Pakistan has long aided a range of terrorist groups fighting against India in Kashmir and is a major sponsor of Taliban forces fighting the U.S.-backed government in Afghanistan. Hugo Chavez's government in Venezuela is a major supporter of the FARC. And several other governments, such as those in Iraq, Yemen and the Palestinian territories, create problems by deliberately looking the other way when their citizens back terrorist groups.

These new state sponsors are actually more dangerous to the United States and its interests than the remaining traditional state sponsors, because some of them

are tied to Sunni *jihadi* groups such as al-Qa'ida—currently the greatest terrorist threat facing the United States. The nightmare of a terrorist group acquiring nuclear weapons is far more likely to involve Pakistan than it is Iran or North Korea.

The new state sponsors can also be harder to deal with than the old ones, not least because they often have a more complicated relationship with terrorists. In many cases, the government in question does not actively train or arm the terrorist group, but rather lets it act with relative impunity—an approach that, in practice, allows the government to claim ignorance or incapacity. Thus it can be hard to distinguish between Yemen's willful inaction and cases like Jordan, where terrorist cells also operate but do so despite a fierce regime counterterrorism campaign. Many of the new sponsors are also U.S. allies. And some cooperate, albeit fitfully, with the U.S. war on terrorism even as they surreptitiously allow terrorists to operate from their soil.

Because of this complexity, the answer to the problem does not lie only in updating the State Department's state sponsorship list to reflect current relationships—swapping out Cuba for Venezuela, say, or replacing North Korea with Pakistan. The very concept of a binary list, with countries either on it or off, is flawed and often does more harm to U.S. interests than good. Once a country is listed it is hard to remove even if it does not support terrorism (as Sudan has found out),

and the list provides little incentive for partial or incomplete counterterrorism cooperation (which is all several countries are realistically likely to give).

So what Washington should really do is adopt a new approach that recognizes the complex nature of state sponsorship today. The first step should be to forge an international consensus on a broad definition of what constitutes state sponsorship—a definition that encompasses not only errors of commission, such as arming and training groups, but also errors of omission, such as unwillingness to stop terrorist fundraising and recruitment. A good precedent to follow here is the effort to stop money laundering: by forging an agreement among key states on financial accounting standards, the United States and its allies have been able to make considerable progress on improving compliance and reducing the number of countries with lax enforcement.

At a bilateral level, moreover, simple embarrassment has proven surprisingly effective as a tool against some countries. The spotlight held on Saudi Arabia after September 11 humiliated the kingdom's royal family,

making it scramble to at least appear cooperative. The United States should consider creating a list of passive sponsors and their activities in an attempt to “name and shame” them into better behavior, using as a model the “transparency index” that measures the level of corruption in countries around the world.

If diplomatic pressure has little impact, political and economic penalties should then be introduced. Initially, such penalties should be mostly symbolic at first, embarrassing a regime in front of elites and signaling to foreign investors and others that more harsh penalties are on their way. (Travel bans for regime leaders fall into this category.) If those don't work, more serious economic and other penalties should come into play over time, tailored to the circumstances of each particular case and with care taken to ensure that both sides understand what, exactly, the sanctions are linked to and what will be required to have them lifted.

Together, such a package of measures would do much more to combat the real problems of state sponsorship of terror that currently exist than does the outdated approach Washington employs today.¹

¹ A version of this executive summary first appeared as Daniel Byman, “Listing Our Terror Problems,” *The National Interest Online*, May 2, 2008, available at <<http://www.nationalinterest.org/Article.aspx?id=17588>>.

THE AUTHOR

DANIEL L. BYMAN is a Senior Fellow at the Saban Center for Middle East Policy at the Brookings Institution. He is Director of the Security Studies Program and the Center for Peace and Security Studies as well as Associate Professor at Georgetown University's Edmund A. Walsh School of Foreign Service and he holds a joint appointment with the Georgetown Department of Government. Byman has served as a Professional Staff Member with both the National Commission on Terrorist Attacks Upon the United States ("The 9/11 Commission") and the Joint 9/11 Inquiry Staff of the House and Senate Intelligence Committees. He has

also worked as the Research Director of the Center for Middle East Public Policy at the RAND Corporation and as a Middle East analyst for the U.S. intelligence community. Byman has written widely on a range of topics related to terrorism, international security, and the Middle East. His latest books are *The Five Front War: A Better Way to Fight Global Jihad* (Wiley, 2008); *Things Fall Apart: Containing the Spillover from an Iraqi Civil War* (Brookings, 2007; co-authored with Kenneth Pollack); and *Deadly Connections: States that Sponsor Terrorism* (Cambridge University Press, 2005).

INTRODUCTION

State support remains one of the deadliest and most important aspects of terrorism. However, the identity and nature of state sponsors of terrorism has changed considerably in recent years. As a result, the United States must modify its efforts to fight this deadly scourge.²

The U.S. Department of State identifies the following countries as state sponsors of terrorism: Cuba, Iran, North Korea, Sudan, and Syria. Notably, Libya was removed from the state sponsors list after having been on the list since its inception. This list, however, misstates and understates the problem. Cuba and North Korea's role in international terrorism today is almost non-existent, and Sudan is credited with being a "strong partner in the War on Terror."³ This good news, however, must be balanced by the three other countries that, from an analytic perspective, should be considered for listing in the context of traditional state sponsorship. In addition to the list of formal sponsors, Venezuela is designated as a state that is "not fully cooperating" in the fight against terrorism. U.S. officials have also criticized Eritrean government policies as friendly to terrorists. The most

important omission is Pakistan, which has long supported a range of terrorist groups fighting against India in Kashmir and is a major sponsor of Taliban forces fighting the U.S.-backed government in Afghanistan.

Further complicating this picture are the issues of passive sponsors and quasi-independent parts of governments that may act without authorization from senior leaders. In Saudi Arabia, for example, parts of the clerical establishment raise money for anti-Shi'i and anti-U.S. Sunni radicals in Iraq even as the Saudi Arabian government fights against similar groups within the kingdom. In Iraq, areas of the country are a haven for terrorist groups due to a lack of government capacity, while in Iraqi Kurdistan, the *Partiya Karkerên Kurdistan* (Kurdistan Workers' Party), the terrorist group which fights Turkey, operates with at least the toleration, if not the approval, of the Kurdish authorities.⁴ Yemen has cracked down on terrorists opposing its government there but is more tolerant when these groups operate abroad. Some observers contend that in some countries key state agencies often operate without the full approval of their governments.

² This report does not provide extensive information on the history of state support for terrorism and past motivations and impact of such support. This is covered in great detail in Byman, *Deadly Connections: States that Sponsor Terrorism* (New York: Cambridge University Press, 2005). This report updates and expands the findings in that book.

³ U.S. Department of State, "State Sponsors of Terrorism Overview," *Country Reports on Terrorism*, April 30, 2007, available at <<http://www.state.gov/s/ct/rls/crt/2006/82736.htm>>.

⁴ Richard A. Oppel, Jr., "In Iraq, Conflict Simmers on a 2nd Kurdish Front," *The New York Times*, October 23, 2007, p. A1, available at <<http://www.nytimes.com/2007/10/23/world/middleeast/23kurds.html?ex=1350792000&en=cb666a82059233b1&ei=5090&partner=rssuserland&emc=rss&pagewanted=all>>.

Such passive and quasi-independent sponsors are arguably more dangerous to the United States than are traditional sponsors because some of them are tied to *jihadi* groups such as al-Qa'ida, which are currently the greatest terrorist threat to the United States. In addition, the U.S. toolkit for such sponsors is less robust than it is for traditional sponsors like Iran and Syria. Coercing such rogue regimes is difficult, but analysts and policymakers have considered these issues for years, while the intellectual arsenal for confronting passive sponsors has not been well developed.

Given the direct al-Qa'ida danger, it is not surprising that the United States has embarked on a major campaign against state sponsored terrorism as part of the overall "global war on terrorism." Most dramatically, this campaign included the invasions of Afghanistan and Iraq, both of which were justified in the name of counterterrorism (the first legitimately, the second less so). Although the Taliban's and Saddam Husayn's regimes are no longer in power, U.S. troops remain in both these countries in the name of counterterrorism.

Less visibly, but almost as important, the Bush Administration made counterterrorism its top foreign policy priority. Countries like Yemen and Algeria, previously strategic backwaters, became important policy priorities. In addition, counterterrorism assumed immense importance in relations with countries like Pakistan and Saudi Arabia, having previously been but one of many concerns.

Finally, the Bush administration embarked on a campaign of democratization as a long-term solution to the problem of terrorism. The logic was that a democratically empowered people would not turn to terrorism as they would have other means to resolve grievances and in general would see their governments as legitimate. Moreover, democracies rarely use terrorism as a foreign policy tool. Indeed, a democratic government would be a more effective counterterrorism partner as its newfound legitimacy would make it less likely to indulge in such rogue behavior as sponsoring terrorism. As a result, the United States supported the "Cedar Revolution" against Syrian occupation in Lebanon in 2005 and subsequent elections, presidential and legislative, in the Palestinian territories in 2005 and 2006, and otherwise favored democracy even when it risked instability.

The remainder of this paper has five sections. The first describes different categories of sponsorship today. This categorization is followed by an overview of the main sponsors today, both active and passive. The third section looks at the motivations of today's sponsors, and reviews the impact, both positive and negative, of their support, and the justifications and excuses they often employ. In the fourth section, the efforts of the Bush Administration to fight state sponsored terrorism are briefly evaluated. The paper concludes by offering suggestions on how to better fight state sponsorship of terrorism.

A SPECTRUM OF SPONSORSHIP

Notionally, state sponsorship can be broken up into several categories and sub-categories, ranging from direct control to support through incapacity. Analytically, it is worth separating active from passive sponsorship. In addition, it is important to distinguish deliberate state support for terrorism from support provided by non-state actors acting as a component of the state or without the state's opposition. The appendix attempts to use these categories to characterize the main terrorism sponsors active today.

CATEGORIES OF ACTIVE SPONSORSHIP

Active state sponsorship is traditionally conceived of as a deliberate regime decision to provide critical support to a terrorist group, typically in the form of weapons, money, propaganda and media, or a safe haven.⁵ This rather straightforward description, however, masks tremendous variety:

Control. Some states directly control the terrorist groups they support: the group is in essence a cat's-paw of the state. A past example of this would be Syria's creation of *al-Sa'iqqa*, a Palestinian group that Damascus used in at-

tempt to undermine Fatah-leader Yasir Arafat. Historically, many states created and actively backed terrorist groups simply as an adjunct of state policy.

Coordination. Absolute control is rare, but states often try to coordinate the activities of terrorist groups to best serve the state's interests. Pakistan, for example, has backed a range of groups fighting against India in Kashmir, using money, weapons, and training to influence their ideological agendas and targeting. Iran works closely with Hizballah, both with Hizballah's decisions in Lebanon and, in particular, its overseas activities. These groups, however, have their own agendas and operate with some degree of independence from their sponsors.

Contact. States are regularly in contact with terrorist groups, at times engaging in minor tactical coordination or simply trying to keep channels open for possible future coordination. Often, a state's set of contacts are vast, even if its level of coordination is limited. Iran, for example, is reportedly in contact with a wide range of Sunni *salafi-jihadist* groups, even though actual coordination appears at best limited.

⁵ This paper follows the U.S. Department of State definition of a safe haven as "ungoverned, under-governed, or ill-governed areas of a country and non-physical areas where terrorists that constitute a threat to U.S. national security interests are able to organize, plan, raise funds, communicate, recruit, train, and operate in relative security because of inadequate governance capacity, political will, or both." See U.S. Department of State, "Terrorist Safe Havens," *Country Reports on Terrorism*, April 30, 2007, available at <<http://www.state.gov/s/ct/rls/crt/2006/82728.htm>>. As noted below, distinctions between "ungoverned" and "ill-governed," as well as between a lack of capacity and a lack of will, have profound counterterrorism implications.

CATEGORIES OF PASSIVE SPONSORSHIP

Even more confusing is the variety of activities within passive sponsorship, which I define as when a regime's *deliberate inaction* allows terrorist groups to flourish. As terrorism today is often self-funded, and as the international arms market has seen a proliferation of small arms, passive sponsorship is an increasingly important category of state support. Types of passive sponsorship include:

Knowing toleration. Some governments may make a policy decision not to interfere with a terrorist group that is raising money, recruiting, or otherwise exploiting its territory. In essence, the regime wants the group to flourish and believes that by not acting it can help it do so. Syria did this shortly after the U.S. invasion of Iraq, allowing *jihadists*, ex-Ba'athists, and others to organize from Syrian soil.

Unconcern or ignorance. Some states may not seek to further a terrorist group's activities, but they may not bother to stop it, either because they do not believe its activities are extensive or because they do not believe the group's activities affect the state's interest. Thus Canada allowed the "Snow Tigers"—the Canadian branch of the Liberation Tigers of Tamil Eelam (LTTE)—to raise money with little interference, in part because the Canadian government does not regard the LTTE as a true threat.⁶

Incapacity. Some states do not fully control their territory or the government is too weak vis-à-vis key domestic actors that do support terrorism to stop the activities. The Lebanese Armed Forces, for example, are too weak to clamp down on Hizballah's activities, while there are parts of Pakistan that the government does not fully control.

VARIATIONS ON "THE STATE"

The united, coherent state is an ideal rarely reached in reality. Even advanced industrialized countries have bureaucracies that act on their own and key interest groups that become major foreign policy actors independently of central government policy. This variation is far more acute in the developing world, where state power is usually weaker and almost invariably less institutionalized.⁷ Conceptually, the actors can be broken down into three categories:

The central government. What is usually referred to as "state support" refers to deliberate decisions by recognized leaders of the state to support a terrorist group. These leaders may be elected or unelected, but in general their position is one that is seen as being part of the official government. When Syria and Iran support terrorists, the usual assumption is that President Bashar al-Asad of Syria, Supreme Leader Ayatollah Ali Khamenei of Iran, and other senior leaders are aware of the activities.

Independent bureaucracies. At times components of a government may act without the knowledge of the state leadership. The leadership's ignorance may be deliberate (i.e. it may choose not to know) or the leadership may be unable to exert control over nominal subordinates. For example, as discussed further below, some observers believe that Pakistani intelligence members have independent relations with various *jihadist* groups that are not sanctioned by the Musharraf administration. Some observers believe Pakistan's Directorate for Inter-Services Intelligence (ISI) channels resources to the *jihadist*-linked groups and shields them from government (and U.S.) counterterrorism activity.

⁶ Stewart Bell, *Cold Terror: How Canada Nurtures and Exports Terrorism around the World* (New York: Wiley, 2005), pp. 39-92.

⁷ For a conceptual review of such problems, see Mohammed Ayoob, *The Third World Security Predicament: State Making, Regional Conflict, and the International System* (Boulder, CO: Lynne Rienner Publishers, 1995).

Key social actors. Some interest groups in a state—religious organizations, professional associations, or even wealthy individuals—enjoy tremendous autonomy and at times may act in opposition to their government, even to the point of supporting terrorism. For example, in Saudi Arabia before 9/11, the al-Haramain Foundation played an important role in al-Qa‘ida fundraising and logistics.⁸ Dr. Shan Sunder, a prominent medical practitioner living in California who has

made no secret of his support for the creation of an independent Tamil state in Sri Lanka, is believed to be one of the most important contributors to the LTTE cause, offering an estimated \$4 million in the 1990s.⁹

Properly understanding state sponsorship today requires recognizing the variety of levels of support and, just as importantly, the many different actors involved.

⁸ John Roth, Douglas Greenburg and Serene Wille, *Monograph on Terrorism Financing: Staff Report to the Commission* (National Commission on Terrorist Attacks Upon the United States, 2004), pp. 114-30, available at <http://govinfo.library.unt.edu/911/staff_statements/911_TerrFin_Monograph.pdf>.

⁹ Byman, Peter Chalk, Bruce Hoffman, William Rosenau, and David Brannan, *Trends in International Support for Insurgent Movements* (Santa Monica, CA: RAND, 2001).

OVERVIEW OF MAIN SPONSORS TODAY

Given the vast range of possibilities listed in the preceding section, a detailed description of all current terrorism sponsorship activities and the motivations and activities of state sponsors is beyond the scope of this paper. An overview of the main sponsors, their level of contact with various groups, and other related activities is presented graphically in the appendix. The subsections below draw on the appendix and examine sponsors whose activities have changed significantly in recent years or which have come to the attention of U.S. policymakers.¹⁰ Although some of these states fall neatly into one of the categories above, many are engaged in significant forms of passive sponsorship as well as occasional active sponsorship, straddling categories.

PAKISTAN

Pakistan is perhaps the world's most active sponsor of terrorist groups—sponsorship that includes aiding groups that pose a direct threat to the United States.

In its support, Pakistan spans the range of categories listed in the preceding section: actively backing some groups, maintaining contacts with others, turning a blind eye to yet more groups, and in some cases lacking the capacity to shut down radicalism it opposes. In addition, support for terrorism in Pakistan is a broad-based activity, involving an array of government and non-state actors.

Islamabad has long worked with many different groups linked to *jihadists* in its fight to wrest Kashmir from India. In this fight, Pakistan worked with groups such as *Lashkar-e Tayyaba* (LeT), *Jaish-e Muhammad* and *Harakat ul-Mujahedin* to train *jihadists* to fight in Kashmir. Many of these groups were temporarily banned or forced to change their names in response to U.S. pressure after 9/11. Nonetheless, they or their successors remain active with Pakistani government support.¹¹ Pakistan played an instrumental role in the creation and advancement of the Taliban in the 1990s, with the Pakistani Army and the ISI working closely

¹⁰ This section does not address issues such as the Sulu/Sulawesi Seas Littoral, remote parts of Indonesia, and other areas where geography and local regime incapacity make the “cause” of sponsorship relatively straightforward (although the issue remains important and the solutions are unclear and difficult).

¹¹ International Crisis Group, “Discord in Pakistan’s Northern Areas,” Asia Report N°131, April 2, 2007, p. 17, available at <http://www.crisisgroup.org/library/documents/asia/south_asia/131_discord_in_pakistan_s_northern_areas.pdf>; Shaun Gregory, “The ISI and the War on Terrorism,” *Studies in Conflict & Terrorism* 30, no. 12 (December 2007), p. 1023.

with the Taliban at all levels. In addition, support for fighters in Afghanistan was one of the main reasons for the creation of LeT, and this was done with the assistance of Osama bin Laden himself.¹²

In response to extremely heavy U.S. pressure, Pakistani President Pervez Musharaff supposedly cut ties to the Taliban after the 9/11 terrorist attacks. The Karzai government of Afghanistan claims that the Pakistani Army and ISI still back the Taliban: a charge that the Taliban and Pakistan deny.¹³ Yet this denial rings false. Several observations support the view that Pakistan is a major backer of the Taliban and other groups fighting the Karzai government:

- Before 9/11, Pakistan's ties to the Taliban were extensive and well-documented;
- The Taliban's leadership today is based in Pashtun areas of Pakistan. Similarly the forces of *Hizb-e Islami* led by Gulbuddin Hekmatyar, who in 2006 declared that he would fight under al-Qa'ida's banner, have a significant presence in several areas in Pakistan;
- NATO commanders report that Pakistan's efforts to police its border with Afghanistan are at best half-hearted;
- Pakistan's official bans on radical groups linked to the Taliban such as LeT were not followed up with serious enforcement. LeT, for example, still runs a massive charity, hundreds of schools, and

has hundreds of offices in the country;

- Pakistani recruits are often found in the ranks of the Taliban and other groups; and
- Attacks are often planned from and organized in Pakistan.¹⁴

One hub for radical and terrorist activity is the Federally Administered Tribal Areas (FATA), which became a major haven for the Taliban after they fell from power in 2001. In addition to the Taliban, other militant groups like *Hizb-e Islami* and foreign *jihadists* with ties to al-Qa'ida operate out of FATA.¹⁵

Pakistan's support for groups like the Taliban is done in part by non-state actors affiliated with the government. For example, the *Jamiat Ulema-e-Islami of Fazlur Rehman* (JUI-F), a political and religious group that calls for religious government and endorses many militant Islamist positions, has a locus of power in both Baluchistan and the Northwest Frontier Province using its official position to advance and openly back the Taliban. JUI-F and the Taliban both share an ideology that draws upon the traditions of Deobandism. In addition to non-state actors like JUI-F, al-Qa'ida also has ties to other religious leaders, smuggling organizations, and individuals in the security services.

The Pakistani government directly and indirectly supports these associations. It works with JUI-F against its secular Baluchi and Pashtun opponents (many of whom are tribal leaders or nationalist figures), and JUI-F's activities in support of the *jihadist* movement

¹² Pakistan's military and intelligence services provided arms, ammunition, supplies for combat, financial aid, and training. Pakistan also helped recruit fighters for the Taliban, often working with domestic religious associations. The Pakistani government at times even tried to represent the Taliban's interests overseas. Support for the Taliban went far beyond official government circles and included major political parties, religious networks, and many ordinary Pakistanis. Indeed, the movement emerged from religious schools run by the *Jamiat Ulema-e-Islami*. Larry Goodson estimates that Pakistanis comprised one quarter of the Taliban's forces, and other estimates are even higher. Michael Griffin, *Reaping the Whirlwind: Afghanistan, Al Qaeda and the Holy War* (Sterling, VA: Pluto Press, 2003), pp. 33-4; Larry P. Goodson, *Afghanistan's Endless War: State Failure, Regional Politics, and the Rise of the Taliban* (Seattle: University of Washington Press, 2001), pp. 111-118; Human Rights Watch, *Afghanistan – Crisis of Impunity: The Role of Pakistan, Russia and Iran in Fueling the Civil War* (New York, 2001), pp. 23-6, available at <<http://www.hrw.org/reports/2001/afghan2/Afghan0701.pdf>>; and Peter Bergen, *Holy War, Inc.: Inside the Secret World of Osama bin Laden* (New York: Simon & Schuster, 2002), p. 148.

¹³ Bruce Riedel, "The Return of the Knights: al-Qaeda and the Fruits of Middle East Disorder," *Survival* 49, no. 3 (Autumn 2007), pp. 110-1.

¹⁴ International Crisis Group, "Countering Afghanistan's Insurgency: No Quick Fixes," Asia Report N°123, November 2, 2006, pp. 9-10, available at <http://www.crisisgroup.org/library/documents/asia/south_asia/123_countering_afghanistans_insurgency.pdf>.

¹⁵ International Crisis Group, "Pakistan's Tribal Areas: Appeasing the Militants," Asia Report N°125, December 11, 2006, p. 1, available at <http://www.crisisgroup.org/library/documents/asia/south_asia/125_pakistans_tribal_areas___appeasing_the_militants.pdf>.

in general are both tolerated and at times exploited.¹⁶ Allowing the JUI-F to do the “dirty work” of supporting the Taliban and other groups helps the government ensure strong relations with a key political ally and gives the government a degree of deniability.

One cost of this “outsourcing” of terrorism to non-state actors is that these actors have their own agendas that differ considerably from those of the Pakistani government. Groups like the JUI-F, for example, also have extensive ties to an array of *jihadists* who in addition to fighting in Afghanistan and Kashmir, are also engaged in various struggles throughout the Muslim world. Individuals linked to the JUI-F provide training, networking, financing, and other services for various *jihadists* writ large, even though many of these *jihadists* also violently oppose the government of Pakistan. Indeed, Musharraf has suffered at least seven assassination attempts, several of which nearly succeeded.¹⁷ Moreover, many *jihadist* activities in Pakistan, particularly *jihadist* sectarian killings and attacks of army forces, go directly against the Musharraf government’s strategic interest and domestic power base.

An even trickier question is the degree to which the ISI and parts of the military are backing the Taliban and various *jihadist* groups in defiance of their own government’s wishes. The ISI is reported to channel resources to various Islamist groups, tip them off about government counterterrorism actions, and look the other way as they recruit and raise money.¹⁸ Indian officials also claim that the ISI has played a major role in attacks such as the July 2006 bombing in Mumbai. Such support is particularly complex, as support for

the Taliban and groups fighting in Kashmir appears to be official Pakistani policy, while support for the core group of *jihadists* around bin Laden that comprise the heart of al-Qa’ida does not.

Is the ISI acting on behalf of the Pakistani government or in defiance of it? Former U.S. Ambassador to Pakistan William Milam claims that the ISI is firmly under Musharraf’s control. Other officials echo this point, noting that painting the ISI as a “rogue” agency helps the Musharraf government maintain Western goodwill even as it backs anti-Western causes.¹⁹ In addition, Musharraf replaced several leaders of the ISI in the years after 9/11, putting loyalists into the most senior ranks. The reality becomes murkier at lower levels, as some officials are undoubtedly sympathetic to the *jihadists*.²⁰

A less immediate but potentially greater long-term concern, is the various schools, both religious and state in particular, that breed anti-U.S. extremism. Despite repeated Pakistani promises to control *madrasahs* and turn them away from *jihadist* groups, their number has grown since 9/11, and many schools have not registered with the government.²¹ Some of the schools openly encourage recruits to join *jihadist* organizations, but the greater problem is that they breed sectarianism. Many have curricula that harshly criticize Shi’i, Sufi, and other, more moderate Sunni (including non-violent *salafi*) interpretations of Islam. In addition to teaching their students messages of hate, they also have newspapers, websites, and other forms of dissemination that seek to indoctrinate a broader audience. Unfortunately, the vast majority of U.S. attention has focused on religious

¹⁶ Ibid., pp. 16-17; International Crisis Group, “Pakistan: The Forgotten Conflict in Balochistan,” Asia Briefing N°69, October 22, 2007, p. 7, available at <http://www.crisisgroup.org/library/documents/asia/south_asia/b69_pakistan_the_forgotten_conflict_in_balochistan.pdf>; and International Crisis Group, “Countering Afghanistan’s Insurgency,” p. 9.

¹⁷ Gregory, op. cit., p. 1021.

¹⁸ For example, see Rory McCarthy, “Dangerous Game of State-Sponsored Terror that Threatens Nuclear Conflict,” *The Guardian*, May 25, 2002, available at <<http://www.guardian.co.uk/kashmir/Story/0,2763,722049,00.html>> and Mark Sappenfield, “Pakistan Said to Play Both Sides on Terror War,” *Christian Science Monitor*, October 2, 2006, available at <<http://www.csmonitor.com/2006/1002/p01s04-wosc.html>>. The latter cites a leaked British Ministry of Defence report that claims the ISI in particular has supported terrorism. For an interesting history of the ISI, see Sean P. Witchell, “Pakistan’s ISI: The Invisible Government,” *International Journal of Intelligence and Counter-Intelligence* 16, no. 1 (Spring 2003), pp. 374-88.

¹⁹ Eben Kaplan, “The ISI and Terrorism: Behind the Accusations,” Council on Foreign Relations, October 19, 2007, available at <<http://www.cfr.org/publication/11644/>>.

²⁰ Gregory, op. cit., pp. 1013-31.

²¹ Ibid., p. 1024.

schools, while much of the public education system is free to preach hostility to the United States. Indeed, one recent study finds that only one percent of full-time student enrollments are in religious schools.²²

The motivations for Pakistan's support are mixed; strategic ambition, domestic politics, and incapacity all play a role. Traditionally Pakistan backed groups in Afghanistan for strategic reasons (many of them rather far-fetched). These range from concern about Afghan irredentism to a desire for strategic depth in the event of a conventional military conflict against India. For many years, support for terrorist and insurgent movements proved effective in stoking militancy in Kashmir, preventing the region from being incorporated into India and tying down large numbers of Indian forces. Today in Afghanistan, backing the Taliban also gives Islamabad tremendous leverage over a neighbor whose politics are often tied to that of Pakistan.

A further motivation for Musharraf and successor governments is political survival. The Musharraf administration, bereft of support from the traditional secular political parties, has reached out to Islamist parties. These parties back terrorists and other radical forces in Kashmir and the Taliban in Afghanistan. The Taliban and many *jihadi*-oriented parties are supported by significant large segments of the Pakistani population, as are many groups fighting in Kashmir. Moreover, anything that smacks of cooperation with Washington is unpopular. Thus even the ascendant secular parties will be hesitant to engage in a crackdown.

Incapacity is also a genuine concern. FATA, for example, has always had loose administration. In FATA,

militants have killed hundreds of military and security service personnel as well as civilian government officials. Militants have also inflicted heavy losses on the army in other parts of Pakistan.²³ As a result, parts of the army suffer poor morale, and discipline is breaking down.²⁴

The Pakistani government's outsourcing of support for terrorism has over time enabled various domestic Islamist groups to become stronger politically. For example, the Musharraf's government's support for a major JUI-F role in the Baluchistan government has enabled JUI-F to channel provincial government resources to radical *madrassahs* that the group runs.²⁵ Increasingly, JUI-F is a major player in Baluchistan with the result being that the Pakistani central government treats it more as partner than proxy.

On a societal level, Pakistan's support for various radical groups has increased the "Talibanization" of Pakistan. The dozens of small foreign *jihadi* groups, as well as the large cadre of Taliban, have cross-fertilized with various Islamist groups in Pakistan producing a dangerous mix of organization, political ambition, and violence. Militants in Pakistan openly raise money and issue propaganda in support of *jihadi* causes. In parts of FATA and North and South Waziristan, Taliban-style social policies such as banning music and closing barbershops are common. Sectarianism in Pakistan has also grown, with Sunni militants targeting an array of Shi'i elites as well as Sunnis who do not fully embrace their cause.²⁶

U.S. pressure in the immediate aftermath of 9/11 led the Pakistani government to focus on uprooting al-

²² C. Christine Fair, *The Madrassah Challenge* (Washington, DC: USIP, 2008), pp. 93-5. See also International Crisis Group, "Pakistan: Karachi's Madrasas and Violent Extremism," Asia Report N°130, March 29, 2007, available at <http://www.crisisgroup.org/library/documents/asia/south_asia/130_pakistan_karachi_s_madrassas_and_violent_extremism.pdf>.

²³ International Crisis Group, "Countering Afghanistan's Insurgency," p. 10; Gregory, op. cit., p. 1021; International Crisis Group, "Pakistan's Tribal Areas," pp. 1, 18-9.

²⁴ Arthur Keller, "Caution: Taliban Crossing," *The New York Times*, November 28, 2007, available at <<http://www.nytimes.com/2007/11/28/opinion/28keller.html?ex=1354165200&en=0e281de217de1b9d&e=5090&partner=rssuserland&emc=rss&pagewanted=all>>.

²⁵ International Crisis Group, "Pakistan: The Forgotten Conflict," p. 7.

²⁶ International Crisis Group, "Pakistan's Tribal Areas," pp. 21-4; International Crisis Group, "Discord in Pakistan's Northern Areas," pp. 15-9.

Qa'ida-linked individuals, but little cooperation occurred on the Taliban.²⁷ At times the Musharraf government will arrest Taliban members, but only under great pressure and only lower-level members. In recent years, arrests of senior al-Qa'ida figures have dried up even as most observers believe the organization has reconstituted its core in parts of Pakistan.

IRAN

The U.S. government has long branded Iran as the world's most active state sponsor of terrorism. Although I would argue that Pakistan holds that dubious title, Tehran does have ties to a range of extremist groups, some of which regularly use terrorism. In addition, many of the groups that Iran supports are hostile to the United States and are active in regions critical to U.S. national security.

Iran remains exceptionally close to Hizballah, the Shi'i Lebanese group that is one of the world's most capable terrorist organizations. Iran provides Hizballah with military training, financial support, and weapons, as well as ideological support. Hizballah leaders and the Iranian clerical and security establishment also have exceptionally close personal ties.

In the 1980s, Iran helped create Hizballah from an array of small and weak radical Shi'i groups in Lebanon. Over the years, Iran poured money into the organization, sent fighters to train its forces, and closely supervised its activities. In exchange, Hizballah operatives carried out terrorism for Iran, and the two closely coordinated activities around the world. Hizballah leaders openly professed loyalty to Iran's revolutionary government.²⁸

Today, Iran and Hizballah remain exceptionally close, but Iran's day-to-day control of Hizballah in Lebanon

is more limited than before. Hizballah leaders still respect Ayatollah Ali Khamenei, Iran's Supreme Leader, but the veneration is not close to what was felt for Khamenei's predecessor, the charismatic Ayatollah Khomeini. In addition, much of Hizballah's rank-and-file look first to the Lebanese leader Ayatollah Mohammad Hussein Fadlallah for religious guidance. Militarily, Hizballah operatives have become highly skilled through Iranian training and through the vetting process of years of warfare against the Israel Defense Forces (IDF). Hizballah has its own fundraising capability in Lebanon and among the Lebanese diaspora. Although Iran and Hizballah still coordinate key decisions, particularly outside of Lebanon, and Iranian weapons and financial support still greatly benefit the group, the relationship is more partner than proxy.

Iran has also maintained steady ties with several Palestinian groups. Relations with Palestine Islamic Jihad (PIJ) are particularly close, but Tehran also has regular contact with Hamas and reportedly provides it with limited funding and training. Much of Iran's "outreach" to Palestinian groups is done through Hizballah. This gives Iran a veneer of deniability. In addition, Hizballah's own capabilities for training and support are considerable, and the organization's successful defeat of Israel in 2000 followed by the perceived victory in 2006, have given it tremendous prestige among Palestinians and other Arabs.²⁹

While Iranian relations with Hizballah and the Palestinians have at most changed slowly, the nature of Iran's relations with various militant groups in Iraq has changed abruptly. After the fall of Saddam's regime in 2003, Iran deployed hundreds if not thousands of intelligence and paramilitary personnel to Iraq. Iran's goals in Iraq are multiple, and at times potentially conflicting. A constant Iranian goal is to expand its influ-

²⁷ International Crisis Group, "Countering Afghanistan's Insurgency," p. 10; International Crisis Group, "Pakistan's Tribal Areas," p. 26.

²⁸ For more on the organization, see Judith Palmer Harik, *Hezbollah: The Changing Face of Terrorism* (New York: I.B. Tauris, 2004); Augustus Richard Norton, *Hezbollah* (Princeton, NJ: Princeton University Press, 2007); Hala Jaber, *Hezbollah: Born with a Vengeance* (New York: Columbia University Press, 1997); and Byman, *Deadly Connections*, pp. 79-116.

²⁹ Dan Murphy, "In War's Dust, a New Arab 'Lion' Emerges," *Christian Science Monitor*, August 29, 2006.

ence in Iraq at both the national and the local level. Thus it pursues ties to a range of local actors, even when they are in opposition to Iran's preferred clients at the national level. That said, Iran has favorites: it wants not only "the Shi'ah" as a community to win, but in particular those Shi'ah with close ties to Tehran. In the early years after the invasion, Iran also sought to counterbalance U.S. power, fearing that a strong U.S. position in Iraq would pose a direct threat to Iran's own security. As the situation in Iraq worsened and Washington's appetite for regime change dulled, the United States became less of a driver of Iranian actions, though it remains an important factor in the Iranian leadership's calculations. Balancing all this is an Iranian desire for flexibility. Tehran seeks to have options should Iraq change suddenly, whether because of a shift in U.S. policy or events on the ground. Iran has enhanced its options by having a myriad of links to many different actors.

Iran's policies are also heavily shaped by changes in U.S. policy since 9/11. Iran initially cooperated with Washington with regard to al-Qa'ida and to a degree in Afghanistan. Iranian leaders, however, believe that the United States rebuffed its gestures. In addition, Iran exploited the chaos that followed U.S. regime change in Iraq to expand its influence there (as discussed below).

Today, Iran's closest ties may be to the Islamic Supreme Council of Iraq (ISCI, formerly the Supreme Council for the Islamic Revolution in Iraq, SCIRI). This relationship rests on the exceptionally close and subservient days when SCIRI's role was that of an Iranian proxy to be wielded against Saddam's regime during the bitter 1980-8 Iran-Iraq war. Indeed, Iran even organized

part of SCIRI into the Badr Corps to fight against Iraqi forces on Iran's behalf. Today, as the International Crisis Group notes, "although the extent of ISCI's continued involvement with it is a matter of debate, there is no question that Tehran exerts significant influence over the party and that ISCI's ties to Iran's security establishment remain strong."³⁰

Yet ISCI is not simply an Iranian puppet. ISCI has distanced itself from Tehran, dropping "Revolution" from its name and suggesting that it does not follow Iran's governing doctrine of *velayat-e faqih* ("rule of the jurisprudent").³¹ ISCI's ties to the United States suggest the unusual nature of this relationship. ISCI members, including many involved in the Badr Corps, are now an integral part of Iraq's intelligence and police forces. Thus ISCI is able to work with the United States in its capacity as part of the Iraqi government and, together, they have gone after ISCI rivals such as Muqtada as-Sadr's *Jaysh al-Mahdi* (JAM).

Although ISCI may be Iran's closest ally in Iraq, Tehran has sought out many other relationships, even at the price of weakening ISCI. For example, Iran's ties to JAM have grown considerably, even to the point of repeatedly hosting its leader Muqtada al-Sadr, despite his repeated criticisms of Tehran and violent rivalry with ISCI. Reportedly the Islamic Revolutionary Guard Corps (IRGC) and Hizballah have trained an array of JAM "special groups" to gather intelligence, use explosively formed penetrators (specialized mines that destroy heavily armored vehicles), conduct kidnappings, and otherwise engage in terrorist and guerrilla activities.³² These efforts are in keeping with Iran's goal of having local influence and hedging its bets.

³⁰ International Crisis Group, "Shiite Politics in Iraq: The Role of the Supreme Council," Middle East Report N°70, November 15, 2007, p. 21, available at <http://www.crisisgroup.org/library/documents/Middle_east_north_africa/iraq_iran_gulf/70_shiite_politics_in_iraq_the_role_of_the_supreme_council.pdf>. For two extensive works on Iranian involvement in Iraq, see Kimberly Kagan, "Iran's Proxy War against the United States and the Iraqi Government," *Weekystandard.com* and The Institute for the Study of War, May 2006-August 20, 2007, available at <<http://www.weeklystandard.com/weblogs/TWSFP/IraqReport06.2.pdf>> and International Crisis Group, "Iran in Iraq: How Much Influence," Middle East Report N°38, March 21, 2005, available at <http://www.crisisgroup.org/library/documents/middle_east_north_africa/iraq_iran_gulf/38_iran_in_iraq_how_much_influence.pdf>.

³¹ International Crisis Group, "Shiite Politics in Iraq," pp. 16-21.

³² Kagan, *op. cit.*, p. 9.

Outside Iraq's Shi'i community, Iran has longstanding ties to the Patriotic Union of Kurdistan (PUK), which is now one of two major partners in the Kurdistan Regional Government, as well as an array of local Kurdish leaders. Iran has suffered unrest from its own Kurdish population, and ties between Iran's Kurdish population and that in Iraq are considerable, with Iraq having served as a rear base for Iranian guerrillas many times this century. Ties to Kurdish groups in Iraq give Iran influence in Iraqi Kurdistan and also help Iran limit support given to Iranian Kurdish dissidents and rebels.

Iran is also reported to have an array of contacts with various *jihadi* groups, though the level of cooperation is difficult to discern from unclassified sources. In Iraq, rumors regularly circulate that Iran is backing one or another *jihadi* group. Even aside from these rumors Iran's extensive intelligence presence is likely to have at least made contact with the *jihadi*s. After 9/11 many leading al-Qa'ida members transited Iran or were even based there, and some are held there today, including Saif al-Adel, Sulaiman Abu Ghaith, and Saad bin Laden. Initial reports connected these figures to the May 2003 attacks in Saudi Arabia, but conclusive evidence on their activities and freedom of movement is not available.

Vital for understanding Iranian efforts in Iraq is what Iran is *not* doing. Compare Iran's support for Hizballah with its ties to various Iraqi groups. On both a qualitative and material level, Iran's support for its ally in Lebanon is at a far greater level. Tehran could provide similar support to one group in Iraq, but for now appears to believe it is better to hedge its bets and at times even work through the U.S.-imposed system rather than disrupt it.

Overall, Iran's motivations for backing radicals are primarily strategic, though ideology does play a role. Unlike Pakistan, domestic politics is not an important driver of Iran's support for terrorism. Ties to terror-

ists and to militant substate groups in general give Iran several strategic advantages:

Power projection. Iran's military is in poor shape, and Iran's economic strength remains limited despite high oil prices.³³ Iran, however, uses terrorism as a form of "power projection" and is thus able to influence events far from its borders. Iran has made itself a player in the Israeli-Palestinian conflict and in Lebanon through its relationship with groups in this theater, particularly Hizballah. Simply put, Iran has the ability to use terrorist violence to scuttle a political settlement in Lebanon and make a negotiated peace between Israel and the Palestinians more difficult to achieve;

Coercive power. Iran's backing of an array of groups in Iraq gives it tremendous influence there, particularly over various Iraqi actors, including the current government. Iran's money, organizational ability, and other forms of assistance greatly affect the relative political power balance in Iraq. In addition, Iran helps groups gain "street power," making them able to survive and prosper politically;

Local power. Iran's influence is at the local as well as the national level. In many parts of Iraq, the central government's writ is at best limited, but Iran's ties to various militias and factions give it a role in local decisionmaking;

Deterrence. Iran has long valued ties to terrorists for deterrence reasons. Thus Iran has "cased" various U.S. embassies around the world, a move probably designed to ensure that it can strike back should the United States attack. Deterrence has become particularly important for Iran given escalating tension over the country's nuclear program and various U.S. government programs that reportedly were earmarked to strengthen opposition to the clerical regime. When discussing possible responses to a U.S. escalation, Iran commentators note

³³ Anthony Cordesman, *Iran's Military Forces in Transition* (Westport, CT: Praeger, 1999), pp. 405-16; Michael Theodoulou, "Iran's Economy Could Undo Ahmadinejad," *The Times*, July 27, 2007, available at <http://www.timesonline.co.uk/tol/news/world/middle_east/article1994249.ece>.

the tens of thousand American “hostages” next door, correctly assessing that Iran could transform parts of Iraq from its already violent status to a situation far worse than Anbar Province during the worst days of the Sunni Arab insurgency;³⁴

Options. As the above list suggests, Iran exploits its ties to radical groups for a variety of purposes. The overall theme, however, is one of flexibility: ties to terrorists give Iran an array of choices in and outside its immediate neighborhood that allow Iran either to stir up trouble or to defend itself should other countries, particularly the United States, ratchet up pressure.

Although these strategic reasons are compelling explanations of Iranian behavior, ideology should not be ruled out. A number of Iranian leaders, including the Supreme Leader, genuinely believe in the causes championed by some of their proxies, particularly Hizballah but also several groups in Iraq. In addition, Iran’s hostility toward Israel is ideologically based: indeed, the two have at times had enemies in common, and had a relatively close alliance during the Shah’s reign.

For Iran, the vast majority of support is deliberate government policy and is done through official government organs, notably the IRGC and the Ministry of Intelligence and Security. There are repeated claims in the media that the IRGC acts independently of the government in support of terrorism. Such a claim, however, is dubious: IRGC leaders are involved in a number of senior decisionmaking bodies in Iran, and the ultimate political authority, Iran’s Supreme Leader Ali Khomeini, appoints the IRGC’s commander. Many of the new conservatives who have gained considerable influence in recent years emerged from IRGC ranks. In addition, IRGC members have close personal ties to many senior Iranian leaders and are well integrated into Iran’s po-

litical establishment.³⁵ This does not mean that every IRGC tactical decision is evaluated by Iran’s Supreme Leader, but it does suggest that any true “rogue” behavior would be quickly detected and ended.

IRAQ

In contrast to active sponsors like Iran and Pakistan, Iraq represents an unusual mix of two different types of sponsorship: incapacity and sympathetic toleration. Large swathes of Iraq are not under effective government control. This weakness has been exploited by an array of groups that are active outside Iraq. Most notably, *jihadists* operating from Iraq have conducted or facilitated attacks in Jordan, Saudi Arabia, and elsewhere.

The lack of capacity argument, however, applies much less to the most governed part of Iraq—Iraqi Kurdistan. In this area, the *Partiya Karkeren Kurdistan* (Kurdistan Workers’ Party or PKK) is active. The PKK fights against the government of Turkey, while *Partiya Jiyana Azada Kurdistanê* (Party for Free Life in Kurdistan or PJAK), a PKK offshoot which is not listed by the U.S. government as a terrorist group, opposes the government of Iran. Both organizations appear to have an extensive presence that goes well beyond the most remote parts of the region, suggesting a high degree of complicity from local Kurdish leaders. The PKK claims to have 2,500 fighters in Iraq.³⁶ The PJAK has built gardens and established cemeteries in Iraq, as well as training camps and homes for fighters.³⁷

In Kurdish areas government capacity is higher, though it is at a sub-state level. The Iraqi central government is exceptionally weak in Iraqi Kurdistan. The Kurdistan Regional Government, however, is able to counter terrorism, as it has demonstrated in its efforts to pursue Arab *jihadists* who try to operate in Kurdish areas.

³⁴ International Crisis Group, “Iran in Iraq.”

³⁵ An exception to this may be Iran’s use of parastatal organizations and various religious foundations to advance militant causes abroad. Several of these organizations, and the individuals that control them, often have direct links to groups like Hizballah and probably to several factions in Iraq. However, even the heads of these organizations have at best limited independence from Iran’s central government.

³⁶ “Iraq’s Kurdish Leader in a Bind,” *The Economist*, November 10, 2007, p. 78.

³⁷ Oppel, op. cit.

Although both the PKK and PJAK are strong and might be capable of resisting Kurdish authorities, in general Iraqi Kurdish officials deliberately do not interfere with group activities, despite the risks of angering Iran and Turkey. In addition, at times the authorities appear to abet PKK activity.

Part of the Kurdistan Regional Government's support may come from genuine sympathy for the aspirations of Turkey's Kurds and hostility toward Ankara. Domestic politics, however, are even more important—particularly given reports of hostility between Iraqi Kurdish leaders and the PKK leadership. Despite this tension, Iraqi Kurdish officials fear angering Iraqi Kurds if they clamped down.³⁸ Even more troubling, Kurdish leaders have at times threatened to increase support for the PKK should Turkey raise the level of military pressure on Iraqi Kurdistan.³⁹

ERITREA

Eritrea's links to terrorist groups have come under scrutiny due to the increased emphasis the United States has placed on counterterrorism since 9/11. Eritrea has backed the Islamic Courts Union (ICU) in Somalia primarily for geo-strategic reasons: to hurt its archenemy, Ethiopia.⁴⁰ U.S. Assistant Secretary of State for African Affairs Jendayi E. Frazer criticized Eritrea for backing the ICU and declared that it would be listed as a state sponsor of terrorism.⁴¹ Her view has not prevailed. Eritrea also reportedly backs the Ogaden National Liberation Front in its struggle against Ethiopia, providing its fighters with arms and other support.⁴² In addition to backing these groups, Eritrea also tolerates various guerrilla groups fighting from the Darfur region of Sudan and even provides some financial support for several of them.⁴³

Eritrea's role exemplifies the complexity of countries supporting combatants in a civil war. Because Ethiopia is intervening on behalf of the more internationally recognized Transitional Federal Government (TFG) in Somalia, its support is typically portrayed (including by U.S. officials) as bolstering a friendly government. Ethiopia invaded Somalia to topple the ICU and ensure that the TFG retained power. Had the Ethiopian intervention not occurred, and the ICU administration became a recognized government, then Eritrea's support could be characterized as simply aiding a friendly government. Indeed, the ICU was much stronger than the TFG but for the latter's Ethiopian support. Thus, on the surface, Eritrea's backing of the ICU is similar to Ethiopia's interventionism, despite the considerable differences between the ICU and the TFG in terms of their ambitions and hostility towards the United States. Ethiopia's December 2006 invasion of Somalia thus enabled it to change the category of its own and Eritrea's actions. Although both countries are supporting political rivals in Somalia, the fact that one faction controls the government while the other was ousted means that the same activity can be described as support for "terrorists."

SYRIA

The United States has long lambasted Syria for supporting terrorism, and this criticism has increased as counterterrorism became a U.S. priority after 9/11. Although Damascus is far less supportive of terrorism than in the past, like Iran it supports various groups that directly oppose U.S. interests. Like Pakistan, Syria's support also spans the gamut from active backing of some groups to relatively passive support for other causes.

³⁸ *The Economist*, op. cit., p. 78; Opiel, op. cit.

³⁹ Rajan Menon, "A Darkening in the North," *Newsweek*, June 18, 2007.

⁴⁰ Eritrea is not the only foreign party to this conflict. A United Nations report suggests that a wide range of other countries are also involved in the Somalia conflict. United Nations Security Council, *Report of the Monitoring Group on Somalia*, July 18, 2007. The accuracy of this report is disputed. See Andrew McGregor, "Accuracy of New UN Report on Somalia Doubtful," *Terrorism Focus* 3, no. 45 (November 2006), pp. 3-5.

⁴¹ Daya Gamage, "U.S. Will Declare Eritrea as State Sponsor of Terrorism," *Asian Tribune*, September 1, 2007, available at <<http://www.asiantribune.com/index/php?q=node/7201>>.

⁴² "Rebel Gunmen Kill 74 in Ethiopia," *The Irish Times*, April 25, 2007.

⁴³ Jeffrey Gettleman, "Darfur Rebels Find Refuge in Eritrea, but Little Hope," *The New York Times*, October 5, 2007, available at <<http://www.nytimes.com/2007/10/05/world/africa/05darfur.html?ex=1349236800&en=cc1fc191c82ff24a&ei=5090&partner=rssuserland&emc=rss&pagewanted=all>>.

Syria has long backed an array of Palestinian groups, including the Popular Front for the Liberation of Palestine-General Command, Palestine Islamic Jihad (PIJ), Hamas, and the Popular Front for the Liberation of Palestine. All of these groups have an official presence in Syria. Indeed, the Syrian regime allows Khalid Meshaal, the exiled Hamas leader, and other senior Palestinians to remain in Damascus despite U.S. criticism. In addition, with Syrian support, some of these Palestinian terrorists have trained in Lebanon.

Syria also is linked to a number of assassinations in Lebanon. A UN investigation found that Syrian officials were involved in the assassination of former Lebanese Prime Minister Rafiq Hariri. The UN report noted that the assassination “could not have been taken without the approval of top-ranked Syrian security officials.”⁴⁴ Although the identity of individual perpetrators is unclear, many whispers tie Syria to a string of assassinations of figures linked to the anti-Syrian “March 14” movement (named after the date of the massive anti-Syrian demonstration held one month after Hariri’s killing)—murders that would fit past Syrian patterns of eliminating potential opponents in Lebanon. Syria has used these killings as part of an overall intimidation effort design to derail the U.S. attempt to use democratization in Lebanon to undermine Syrian influence. As discussed below, Syria also appears to have played a role in allowing some Sunni *jihadists* to set up shop in Lebanon, where they took on their own agenda.

Syria’s relationship with Hizballah has shifted since the Syrian withdrawal from Lebanon in 2005. Until that time, Syria exploited its relationship with Hizballah to put pressure on Israel: it would encourage Hizballah to lie low or step up attacks depending on Syria’s diplomatic needs. Since the withdrawal, however, the primary benefit of this relationship to Damascus is Hizballah’s

strength in Lebanon. As noted above, Hizballah is the strongest and most organized political and military force in Lebanon. Hizballah has organized pro-Syrian forces opposed to the “March 14” movement. Hizballah has also opposed an international tribunal to investigate Syria’s role in the Hariri assassination.

Hizballah, however, is now far stronger vis-à-vis Damascus. In the past, the United States and Israel believed that implicit in a deal with Syria over the Golan Heights would be a Syrian crackdown on Hizballah in Lebanon. However, the departure of Syrian forces from Lebanon and Syria’s need for street power in Lebanon has diminished Syria’s potential role as a peace enforcer.⁴⁵ In addition, the personal popularity of Hizballah leader Hassan Nasrallah and Hizballah’s prestige now help prop up Bashar al-Asad’s legitimacy.⁴⁶ Syria, on the other hand, used to try to contain Hizballah’s power by propping up its Shi’i rival Amal (*Afwaj al-Muqawama al-Lubnaniya* or Battalions of the Lebanese Resistance) but is less able to do so today.

Finally, U.S. officials have regularly criticized Syria for not policing its border with Iraq and allowing various insurgent groups to enjoy *de facto* haven in parts of the country. Many *jihadists* transit Syria en route to Iraq, and *jihadist* logisticians enjoy some freedom to organize this traffic. In addition, some insurgent leaders have lived in Syria and even held meetings there, a degree of freedom that would be difficult to achieve without the Asad regime’s complicity. This passivity has reportedly lessened in recent months.

This passivity represents a significant switch for Damascus. After the 9/11 attacks, Syria worked closely with Washington against al-Qa’ida and its allies. The *salafi-jihadists* had long posed a major threat to the Syrian regime, and Damascus believed that cooperation

⁴⁴ Detlev Mehlis, “Report of the International Independent Investigation Commission established pursuant to Security Council Resolution 1595 (2005),” available at <<http://www.un.org/news/dh/docs/mehlisreport/>>.

⁴⁵ Emile El-Hokayem, “Hizballah and Syria: Outgrowing the Proxy Relationship,” *The Washington Quarterly* (Spring 2007), pp. 35-52, available at <http://www.twq.com/07spring/docs/07spring_elhokayem.pdf>.

⁴⁶ International Crisis Group, “Hizbollah and the Lebanese Crisis,” Middle East Report N°69, October 10, 2007, p. 20, available at <http://www.crisisgroup.org/library/documents/69_hizbollah_and_the_lebanese_crisis.pdf>.

on this issue would move it closer to the United States. Counterterrorism cooperation on *salafi-jihadists* alone, however, failed to produce a strategic shift in overall U.S. policy toward Syria, which led Syria to try to work with the *salafi-jihadists* in Iraq: a decision, ironically, also designed to create leverage against perceived U.S. hostility.

Syrian motivations for the above activities are complex and varied. Syria has long worked with the Palestinians for a mix of domestic and strategic reasons. Ties to the Palestinians are an instrument Damascus can use against Israel. Even more important, the Syrian regime has long tried to use the Palestinian cause to establish its Arab nationalist credentials with Arab publics in other countries. Finally, because the Palestinian cause is so important to Syrian domestic politics, Damascus has tried to control the Palestinian movement to avoid being dragged into an unwanted war with Israel or otherwise take on unnecessary foreign policy risks. Hosting Meshaal, for example, serves several of these goals. It helps his organization maintain its leadership despite a fierce Israeli counterterrorism campaign. Less obviously, and perhaps more importantly, it also is a visible signal of the Asad's regime's support for Palestinian nationalism and a means for the regime to influence a movement whose activities reverberate throughout Syria and the region.

Syria's support for Hizballah historically was for strategic reasons, but this has shifted considerably. Strategically, Hizballah is far more important to Damascus as a means of gaining influence in Lebanon than it is in fighting Israel. In addition, Hizballah's legitimacy and prestige now bolster the Syrian regime's power at home rather than the other way around.

By contrast, backing various factions in Iraq serves multiple interests for Syria. Keeping the insurgency grinding, bled U.S. forces and dulled any remaining appetite in Washington for regime change in Syria. At a more local level, ties to various insurgent and terrorist groups have given Syria influence along its border in Iraq as well as in Iraqi politics in general. In addition, the Sunni Arab insurgents, in particular, are popular

in Syria, and the regime would be reluctant to risk its legitimacy by openly opposing this cause.

As the above motivations suggest, the last few years have proven transformative for Syria with regard to support for terrorism. Syria was once a strong sponsor of terrorism, openly backing an array of groups and, just as importantly, exercising tight control over its proxies. Today its relationships are more balanced, and much of its support consists of looking the other way rather than directly providing government resources to terrorist groups. In several cases—notably Hamas, various Iraqi *jihadist* groups, and Hizballah to some degree—Damascus' ability to rein in its proxies is limited.

LEBANON

Lebanon represents a curious mix of sponsorship: incapacity explains part of the problem, but so too does the presence of Hizballah, a terrorist group, in the Lebanese government. Hizballah is the most militarily powerful of any Lebanese faction. The group fought credibly against the far stronger IDF in July 2006. It is unlikely that the Lebanese Army Forces would be able to defeat Hizballah in the event of a confrontation. Moreover, many army members hold Hizballah in considerable esteem and would not be likely to obey orders to confront the group.

The situation is even more complex as Hizballah holds several seats in the Lebanese cabinet and is one of Lebanon's largest parliamentary blocs. However, Hizballah is in direct opposition to the "March 14" movement, an anti-Syrian and relatively pro-Western bloc that in theory controls the government and is sympathetic to the idea that Hizballah should disarm—which Hizballah vehemently rejects.

Hizballah also is a sponsor of terrorism in its own right, backing Palestinian groups and also working with militant factions in Iraq. Since the outbreak of the current "al-Aqsa" *intifada* in September 2000, Hizballah has stepped up its support for Hamas, PIJ, and other anti-Israel groups. This support includes

guerrilla training, bomb-building expertise, tactical tips such as how to use mines against Israeli armor, and propaganda from Hizballah's radio and satellite television stations. Hizballah operatives have also been caught smuggling weapons to Arabs in Israel, and its experts have helped Palestinian groups build lethal bombs. Of course, Hizballah does not have the outward trappings of a state and by itself has no diplomatic status. However, like a state it has considerable control over territory, particularly in south Lebanon, in the Biqa' Valley, and in several poor Shi'i suburbs of Beirut. Gal Luft, an analyst, has dubbed the southern swathe of territory "Hizballahland," reflecting the autonomy Hizballah enjoys there.⁴⁷ Hizballah operatives also have close ties to many Shi'i militants in Iraq and are reportedly helping organize and train them.

In addition to hosting Hizballah, Lebanon is suffering an emerging problem from Sunni *ihadists*, particularly those linked to *Fatah al-Islam*, which has ties to al-Qa'ida in Iraq and embraces bin Laden's ideology.⁴⁸ Although the problem did not receive recognition until the battle at the Nahr al-Bared camp that began in May 2007, *ihadists* had already established a presence in several Lebanese cities and in particular within various Palestinian refugee camps.

Democratization has made Lebanese politics more complex. Before the 2005 elections and the withdrawal of Syrian troops that preceded them, Lebanon's foreign policy was set in Damascus. Since then, the new government is hostile to Syria but understandably wary of an open rupture. The result is a government that is exceptionally weak, unable to stop the assassination of its members or clamp down on Hizballah.

Syria's role with regard to the *ihadists* is murky, but it appears that Damascus' past pattern of trying simultaneously to limit, control, foster, and exploit a terrorist group holds for its relationship with the Sunni *ihadists* in Lebanon. Although claims by leaders of the "March 14" movement that Syria is behind *Fatah al-Islam* are too strong and miss how the relationship changed, Damascus did play a limited role in the *ihadists*' initial activities in Lebanon.⁴⁹ Syria had long worked with *Fatah al-Intifada*, a Palestinian splinter group with a leftist agenda that opposed the late Palestinian leader Yasir Arafat. When the dozens of Palestinians (and other nationalities, including Saudis, Yemenis, and Syrians) returned from Iraq via Syria, the Syrian government appears to have worked to place them under the aegis of *Fatah al-Intifada*. Syria reportedly sought to use these fighters to assist Palestinians in Gaza, as another proxy for assassinations and other operations in the battle for power in Lebanon, to divert Sunnis away from the anti-Syrian "March 14" bloc, or perhaps simply as a reserve force to employ as necessity dictated. At the very least, Syria tolerated the activities of these individuals, and at most encouraged them directly. Some later reports that these individuals were a tool of Syrian intelligence reflect this early relationship, ignoring the later split.⁵⁰

Even as it facilitated these returning *ihadists*, Syria worked to control them and probably saw them as potentially hostile. Many *Fatah al-Islam* fighters openly embrace an al-Qa'ida-inspired ideology, which is strongly critical of the Syrian Ba'hist regime and Syria's past repression of Islamists. Damascus got rid of fighters who entered Syria from Iraq by moving them on to Lebanon, where they posed far less of a threat to the stability of Syria itself. In addition, Syria later killed some *Fatah al-Islam* members as they crossed

⁴⁷ Gal Luft, "Hizballahland," *Commentary*, July/August 2003, pp. 56-60, available at <http://www.commentarymagazine.com/viewpdf.cfm?article_id=9635>.

⁴⁸ Bilal Y. Saab and Magnus Ranstorp, "Securing Lebanon from the Threat of Salafist Jihadism," *Studies in Conflict & Terrorism* 30, no. 10 (October 2007), p. 842.

⁴⁹ For a review of some of the charges against Syria, see H. Varulkar, "Who is Behind Fath al-Islam?" Middle East Media Research Institute, June 8, 2007.

⁵⁰ See Nir Rosen, "Al Qaeda in Lebanon: The Iraq War Spreads," *Boston Review*, January/February 2008, available at <<http://bostonreview.net/BR33.1/rosen.php>>; Saab and Ranstorp, op. cit., pp. 825-855; Saab and Ranstorp, "Fatah al Islam: How an Ambitious Jihadist Project Went Awry," The Brookings Institution, November 28, 2007, available at <http://www.brookings.edu/articles/2007/1128_terrorism_saab.aspx>.

Syrian territory. Also, Syria did not impede the Lebanese Armed Forces crackdown on the group in 2007.

The *jihadists*, however, soon rejected Syrian control and pursued their own aims. As Bernard Rougier notes about the *Fatah al-Islam* phenomenon, “it took on its own life.”⁵¹ Many *Fatah al-Islam* recruits had been radicalized in Iraq, and on their return to Lebanon they retained an ideology that focused on Islamicizing Lebanon and fighting Shi’ah rather than on Syrian goals. In addition, weapons from Iraq appeared in Lebanon, giving the group a ready source of supplies. After Syrian forces withdrew from Lebanon in 2005, many fighters found themselves with more freedom of action.

In November 2006, the fighters declared themselves *Fatah al-Islam*, and openly broke from *Fatah al-Intifada*, calling for the death of some of *Fatah al-Intifada*’s leaders. From that point on, and probably before, it is more accurate to portray the group as hostile to Syria rather than as Damascus’ pawn.

Syria’s role with *Fatah al-Islam* was limited toleration. By contrast, the Lebanese government fought hard to suppress *Fatah al-Islam*. The Lebanese Armed Forces suffered considerable casualties in putting down the group. The battles between the Lebanese Armed Forces and the *jihadists* were a welcome unifying force for many Lebanese as the *jihadists* were not popular with any major segment of the Lebanese population.

THE PALESTINIAN TERRITORIES

The Palestinian territories are under two different administrations. Hamas has controlled the Gaza Strip since it won the 2006 Palestinian legislative elections. The Hamas administration is not internationally recognized. However, Hamas’s grip tightened in mid-2007 after it expelled, killed, or arrested Fatah members in bloody clashes. The Palestinian Authority, headed by Mahmoud Abbas since 2005 and internationally recognized, controls the West Bank.

The situation in Gaza is complex, and characterizing it with regard to state sponsorship depends as much on semantics as anything else. If Hamas is viewed as a legitimate government (albeit a hostile one), then much of its activity (such as rocket attacks on Israeli cities) is best viewed as acts of war, as opposed to acts of terrorism. However, if Hamas is considered a sub-state group that is not part of the legitimate Palestinian Authority because its 2007 seizure of power was undemocratic, then the same act is terrorism.

Making this even more complex is the question of the degree of control Hamas exercises. Some of the individuals involved in the attacks on Israel are tied to Hamas rivals, such as PIJ. Others are members of Hamas, but there are debates over whether the Hamas leadership instigates their attacks, tolerates them, or allows them due to incapacity. In interviews the author conducted in March of 2008 in Israel, the consensus was that Hamas may not always instigate these attacks but, in contrast to Fatah in the West Bank, has the capacity to shut down the strikes should it so choose. It therefore seems accurate to characterize Hamas at the very least as a passive supporter of terrorism.

In the West Bank, the situation is best characterized by incapacity. For domestic political reasons, Abbas is often hesitant to embrace Israeli or U.S. efforts to fight Hamas. However, most Israelis and Americans believe that, in contrast to Yasir Arafat, he is committed to ending terrorism and is not playing a double game by allowing more radical forces to occasionally attack Israel.

SAUDI ARABIA

Saudi Arabia epitomizes a complex passive sponsor. Before 9/11 (and, indeed, before the May 2003 attacks on the kingdom by *jihadists*), Saudi Arabia tolerated considerable *jihadist* activity, particularly fundraising and recruitment. After al-Qa’ida’s May 2003 attacks, and the subsequent small-scale war between Saudi Arabian security forces and local *jihadists*, the

⁵¹ Rosen, *op. cit.*

regime turned decisively against al-Qa'ida and its local sympathizers—a move that the United States has urged strongly since 9/11. It even tried to shut down support for various *jihadi*st causes overseas, such as the Chechens, that it had traditionally championed. Testifying in March 2004, Ambassador Cofer Black, then-U.S. Coordinator for Counterterrorism, declared that the Saudi Arabian authorities understood the threat they faced and were closely cooperating with U.S. officials.⁵² The National Commission on Terrorist Attacks Upon the United States reported that “The Kingdom of Saudi Arabia is now locked in mortal combat with al Qaeda.”⁵³ Today the Saudi regime regularly arrests or kills terrorists who are plotting attacks from its soil.⁵⁴

Despite this aggressive stance, the kingdom remains a problem for counterterrorism for three reasons. First, many of the *jihadi*sts in Iraq come from Saudi Arabia.⁵⁵ Second, the kingdom remains a major fundraising source for *jihadi*sts going to Iraq and also for other *jihadi*st causes in general, ranging from insurgent groups tied to al-Qa'ida to radical religious schools in the West and in the Muslim world. Third, the Saudi religious establishment regularly churns out large amounts of anti-Shi'i and anti-Western propaganda. This propaganda denigrates Shi'ism and indirectly encourages violent groups attacking Shi'ah in Iraq, Pakistan, and elsewhere, as well as providing justification for anti-Western violence. The propaganda glorifies *jihadi*st violence and raises the esteem in which the fighters are held.⁵⁶

Ironically, this support for *jihadi*sm poses tremendous risks for the Saudi Arabian state. Many *jihadi*sts in Iraq

are often virulently opposed to the al-Saud ruling family and have supported attacks in Saudi Arabia. Ties are tight: Sunni Arab resistance groups in Iraq have at times turned to Saudi Arabian religious scholars to validate their activities.⁵⁷ Reuven Paz argues that “the Iraqi experience of these mainly Saudi volunteers may create a massive group of ‘Iraqi alumni’ that will threaten the fragile internal situation of the desert kingdom.”⁵⁸ Less directly, but no less importantly, the kingdom has a history of sectarian tension. Allowing clerics to sow sectarian unrest in Iraq could worsen internal stability in the kingdom, particularly in the oil-rich Eastern Province where many Shi'ah live. Finally, the *jihadi*sts' agenda threatens the security of the United States, one of Saudi Arabia's most important allies.

The kingdom's indirect support for *jihadi*sts is largely driven by capacity limits and domestic political issues. Although al-Qa'ida's popularity is at best mixed, many of the causes the organization affiliates with are quite popular. Thus when the Saudi regime tries to crack down on fundraising and recruitment, it risks being seen as indirectly supporting brutality against Muslims in Chechnya, Kashmir, or elsewhere. Sectarian strife in Iraq has bolstered the always-strong anti-Shi'i prejudice in Saudi Arabia, bringing this issue directly into the public eye. For the al-Saud, this is a particular problem as they have long relied on their ties to the religious establishment to bolster their domestic legitimacy. Thus they cannot afford to alienate leading clerics or popular opinion on Islamist issues, even though these contribute to violence that, in the end, can harm the kingdom as well as neighboring states.

⁵² Testimony of J. Cofer Black, U.S. Department of State Coordinator for Counterterrorism, to the House Committee on International Relations, Subcommittee on the Middle East and Central Asia, March 24, 2004, available at <<http://www.state.gov/s/ct/rls/rm/2004/30740.htm>>.

⁵³ National Commission on Terrorist Attacks Upon the United States, *The 9/11 Commission Report* (New York: W.W. Norton, 2004), p. 373.

⁵⁴ See, for example, “Saudi Interior Ministry Issues Statement on Latest Security Operations, Arrests,” *Al-Ikhbariyah Satellite Channel*, November 28, 2007, translated by the Open Source Center.

⁵⁵ One recent determination by U.S. military officials was that 41 percent of the foreign fighters in Iraq were Saudi nationals. Oppel, “Foreign Fighters in Iraq Are Tied to Allies of US,” *The New York Times*, November 21, 2007, available at <<http://www.nytimes.com/2007/11/22/world/middleeast/22fighters.html?ex=1353387600&en=bfd14af0c3e2e4af&ei=5090&partner=rssuserland&emc=rss&pagewanted=all>>.

⁵⁶ Gregory, *op. cit.*, p. 1024.

⁵⁷ International Crisis Group, “In Their Own Words: Reading the Iraqi Insurgency,” Middle East Report N°50, February 15, 2006, p. 10, available at <http://www.crisisgroup.org/library/documents/middle_east__north_africa/iraq_iran_gulf/50_in_their_own_words_reading_the_iraqi_insurgency.pdf>.

⁵⁸ Reuven Paz, “Arab Volunteers Killed in Iraq: An Analysis,” Project for the Research of Islamist Movements Occasional Papers 3, no. 1 (March 2005), p. 6.

Fortunately for the Saudi regime, *jihadists* in Saudi Arabia have conducted a campaign that has alienated many Saudis. Their violence has touched ordinary Saudi Arabians, and the regime's propaganda has drawn attention to the pathologies of the movement as well as their attacks on police and others not directly associated with the al-Saud regime. Moreover, the *jihadists* are often violently opposed to the clerical establishment, effectively driving it into the arms of the al-Saud. This rapprochement between the clerics and the ruling family has been hastened by the al-Saud's willingness to co-opt former clerical dissenters, such as Shaykh Muhammad bin Ahmad bin-Abd al-Aziz al-Farraj, Salman al-Awda and Safir al-Hawali. As a result, *jihadist* attacks on Saudi Arabia enjoy only limited support.⁵⁹

The net result is that Saudi Arabia in recent years has strongly opposed al-Qa'ida operations directed at it but has been less aggressive against operations abroad, such as in Iraq. Some of the clerics it has embraced, such as al-Awda and al-Farraj, have condemned attacks against Saudi targets but called for *jihad* against the Americans in Iraq and proclaimed that armed *jihad* against Christians and Jews is a "duty."⁶⁰ In general, Saudi regime efforts to curtail fundraising have focused far more on activities in the kingdom than on those abroad, and indeed the regime still at times encourages proselytizing that embraces an anti-U.S. and anti-Shi'i agenda.

VENEZUELA

Although the Chavez government does not appear to directly arm and train groups such as the *Fuerzas*

Armadas Revolucionarias de Colombia (FARC) and *Ejercito de Liberation Nacional* (ELN), it does little to stop them from raising money through drug trafficking and otherwise exploiting Venezuela's territory as a sanctuary. Part of the problem is capacity: terrain on the Colombia-Venezuela border is rugged and difficult to police. Smuggling has always been a problem.

The Venezuelan government's intent is also questionable. The U.S. government claims the Chavez government's efforts against the FARC and ELN are "anemic." President Hugo Chavez' rhetoric is critical of U.S. counterterrorism efforts and sympathetic to several terrorist groups. U.S. Department of State official Frank Urbanic has claimed that "Venezuela demonstrated a near complete lack of cooperation with U.S. Government efforts to fight terrorism" and that "while it remains unclear to what extent the government of Venezuela provides material support to Colombian terrorists, it is difficult to believe that the [government] is unaware of, or helpless to prevent, such activity."⁶¹ Indeed, some FARC and ELN weapons are from Venezuelan military stocks. In addition, documents recently captured in a Colombian government raid suggest that the Chavez government is actively funding the FARC and otherwise may have closer ties than many observers originally believed.⁶²

Venezuela's motivations are largely driven by domestic politics with a touch of ideology. Chavez himself embraces a vague left-wing agenda and has some sympathy for the FARC. Even more important, Chavez sees himself as a challenger to U.S. hegemony and thus opposes the administration of President Alvaro Uribe in Colom-

⁵⁹ "Prominent Saudi Arabian Cleric Critical of Bin Ladin," September 24, 2007, *Saudi Arabia—Open Source Center Report*; "Saudi TV Shows More Terrorist 'Confessions,'" *Al-Ikhbariyah Satellite Channel*, May 22, 2007, translated by the Open Source Center. Saudi polling claims that the public is highly satisfied with government counterterrorism efforts, though these claims must be viewed with at least some skepticism. See "Al-Ikhbariyah Program Highlights Saudis' Satisfaction with Antiterrorism Efforts," *Al-Ikhbariyah Satellite Channel*, October 4, 2007, translated by the Open Source Center.

⁶⁰ "Report: Profile of Salafi Saudi Cleric Muhammad al-Farraj," *Open Source Center Feature: Saudi Arabia*, August 8, 2007.

⁶¹ Frank C. Urbanic Jr., "Venezuela: Terrorism Hub of South America?" Hearing before the House Committee on International Relations, Subcommittee on International Terrorism and Nonproliferation, July 13, 2006. See also U.S. Department of State, "Threat of Major Terror Attack in Americas Remains Low: New U.S. Report Calls Colombia Leader on Counterterrorism," April 30, 2007, available at <<http://www.america.gov/st/washfile-english/2007/April/200704261639191xeneerg6.696063e-02.html>>.

⁶² Jens Glusing, "Is Hugo Chavez Friends with FARC?" *Spiegelonline*, April 7, 2008. When this report was drafted, information on the extent of these relations was not fully disclosed and vetted. If initial allegations are true, the assistance provided is considerable.

bia, in part because Uribe works closely with the Bush Administration. Chavez in turn exploits opposition to the United States and criticism of more conservative regional governments to bolster his domestic position.

YEMEN

Yemen also has characteristics of passive sponsorship and is often accused of not aggressively targeting domestic *jihadists*, many of whom have ties to al-Qa'ida or other foreign movements. While Yemeni security forces have at times made important arrests, the government is often lenient to violent *jihadists*, particularly those whose activities are abroad. In addition, there have been repeated escapes of important terrorists from Yemeni jails. U.S. policy options toward Yemen, like Pakistan, are limited as the current Yemeni leadership is at best a lukewarm partner in the struggle against terrorism, but there is no strong alternative leadership to embrace.

Yemen's performance as a U.S. ally in the war against terrorism has been inconsistent, to put it mildly. Yemen has exploited the U.S. emphasis on counterterrorism, attracting millions of dollars in U.S. assistance as a result. Yemen has made major arrests of al-Qa'ida figures, and at times worked with the U.S. military and intelligence agencies. At the same time, however, *jihadists* in Yemen have at times enjoyed the government's benign neglect, and perhaps even direct support.

Yemen has tried to use mediation, repentance, and reconciliation programs, all of which follow traditional societal practices to resolve disputes and help the government balance competing factions. These programs are often coordinated with efforts to use tribe and fam-

ily members to ensure an individual's good behavior. At the same time, Yemen regularly arrests suspected terrorists.⁶³ Yemen's use of reconciliation, however, often causes tension with the United States even though Yemen claims that reconciled terrorists often turn in their fellows and reject the use of violence.⁶⁴

The Yemeni government uses *jihadists* at times in its effort to shore up its political position at home—a move consistent with the Yemeni government's tradition of trying to play off different domestic rivals against one another. Indeed, the Yemeni regime has often worked with *jihadists* directly as well as tried to support them in order to keep other factions off balance. *Jihadists* assassinated regime opponents in the early 1990s and fought on behalf of the government in the Yemeni civil war in 1994 and in the ongoing struggle against Zaydi (a Shi'i sect) rebels that began in 2004.⁶⁵ In all these instances, the *jihadists* had their own motives for fighting—ideology, revenge, and so on—but also did so due to direct government support.⁶⁶ Some *jihadists*, including Shaykh Abd al-Majid al-Zindani, are tied to Yemen's *Islah* Party, which is technically in opposition but often cooperates with the government. *Islah*, an Islamist movement, is also well-entrenched among several Yemeni tribes, giving it additional appeal.⁶⁷ Other *jihadists* have at times been on the Yemeni government and military payroll.⁶⁸

In addition to the benefits the government gains from this direct assistance, *jihadists* are popular in Yemen. When the government cooperated with a 2002 U.S. strike on Ali al-Harithi, a leading al-Qa'ida figure in Yemen, it suffered widespread criticism after the tale of this cooperation was leaked.⁶⁹

⁶³ "Yemeni Security Arrests 11 People with Possible Links to Al-Qa'ida—Newspaper," *Al-Sahwah*, January 20, 2008, translated by the *Open Source Center*; McGregor, "Prosecuting Terrorism: Yemen's War on Islamist Militancy," *Terrorism Monitor* 4, no. 9 (May 2006); and Asaf Maliach, "The Global Jihad: The Yemeni Connection," International Institute for Counterterrorism, n.d., available at <<http://www.ict.org.il/apage/printv/5197.php>>.

⁶⁴ Robert Worth, "Yemen's Deals with Jihadists Unsettle the U.S.," *The New York Times*, January 28, 2008, available at <<http://www.nytimes.com/2008/01/28/world/middleeast/28qaeda.html?ex=1359176400&en=5fd89cb97d7b24c9&ei=5090&partner=rssuserland&emc=rss&pagewanted=all>>.

⁶⁵ See "Yemen: Dozens Killed in Violent Clashes Between Gov't Troops, Huthist Insurgents," *Al-Hayat*, January 18, 2008, translated by the *Open Source Center*.

⁶⁶ Gregory D. Johnsen, "The Resiliency of Yemen's Aden-Abyan Islamic Army," *Terrorism Monitor* 4, no. 14 (July 2006).

⁶⁷ McGregor, *op. cit.*

⁶⁸ Johnsen, *op. cit.*

⁶⁹ Johnsen, "Yemen's Passive Role in the War on Terrorism," *Terrorism Monitor* 4, no. 4 (February 2006).

Incapacity adds to Yemen's problems. Much of Yemen has never been under the central government's firm control. In many parts of the country, tribal authorities are the key to power, and some of these tribes are sympathetic to *jihadists*.

This mix of support and incapacity makes the potential *jihadist* threat immense. As a result, the Yemeni government must worry that the *jihadists* could foment a large-scale insurgency against the government.⁷⁰

Balancing these fears are several concerns. First, many of the *jihadists* oppose the current government and call for its replacement by an extreme Islamist one. Second, the *jihadists'* violence threatens the tourist trade and the reputation of the government. Third, the government generally seeks to keep all opponents off-balance and weak. Fourth, Yemen's financial health depends in part on U.S. subventions, and failing to at least appear to crack down could jeopardize this aid.⁷¹

The government's solution seems to be to balance its crackdown with efforts to divert the *jihadists'* focus from Yemen to other countries. The mediation approach has had some successes. A statement reportedly from al-Qa'ida in Yemen admitted the problems the program had caused for the movement, noting that "some of the people abandoned their principles and turned to the government."⁷² But the government's focus is much more on Yemen than on the broader movement. As Gregory Johnsen and Brian O'Neill argue: "Since 2003, the Yemeni government and Al-Qaeda in Yemen have reached what could best be described as a tacit non-ag-

gression pact."⁷³ Many *jihadists* who went through the re-education program reportedly later went to Iraq to fight against U.S. forces there.⁷⁴ As Murad Abdul Wahed Zafir, a political analyst in Yemen contends: "Yemen is like a bus station—we stop some terrorists, and we send others on to fight elsewhere. We appease our partners in the West, but we are not really helping."⁷⁵

A major jailbreak where twenty-three *jihadists*, including several who played leading roles in the attacks on a U.S. warship, the USS Cole, and a French oil tanker, the MV Limburg, illustrates these tensions. On the one hand, the Yemeni government has recaptured or killed some of those who escaped—a clear sign of its commitment to fighting the *jihadists*. In so doing, it put pressure on tribes and ramped up intelligence efforts. On the other hand, Yemen's Political Security Organization, its leading counterterrorism force, is penetrated by the *jihadists*. Political Security Organization members apparently assisted in the escape effort.⁷⁶

Yemen's balancing act may not last, as the country's situation is complicated by an apparent split in its *jihadist* movement. Older *jihadists* linked with the traditional al-Qa'ida core have at times worked with the government, at least to the point of eschewing attacks in Yemen itself. The *jihadists* of the newer generation, many of whom fought in Iraq, however, have no room for such deal-making and are focused on attacks in Yemen as well as attacks on U.S. and other Western forces. This is despite government willingness to tolerate many of their activities directed abroad in exchange for a ceasefire at home.⁷⁷

⁷⁰ McGregor, *op. cit.*

⁷¹ "Yemeni Paper Reports Al-Qa'ida Claim of Attack on Two Belgian Tourists," *Al Wasat*, January 23, 2008, translated by the *Open Source Center*.

⁷² Worth, *op. cit.*

⁷³ Johnsen and Brian O'Neill, "Yemen Attack Reveals Struggle among Al-Qaeda's Ranks," *Terrorism Focus* 4, no. 22 (July 2007), available at <<http://www.jamestown.org/terrorism/news/article.php?articleid=2373533>>.

⁷⁴ McGregor, "Yemen and the U.S.: Different Approaches to the War on Terrorism," *Terrorism Monitor* 5, no. 9 (May 2007).

⁷⁵ Worth, *op. cit.*

⁷⁶ A comment on a *jihadist* website notes about the security services: "Corruption and bribery have pervaded it." See "Voice of Al-Qa'ida in Yemen Magazine Publishes Article on Escaping from Prison," *Jihadist Websites—OSC Summary*, January 13, 2008, translated by the *Open Source Center*; Johnsen, "Tracking Yemen's 23 Escaped Jihadi Operatives—Part 1," *Terrorism Monitor* 5, no. 18 (September 2007); and McGregor, "Yemen Convicts PSO Members Involved in February's Great Escape," *Terrorism Focus* 3, no. 29 (July 2006).

⁷⁷ O'Neill, "New Generation of al-Qaeda on Trial in Yemen," *Terrorism Focus* 4, no. 39 (November 2007); Johnsen and O'Neill, "Yemen Attack Reveals Struggle."

IMPACT AND MOTIVATIONS

The motivations for state supporters, both active and passive, can be divided into three categories: strategic, ideological, and domestic political. For active supporters, strategy matters most, while for passive supporters domestic politics is usually the key factor. In addition, understanding passive support requires a more detailed understanding of the issue of government capacity. Finally, observers should be aware of common excuses and caveats that governments give when they are involved in the sponsorship of terrorism.

THE PRIMACY OF STRATEGY

Strategic rationales are still the most important for state supporters of terrorism, particularly overt ones. Strategy plays a primary role for Iran and Eritrea, and an important role for Pakistan and Syria. Strategy has several dimensions:

Making enemies bleed. Supporting terrorists, particularly terrorists tied to insurgent movements, can tie down large numbers of troops and security forces of an adversary and weaken the adversary's control over key parts of its territory. Pakistan's support for various groups fighting in Kashmir epitomizes this approach. Although Pakistan's ultimate aims for Kashmir are irredentist, in the short-term its leaders are content to keep Indian forces occupied and prevent Kashmir's integration into the rest of India.

Subservient (or at least friendly) neighbors. States are particularly concerned about their neighbors, and sup-

port for terrorists offers a form of influence. Pakistan has long supported the Taliban as well as other groups to maintain its influence in Afghanistan. Iran has ties to a range of militants in Iraq—including many that at times have openly criticized Tehran—effectively giving it a veto power over decisions in parts of the country. Syria has used Hizballah and other actors to intimidate the anti-Syrian “March 14” movement in Lebanon.

Diplomatic strength. States back terrorists as a form of diplomatic leverage in negotiations. Syria for many years used Hizballah as such a pawn in its talks over the Golan Heights. Some observers believe Iran sought to trade the senior al-Qa'ida members that it is holding for U.S. concessions on the *Mujahedin-e Khalq* (MEK), an Iranian group opposed to the Islamic Republic and which the U.S. forces have interned in Iraq.

Power projection. Support for terrorists gives weak states with global ambitions influence outside their neighborhood. Iran's ties to various Palestinian groups and Hizballah gives Tehran tremendous influence in the Israeli-Palestinian theater and Lebanon: influence Iran would lack if it only relied on its weak military and economic power.

Local power. At times a group that uses terrorism also functions as a militia, giving it tremendous influence in part of a country. Syria's cooperation with Hizballah today is driven in part by the “street power” offered by this strongest of all Lebanese organizations, both in Beirut and southern Lebanon. Similarly, Iran backs

several factions that use terrorism, partly because they also are politically and militarily strong in key parts of Iraq close to the Iranian border.

Deterrence. Finally, supporting terrorists gives weak states a means of striking back against a militarily superior foe. Iran uses both its overseas network and its proxy killing machine in Iraq to deter the United States from increasing pressure over Tehran's nuclear program and other U.S.-Iranian disputes.

An important strategic motivation for terrorism today is bound up in regimes' support for guerrilla war. Almost all insurgent movements use terrorism and otherwise try to intimidate non-combatants.⁷⁸ For insurgents, terrorism offers a means of undermining the government, disheartening adversary populations, and attracting attention to their cause, all of which can aid the overall struggle. Thus Eritrea's support for the ICU and other groups fighting the Ethiopian-backed government in Somalia involves supporting terrorism. On a more extensive scale, so too does Pakistan's support for guerrillas fighting in Kashmir or Iran's support for Hizballah's military campaign versus Israel in July 2006.

THE DECLINING IMPORTANCE OF IDEOLOGY

One of the most important shifts in state sponsorship in recent years is the decline in the number of regimes with a revolutionary agenda. Revolutionary Cuba, Libya in Muammar Qaddafi's early years, Sudan in the mid-1990s, the Taliban's Afghanistan, and Iran during the Khomeini era were exceptionally active backers of terrorists and insurgents. These regimes supported fellow communists, Arab revolutionaries, or Islamist radicals in part because the leaders felt it the right thing to do, although they also tried to exploit support for strategic reasons. Thus they backed groups against the West and against regional foes, even though such support was costly and often disastrous for their over-

all foreign policy goals. International condemnation, sanctions, regime overthrow attempts, and even military strikes were all regularly used against these highly ideological regimes.

Although Chavez's Venezuela and the Iranian leadership still value ideology in their foreign policies, these governments are pale shadows of past revolutionary regimes. Chavez's "support" is largely in the area of toleration, while pragmatism dominates Iran's ties to various radical movements. Moreover, these are the worst offenders: for other state supporters of terrorist groups, ideology does not play a major role.

This shift has tremendous implications for counterterrorism. Historically, ideological regimes have had two dangerous characteristics with regard to sponsorship. First, they are more likely to create new terrorist proxies, including those that are not natural partners for strategic reasons. Sudan opened its doors to Islamist movements of all stripes in the early 1990s, as did the Taliban toward the end of the decade. Qaddafi not only backed an array of Arab nationalist groups but also began working with the Provisional Irish Republican Army because of its "anti-imperialist" nature: cooperation then greatly expanded after his support contributed to a British decision to back U.S. airstrikes on Libya in 1986. After the 1979 Islamic revolution, Iran began working with various Lebanese Shi'i groups and eventually helped found Hizballah: an initial move based almost solely on ideological criteria. Tehran also tried to form revolutionary Shi'i groups in all of its neighbors.

Second, and most importantly, ideological regimes place fewer limits on their proxies. As a result, groups with ideological sponsors are more likely to conduct attacks that cause mass casualties or are otherwise highly provocative. The Taliban, for example, allowed al-Qa'ida to steadily escalate attacks on the United States and other countries and even stood by the movement in the face of a credible U.S. threat of regime change

⁷⁸ This use of terrorism is universal if U.S. government definitions of terrorism are used which include attacks on military personnel as terrorism.

after 9/11. Regimes that are motivated more by strategy, however, are far more sensitive to diplomatic and economic costs, to say nothing of the risk of regime change.

The problem of ideology becomes particularly acute at the sub-state level, where it plays a tremendous role in motivating support for terrorists. Pakistan's JUI-F and the Wahhabi clerical establishment in Saudi Arabia are both active backers of a wide array of radical groups and causes, and their motivations are primarily ideological.

DOMESTIC POLITICS

As the importance of various forms of passive support suggests, domestic political concerns play an increasing role in explaining state sponsorship. Historically, domestic politics played a role in state support for terrorism, but were clearly secondary to strategic and ideological concerns.⁷⁹ For several important supporters today, notably Pakistan and Syria, domestic political concerns play an important and growing role in determining their support for radical groups. Pakistan's support for the Taliban is popular domestically, and cracking down on the organization would be costly politically for the embattled Musharraf regime. Syria allows Iraqi insurgents some degree of haven in part because opposing them would run contrary to public opinion. Even the Syrian regime's relationship with Hizballah, which for decades was based on cold strategic concerns, is now increasingly tied to domestic politics, with Bashar al-Asad leaning on the terrorist group to prop up his own legitimacy. Saudi Arabia's legitimacy is tied to the Wahhabi clerical establishment: opposing clerical opinion openly is risky for the al-Saud. Yemen has at times employed *jihadists* in various domestic power struggles, making them an important interest group. In addition, Sanaa fears that a crackdown or more open cooperation with Washington against terrorists would increase anti-government sentiment.

UNPACKING CAPACITY

In several instances, governments farmed out sponsorship to key interest groups or empowered parts of their bureaucracies to act with a high degree of independence.

In some cases, the sub-state actor is really a sponsor in its own right despite the wishes of the central government. Hizballah, for example, has a state-like capacity in much of Lebanon (delivering services, ensuring security, and so on). Its training of various Palestinian groups is done despite the wishes of other Lebanese political leaders. Similarly, the Kurdistan Regional Government's toleration of the PKK and PJAK does not have the formal support of Baghdad.

One of the most difficult areas to evaluate is when components of a government support terrorism while government policy as a whole does not or is more ambivalent. At times, there is little reason to excuse such government behavior. For example, any independence the IRGC enjoys in Iran is because of government policy rather than the IRGC being in any manner a "rogue" actor. However, in several other cases the evidence is more confusing. In Pakistan, the government appears to have deliberately allowed the ISI to back the Taliban and various Kashmiri groups, but some ISI members appear to operate without direct government support when dealing with various *jihadists* focused on the United States. For Pakistan, reining in the ISI on these issues risks angering parts of an organization whose loyalty is vital to the regime on other priorities.

This issue becomes even trickier with regard to key domestic interest groups. Before 9/11, and arguably before the May 2003 terrorist attacks in the kingdom, Saudi Arabia allowed an array of *jihadist* groups to raise money and recruit on Saudi soil, with local religious organizations playing a leading role in assisting the *jihadists*. Unlike Saudi Arabia, Pakistan deliberately allows such activities to continue. Indeed, much of the

⁷⁹ Byman, *Deadly Connections*, pp. 47-50.

support of “Pakistan” for various *jihadi* organizations is actually performed by sub-state organizations.

A government’s ability to stop passive sponsorship depends on two key variables: overall institutional capacity and the relative political strength of the political actors involved. Some governments simply do not govern. Lebanon, for example, cannot impose its will on Hizballah even if it chose to, but it was able to crack down on *Fatah al-Islam* because the Sunni *jihadi*s enjoyed little domestic support. Institutional strength often varies across a country. In Pakistan, for example, the government exerts much tighter control over regions like Sindh than it does over FATA. Just as important is the relative strength of the sub-state actors. Pakistani governments were always wary of alienating religious parties and organizations despite their ties to radical *jihadi* elements, just as the Saudi government feared to confront the religious establishment. In Yemen, important parties such as *Islah* have ties to *jihadi*s, making the government less willing to alienate radicals.

Incapacity is an independent as well as dependent variable. For example, the Pakistani government has little institutional capacity to govern FATA. However, this lack of capacity is the result of years of deliberate policy decisions made by the government. To govern FATA, Pakistan has long relied on the colonial-era system of administering through local elites such as tribal leaders and providing cooperative leaders with state largesse.⁸⁰ Similarly, before the May 2003 attacks, Saudi Arabia did not try to develop the capacity to stop terrorist fundraising; only after these attacks did Riyadh begin to invest in this capability.

IMPACT AND DANGERS

The impact of state support is vast. Traditionally, analysis focuses on the increased capability a group gains.

A classic example is the benefits that Hizballah derived from Iranian training or that various Kashmiri groups gained by working on behalf of Pakistan.

However, the two potentially even greater benefits to a group involve protection against counterterrorism efforts and a competitive advantage for recruiting. Having state support allows a group to protect itself against a wide array of efforts to fight it. Group leaders are protected, enabling them to plan and organize, and live, in relative peace. Equally important, a group can develop a robust logistics network, allowing it to train fighters, recruit openly, produce propaganda, acquire weapons and documents, and otherwise function without a constant fear of government disruption efforts. Even strong states like Israel find that crossing state boundaries can entail significant diplomatic costs. Perhaps more importantly, it is difficult to establish a robust intelligence presence in areas a government does not control.⁸¹

State support in the form of money or other resources also gives a group an advantage in its recruitment efforts. Simply paying recruits slightly more can attract more and better fighters to a group’s banner. In addition, state training and other forms of capacity building enable the group to improve its image by becoming more competent.

These rewards of state support must be weighed against the considerable costs of such sponsorship. Many sponsors support multiple groups and seek to make their leadership subservient to state interests. Pakistan and Syria, for example, have backed many Kashmiri and Palestinian groups respectively, but they have often played these groups off each other. In addition, ties to foreign governments often undermine a group’s nationalist legitimacy. ISCI, for example, has fought hard with only limited success to counter the charge that

⁸⁰ International Crisis Group, “Pakistan’s Tribal Areas,” pp. 2-5.

⁸¹ A comparison of Israel’s intelligence network in southern Lebanon and in the Palestinian territories is instructive. Although Israel has fought Hizballah for over two decades, the lack of day-to-day control over southern Lebanon has made it difficult for Israel to acquire intelligence sources and act rapidly. In contrast, in the West Bank Israel’s control over many daily functions and the territory in general has enabled it to build an impressive intelligence network there.

it is an Iranian proxy. Finally, state supported groups risk losing touch with their nationalist base, damaging their cause by becoming more responsive to their sponsor than to the people they seek to represent.

The sponsoring state also faces risks. Traditionally, the cost of sponsorship was viewed in strategic terms: the risk of political isolation, economic sanctions, and military strikes, and the damage such countermeasures might inflict. Such concerns remain real, and at times serve as a brake on a sponsor's activities.

A greater cost to many states, however, is the risk of spillover and domestic "blowback." The "Talibanization" of Pakistan is one extreme example of how a state's support for militants in a neighboring country can radicalize its own politics. *Jihadists* in Iraq who receive funding from sympathizers in Saudi Arabia among other countries have plotted against the al-Saud. Similarly, in Syria today the Islamists' political power is greater than at any time since their failed rebellion against Bashar al-Asad's father's regime was crushed over twenty-five years ago. In Syria, and also in Pakistan, terrorist groups play an important role in the respective regimes' hold on power. Syria cannot afford to alienate Hizballah, while in Pakistan, Musharraf's dependence on political groups sympathetic to *jihadists* has grown in recent months.

UNPACKING EXCUSES AND JUSTIFICATIONS

Because one of the most important reasons states work through terrorist groups is deniability, it is rare that state sponsors openly embrace a terrorist group in the face of international criticism and opposition. At times highly revolutionary regimes such as Khomeini's Iran or Qaddafi's Libya in the 1970s and 1980s proclaimed their support for terrorist groups, but historically such pride is the exception, and today it is even rarer. In general, state excuses fall into several categories:

Blanket denial. Some governments blatantly deny any involvement in support for terrorist groups, claiming that the accusations are wrong or, more commonly,

biased with an intent to discredit them. Syria, for example, consistently denied turning a blind eye to *jihadists* using its territory to enter Iraq despite considerable evidence, particularly in the early days of the Iraqi insurgency, of at least some regime complicity. The Saudi regime before 9/11, and even before the May 2003 attacks in the kingdom, downplayed the extent of domestic radicalism, believing that any attention would be embarrassing at home and internationally.

Definitional denial. Governments at times deny their proxy the label of "terrorist," instead using a variety of terms ("resistance," "freedom fighters," and so on) that portray the group as heroic. Hamas, for example, has long had tacit backing from many governments in the Arab world that consider the movement a legitimate (indeed admirable) resistance organization rather than a terrorist group. In essence, these governments revisit the old debate over whether groups with an agenda that is admired should be labeled as terrorists.

Lack of capacity. Governments may at times admit, particularly privately, that some support does occur but claim that it is being done by powerful social groups or concerned individuals that the government cannot control. At times this is quite real: few serious observers expect the government of Lebanon to rein in Hizballah in the near term. Even for stronger sponsors such as Iran and Syria, their borders have long been porous, and their governments' administrative capacity is often weaker in the periphery. That said, limited capacity is often a policy choice. Iran and Syria have at times devoted considerable resources to border security, and the true measure is a regime's effort on this score rather than absolute capability.

Domestic political weakness. A related form of weakness is political rather than material. For example, the government of Iraq cannot control the activities of the Kurdistan Regional Government, which in turn is reluctant to risk unpopularity by cracking down on the PKK.

Out of business. Governments may respond to charges of harboring or tolerating a terrorist group or indi-

vidual terrorist by claiming it is no longer actively engaging in terrorism. Yemen's rehabilitation and reeducation program, for example, in effect released many terrorists from jail. In response to U.S. criticism, Sanaa claimed that the individuals had abandoned terrorism even though some were later reportedly involved in terrorist attacks.⁸²

Tentative cooperation. Governments often respond to charges of passivity by emphasizing existing counterterrorism cooperation, which is at times considerable. Two leading passive sponsors of terrorism—Pakistan and Yemen—both have killed or arrested many *jihadists* and cooperate directly with U.S. military and intelligence officers. These governments regularly trumpet this cooperation, particularly during visits by U.S. officials, even as they tolerate a level of *jihadist* activity for their own purposes.

Effective intelligence can guide policymakers in judging the validity of these excuses. As noted above, in many cases the excuse is not completely baseless. However, policymakers must have a strong sense of nuance and local politics if they are to properly determine whether to punish, push, or even bolster the government in question.

EVALUATING BUSH ADMINISTRATION EFFORTS AGAINST STATE SPONSORSHIP

As noted above, since 9/11 the United States made three major foreign policy changes to fight state sponsored terrorism: invading accused state sponsors; elevating counterterrorism in general; and pushing democratization. Each is briefly evaluated from the perspective of stopping state sponsored terrorism.

The invasions of Afghanistan and Iraq have had a mixed effect on state sponsorship. Toppling the Taliban removed the most aggressive and dangerous state sponsor of terrorism from power: a success by any

measure. Even though the Taliban is resurgent today, its danger is more local than international. Al-Qa'ida is regrouping in Pakistan's tribal areas, but even after this success the organization is not conducting training or operational planning comparable to what it did in Afghanistan when the Taliban was in power. Yet this success had limits. Pakistan retained its ties to the Taliban despite U.S. pressure, and thus Afghanistan became a new venue for Pakistan to support terrorism.

Iraq is far more problematic. Part of the problem, of course, is that Saddam Husayn's sponsorship of terrorism was at best minor before the 2003 invasion. In addition, Saddam's regime sought to dominate the groups it sponsored, leading most groups, including al-Qa'ida, to be wary of a close relationship: a concern worsened by the Ba'athist regime's brutal clampdown on Islamist activity in Iraq.

The U.S. invasion, or more accurately the U.S. failure to secure Iraq, led several of Iraq's neighbors to believe it was in their interests to have Iraqi proxies, most of which used terrorism as well as other tools, and to support them accordingly. In addition, the conflict attracted a range of non-state actors from countries whose governments were either unable or unwilling to obstruct them. Because the Iraq conflict consumed popular attention and the anti-U.S. violence was widely popular, many area regimes feared clamping down on supporters of terrorism in Iraq for fear of weakening their own legitimacy.

Elevating counterterrorism as a priority, not surprisingly, has made counterterrorism cooperation more effective in many countries. Increased U.S. financial support to foreign governments, as well as greater attention to the issue in general, has led to considerable advances. Despite the many remaining U.S. criticisms of European Union states' counterterrorism cooperation, these countries are far more aggressive on counterterrorism issues than they were before 9/11.

⁸² Worth, *op. cit.*

Similarly, Saudi Arabia—a key passive sponsor before 9/11—over time became an aggressive foe of the *salafi-jihadist* movement, in part due to U.S. pressure.

Yet this success is not without its limits. Most important, but beyond the scope of this paper, is that the emphasis on counterterrorism came with tradeoffs in other policy priorities. Another weakness is that governments have used counterterrorism as a sop to Washington to avoid pressure on other issues. A final problem is that the U.S. emphasis on counterterrorism was at times done without nuance. Thus Syria's active efforts to fight *salafi-jihadists* went unrewarded, in part because Syria continued to provide limited backing for anti-Israeli terrorists: a rebuff that led Syria to allow terrorists to transit Syria to fight in Iraq and otherwise worsen the challenges the United States faced there.

Democratization, the third element against state sponsored terrorism, is perhaps the most problematic tool. In Lebanon, Iraq, and the Palestinian territories, support for democratization has empowered political organizations linked to terrorists. In all three of these countries, the biggest reason for this failure is that

the United States emphasized the outward forms of democratization, particularly elections, without ensuring that more secular and moderate parties were strong enough to compete effectively. In addition, these countries lacked many of the institutions that facilitate successful democratization, such as impartial courts, professional police, and an independent middle class. The rush to democratization thus created a void that radical forces were best positioned to fill.

The democratization impulse also was viewed by U.S. adversaries such as Iran and Syria as a hypocritical exercise aimed only at America's enemies. Saudi Arabia, for example, received only mild rhetorical exhortations to reform despite its fundamentally autocratic nature. Syria, in contrast, received constant criticism. U.S. support for elections in Lebanon, Syria's traditional sphere of influence, was justified in part as a way of undermining Syria's Ba'athist regime. Iran, which mixes both theocratic and autocratic elements but is still more open than many U.S. allied regimes, was widely lambasted as a tyrannical regime. Unsurprisingly, Iran and Syria tried to undermine pro-U.S. voices contesting the elections in Lebanon and sought more broadly to undercut Lebanese stability.

RECOMMENDATIONS FOR FIGHTING THE NEW STATE SPONSORSHIP

As the nature of state support for terrorism changes, so too must U.S. policies and instruments. This final section describes the difficulties in fighting state sponsorship and presents suggestions for strengthening U.S. efforts. Given its growing importance, this section focuses primarily on the issue of passive sponsorship.⁸³

DIFFICULTIES IN FIGHTING STATE SPONSORSHIP

Fighting state sponsorship is an exceptionally difficult task. States, particularly those acting with a strategic rationale, often calibrate their support for terrorists, providing enough backing to bolster the group but not enough to allow an adversary to justify a significant retaliation. In addition, the use of military strikes short of regime change often leads a state to escalate its backing of terrorism and can simultaneously help that regime consolidate its domestic power.

Nevertheless, for traditional sponsors motivated by strategic reasons, a combination of the threat of military escalation and ratcheting up political and economic pressure can prove effective over time. In essence, strategic states make a cost-benefit calculation when weighing support. Rarely does this lead the state to abandon support for terrorism, as this often would

mean abandoning key regime goals such as, for Syria, acquiring the Golan Heights or, for Iran, maintaining influence in Iraq. The primary impact of most traditional instruments of national power, including the threat of military strikes, is in what is *not* done. Iran still supports an array of terrorist groups, but levels have fallen since the mid-1990s, after Iranian leaders began to fear that continued support for terrorism might lead to comprehensive sanctions and broad diplomatic support for military strikes. Iran has reportedly supplied explosively formed penetrators to Shi'i groups in Iraq, but it could be even more aggressive in arming these groups and directing them against U.S. forces. This is small consolation and should not suggest that Iran is being responsible, but it is important to remember that the situation could be even worse.

Over time, concerted international pressure and isolation may lead a regime to abandon support for international terrorism. Sudan and Libya have both gone far down this road. Limited trade sanctions and, more importantly, a dearth of private investment linked to political uncertainty and sanctions, led both governments to cooperate with U.S. counterterrorism in the hope of ending their isolation. However, this shift also required a dramatic internal transformation: both regimes were once highly ideological, and they had to become far

⁸³ The passive sponsorship recommendations draw and build on Byman, *Confronting Passive Sponsors of Terrorism* (Washington, DC: The Brookings Institution, 2005).

more pragmatic before the pressure began to matter. For Libya, a *jihadi* revolt at home also led the regime to see a common interest with Washington.⁸⁴

Swaying sponsors motivated by domestic and ideological concerns is far harder. Highly ideological regimes are not sensitive to economic or other costs: indeed, such pressure on regimes like the Taliban often confirmed their view that foreign governments were inherently hostile and led them to move closer to the terrorists. The pressure on Libya and Sudan that began to be felt in the late 1990s would have failed when the regimes first began supporting terrorists. Even less ideological regimes are typically more sensitive to domestic threats to their rule rather than foreign threats. President Musharraf in Pakistan could have weathered a cutoff in U.S. aid if he had domestic support. Losing the support of Islamist parties, on the other hand, could lead his regime to fall even if it gains more foreign aid.

Ending passive sponsorship is often even more difficult. As noted above, passive sponsorship usually occurs because the regime has limited capacity and the domestic interest groups involved are politically strong. In addition, in many cases the terrorists pose little threat to the regime, making the government less willing to confront the threat. From a U.S. perspective, passive sponsorship is particularly problematic because many of the regimes in question are close U.S. allies in the war against terrorism. In addition, most U.S. policy instruments are designed to work through allied governments, or at least in harmony with them. The United States has fewer means of bypassing the government and working with the key actors.

MODIFYING U.S. GOVERNMENT TERRORISM LISTS

Current U.S. lists regarding state sponsorship have four problems. First, they often list countries that are not

major sponsors of terrorism today while ignoring other sponsors. Cuba and North Korea, while noxious regimes, are not major concerns for U.S. counterterrorism, while Pakistan should be on the list if it is to truly reflect its government's actions. Second, the list does not recognize important gradations in support. Iran and Syria are both "supporters," but the scale of their activities is quite different. Third, removal from the list is difficult and there are few rewards for improving behavior short of a complete turnaround. As a result, regimes have little incentive to meet the United States part-way. Finally, the lists ignore the tricky issue of passive sponsorship.

Lists should accurately reflect the current level of state sponsorship. In addition, there should be clear criteria for entering and exiting the list: there must be incentives for good behavior and punishments for acting badly. The "not fully cooperating" list is an important part of judging passive sponsorship, but currently it is only used selectively.

MOVING FORWARD TO REDUCE PASSIVE SUPPORT

The U.S. government should try to establish new rules that recognize the importance of passive support, impose new costs on regimes that tolerate terrorist-related activities, diminish the popular support that groups enjoy, and bolster counterterrorism capacity of regimes that seek to end their passive support.

Ensuring a common standard for what constitutes support for terrorism is necessary for an effective strategy against passive sponsorship. Sponsorship includes far more than when a regime arms, trains, or hosts a group: it should also include states that turn a blind eye when their citizens permit such activity. States not only have a responsibility for their actions, but also for their inactions. Unfortunately, there is no accepted international definition of terrorism (despite over thirty

⁸⁴ Martin S. Indyk, "The Iraq War Did Not Force Gadaffi's Hand," *Financial Times*, March 9, 2004; Ray Takeyh, "The Rogue Who Came in from the Cold," *Foreign Affairs* 80, no. 3 (May/June 2001).

years of attempts), let alone an accepted definition for what does and should constitute state support.

Even if a common definition can be found, gaining international support for stopping all dimensions of passive support will be difficult because of the popularity many causes linked to terrorism enjoy and because support is often linked to legitimate political acts. Two issues in particular stand out. First, groups and individuals can and should be able to endorse a cause (such as the independence of Kurdistan or of the Tamil parts of Sri Lanka) as part of the right to free speech. Second, aid for affiliated organizations that do not use terrorism, particularly humanitarian ones that provide for widows or engage in other good deeds that can also help sustain a terrorist organization, is a particularly murky area where prohibitions have the potential to harm important humanitarian activities.

Such problems are acute for governments of all stripes. For example, radical groups such as Hizballah and Hamas gain considerable support among Lebanese and Palestinians respectively for their efforts to provide food to the poor, cheap or free medical care, and other humanitarian activities. Few governments in the Middle East could stop popular support to such Palestinian charities without losing legitimacy at home. The Saudi Arabian government faced the same dilemma that in the 1990s, when al-Qa'ida exploited various non-governmental organizations linked to legitimate humanitarian assistance in Bosnia and elsewhere. Similarly, halting rhetorical support of legitimate causes linked to terrorists such as independence for Chechnya will remain difficult for democracies, as support for non-violent ideas is a cherished part of free speech and is thus well-protected in democratic countries and something to be encouraged elsewhere.

Within these limits, however, considerable progress is possible. All governments must prohibit any citizens'

support that knowingly goes toward a group using violence. Any support for obviously violent activities, such as arms purchasing or military training, must also be prohibited. In addition, to prevent groups from taking advantage of individuals' ignorance, whether willful or not, charities should have to disclose the recipients of their patronage. Indeed, monitoring charitable actions and helping charities police themselves can prevent inadvertent support and make that which does go on far easier to prosecute.

Because forging an international consensus on a broad definition of what constitutes sponsorship will be difficult, Washington should initially work with key allies who are the most important in the effort against al-Qa'ida (such as Egypt, Jordan, Saudi Arabia, Pakistan, France, and Britain, among others) to set a common standard and then urge others to adopt this. As these states reach a consensus, the next step is the Group of Eight (G8) industrialized countries. As the State Department notes, "G8 counterterrorism initiatives often have an impact well beyond the borders of G8 member states since the group actively seeks to promulgate the standards and practices it develops to international standard-setting organizations."⁸⁵ The precedent of financial accounting standards to reduce money laundering is useful here: by forging an agreement among key states, the United States and its allies were able to make considerable progress on improving overall financial standards and reducing the number of lax countries.

Shaping the information environment is an important means of reducing passive support. Simple embarrassment has proven surprisingly effective, though by itself is insufficient to end support. The spotlight held on Saudi Arabia after 9/11 humiliated the al-Saud, making them scramble to at least appear cooperative. The United States should consider creating a list of passive sponsors and their activities to "name and shame"

⁸⁵ U.S. Department of State, "Building International Will and Capacity To Counter Terrorism," *Country Reports on Terrorism*, April 28, 2006, available at <<http://www.state.gov/s/ct/rls/crt/2005/66236.htm>>.

them into better behavior. For a few countries, such a list could affect their tourism industries and, more broadly, their overall reputation. A model would be Transparency International's "transparency index" that measures the level of corruption in countries around the world. By itself, the index carries no penalties but a poor score is embarrassing to responsible governments and affects how they are treated.⁸⁶

To help reduce popular support for terrorism, U.S. public diplomacy efforts need to be reoriented. Most U.S. efforts involve exchanges of students, journalists, and opinion leaders; encouraging pro-U.S. media coverage; putting U.S. officials on record on important issues; and so on.⁸⁷ These efforts should be continued, but their effect is at best limited. Because many U.S. policies, particularly the U.S. military presence in Iraq and strong support for Israel, are deeply unpopular, engaging regional audiences on these issues will enjoy at best partial success and is more likely to simply bolster al-Qa'ida's arguments.

Affecting public opinion is difficult, but possible. A better U.S. approach would be to go negative, attacking *jihadists* for their many abuses. Efforts to play up terrorists' missteps and atrocities should be done at the popular and governmental levels. The United States should promote the stories of victims of terrorism. It is usually easier, and more important, for other publics to hate the terrorists than to love the United States. In addition, what the United States seeks is for citizens to support their own governments in a crackdown, not to back a U.S. campaign directly. It would be more effective if respected Muslim authorities would criticize al-Qa'ida, as these voices have credibility with the key audiences. When possible, the United States should try to highlight the voices of disaffected terrorists, *salafi*

clerics who condemn the *jihadists*, and other voices that have credibility with potential *jihadist* sympathizers.⁸⁸

Education reform must also be viewed as part of a comprehensive counterterrorism effort. In both Pakistan and Saudi Arabia, the education systems indoctrinate younger generations with anti-Shi'i sentiment, hostility toward the West, and other ideas that make *jihadist* recruitment far easier. Changing the education system would make recruitment harder in general and reduce overall public support for these causes. While *madrasahs* are important, in most countries, including Pakistan and Saudi Arabia, the key is the government-run public education system, which educates the vast majority of students. Supporting various international educational efforts that provide schools with a more practical curriculum is one means of countering this problem. Openly opposing Islamic content is a mistake, however, as it is popular with most parents. U.S. efforts should instead focus on low-key pressure to make the Islamic content better reflect Islam's more tolerant values rather than preaching sectarianism.⁸⁹

CAPACITY BUILDING

For passive sponsorship, a constant challenge is government capacity. If regimes do seek to turn the corner on fighting terrorism, U.S. assistance in training and equipping local military and security forces can be exceptionally useful. At times, U.S. forces may even fight alongside local allies, helping them locate, capture, or kill terrorists. Efforts such as the Terrorist Interdiction Program and Counterterrorism Finance Training are important parts of improving partner capacity, although current programs are inadequately funded. Similarly, military training forces can augment allies' counterinsurgency capabilities, which often help defeat the terrorists associated with insurgent movements.

⁸⁶ See Transparency International's website available at <<http://www.transparency.org/>> for a comparison of corruption levels across the world.

⁸⁷ For a list of major U.S. broadcasting initiatives, see U.S. Department of State, "Outreach Through Broadcast Media," *Country Reports on Terrorism*, April 30, 2008, available at <<http://www.state.gov/s/ct/rls/crt/2007/104115.htm>>.

⁸⁸ See International Crisis Group, "Indonesia Backgrounder: Why Salafism and Jihadism Mostly Don't Mix," Asia Report N°83, September 13, 2004, available at <http://www.crisisgroup.org/library/documents/asia/indonesia/83_indonesia_backgrounder_why_salafism_and_terrorism_don_t_mix_web.pdf>, for more on this important divergence.

⁸⁹ Fair, op. cit., pp. 97-8.

Bolstering other states' intelligence capacity is particularly important. This can range from technical assistance, such as helping improve databases or information systems that track terrorists and their activities to advice on intelligence reorganization and legal reform. Training can be very useful, as many skills related to shutting down passive support, such as tracking finances, are relatively rare in government circles, particularly in the developing world. Money can also be provided to boost the size and skills of security and intelligence services.

Building a strong police force is also important—usually much more important than aiding conventional military forces. Police typically are far better suited to defeating small groups, as they often know the communities well and are trained to use force discriminately. David Galula contends that the police is “the first counterinsurgent organization that has to be infiltrated and neutralized.”⁹⁰ Not only must the police be strong and numerous, but the laws they enforce must be suited for counterinsurgency.

Current U.S. police training programs suffer from several glaring weaknesses. First, there is no bureaucratic home for them. The State Department's Antiterrorism Assistance Program has counterparts in the Department of the Treasury, the Department of Defense, and elsewhere but all are under-funded and not treated as part of the core mission of the host institution. For the military, police are often trained as cheap light infantry rather than as a force whose role in counterterrorism intelligence and local security is vital.⁹¹

Capacity building programs should focus more on police and intelligence and less on overall economic support and bolstering conventional military aid. For Pakistan, the vast majority of overt aid comes from

Economic Support Funds and Foreign Military Financing.⁹² These programs may buy regime goodwill, but they do not necessarily lead to greater counterterrorism capacity.

Many regimes in the developing world, however, have only a limited capacity to absorb U.S. or other outside assistance meant to shore up their ability to fight terrorism. In Saudi Arabia, for example, the myriad new programs the kingdom has introduced in cooperation with the United States suffer from a lack of skilled and experienced personnel. As a result, even the most dramatic turnaround in the regime's intentions to crush terrorism will produce only modest results for many years.

KEEPING THE PRESSURE ON

In cases where state capacity is not the issue and the other recommendations for changing a passive supporter remain unproductive, economic penalties should be introduced as a form of coercion. Initially, they should be symbolic, sending a diplomatic signal and acting to embarrass rather than inflict significant economic pain. Travel bans for regime leaders fall into this category. If such limited means fail, more serious sanctions may be required. These should be designed to sway popular opinion and increase the costs for decisionmakers. Transparency and flexibility are particularly important. It must be clear what, exactly, the sanctions are linked to and that the pressure will end if passive supporters act against the terrorists.

Where the government is exceptionally weak and capacity cannot be realistically developed in the medium-term, U.S. policy must engage local actors or bureaucracies directly. In Iraq, for example, efforts to stop support for the PKK must be done through the Kurdistan Regional Government rather than through

⁹⁰ David Galula, *Counterinsurgency Warfare: Theory and Practice* (1964; repr. Westport, CT: Praeger Security International, 2006), p. 31.

⁹¹ Rosenau, “Little Soldiers’: Police, Policing, and Counterinsurgency,” unpublished paper, 2007.

⁹² U.S. Department of State, “Support for Pakistan,” *Country Reports on Terrorism*, April 30, 2008, available at <<http://www.state.gov/s/ct/rls/crt/2007/104111.htm>>.

the Baghdad government. Similarly, forcing the government of Lebanon to crack down on Hizballah will not only fail but might even lead to the collapse of the current weak but relatively pro-Western regime. Hizballah, in this case, must be dealt with directly as working through the Lebanese government will not work and Syrian capabilities for shutting the group down have declined.

CONCLUSION

As the above review suggests, a large and growing problem for the United States is passive sponsorship of terrorism. Only recently have U.S. officials begun to focus on this problem. The lack of attention is far more profound overseas. Even in many Western countries, efforts focus almost entirely on issues of overt support, even though passive sponsorship can often be far more important to a group's success. This is particularly so for the *jihadi* movement, which today does not enjoy any direct overt sponsorship but relies heavily on toleration or even complicity from several governments. Preventive action is vital. Setting

standards early can stop groups from getting a toehold into different societies, reducing their influence and making governments both more capable—and more willing—to halt their activities.

Effective policy can limit the scope and frequency of state sponsorship—but it will not stop the problem completely. States have many reasons to back terrorists, and the United States can affect their calculations, but some will disregard U.S. pressure while others will develop even more devious ways of avoiding it.

APPENDIX: CATEGORIZING STATE SPONSORSHIP

COUNTRY/AREA	GROUP	CONTROL	COORDINATE	CONTACT	TOLERATE	UNCONCERN	INCAPACITY	MAIN ACTOR		
								STATE	SUBSTATE OR BUREAUCRATIC	NON-STATE ACTOR
Afghanistan (near Pakistan border)	<i>Jihadists</i> ; Baluch and Pash-tun militants						XX			XX
Colombia border region with Brazil, Ecuador, Panama, Peru, and Venezuela	FARC			XX	XX	XX	XX	XX		XX
Eritrea	Darfur rebels			XX	XX			XX		
Eritrea	ICU forces in Somalia		XX					XX		
Eritrea	Ogaden National Liberation Front (in Somalia)		XX					XX		
Indonesia (remote parts)	Jemaah Islamiyya						XX			XX
Iran	ISCI		XX	XX				XX		
Iran	JAM		XX?	XX				XX		
Iran	Iraqi <i>jihadist</i> groups			XX				XX		
Iran	Iraqi Kurdish groups			XX				XX		
Iran	PIJ	XX?	XX					XX		
Iran	Hamas		XX?	XX				XX		
Iran	Hizballah	XX?	XX					XX		XX?
Iraq	Al-Qa'ida in Iraq						XX			XX
Iraq	Foreign-oriented <i>jihadists</i> (e.g. al-Qa'ida in the Arabian Peninsula)						XX			XX

THE SABAN CENTER FOR MIDDLE EAST POLICY

The Saban Center for Middle East Policy was established on May 13, 2002 with an inaugural address by His Majesty King Abdullah II of Jordan. The creation of the Saban Center reflects the Brookings Institution's commitment to expand dramatically its research and analysis of Middle East policy issues at a time when the region has come to dominate the U.S. foreign policy agenda.

The Saban Center provides Washington policymakers with balanced, objective, in-depth and timely research and policy analysis from experienced and knowledgeable scholars who can bring fresh perspectives to bear on the critical problems of the Middle East. The center upholds the Brookings tradition of being open to a broad range of views. The Saban Center's central objective is to advance understanding of developments in the Middle East through policy-relevant scholarship and debate.

The center's foundation was made possible by a generous grant from Haim and Cheryl Saban of Los Angeles. Ambassador Martin S. Indyk, Senior Fellow in Foreign Policy Studies, is the Director of the Saban Center. Kenneth M. Pollack is the center's Director of Research. Joining them is a core group of Middle East experts who conduct original research and develop innovative programs to promote a better understanding of the policy choices facing American decision makers in the Middle East. They include Tamara Cofman

Wittes, a specialist on political reform in the Arab world who directs the Project on Middle East Democracy and Development; Bruce Riedel, who served as a senior advisor to three Presidents on the Middle East and South Asia at the National Security Council during a twenty-nine year career in the CIA, a specialist on counterterrorism; Suzanne Maloney, a former senior State Department official who focuses on Iran and economic development; Stephen R. Grand, Fellow and Director of the Project on U.S. Relations with the Islamic World; Hady Amr, Fellow and Director of the Brookings Doha Center; Shibley Telhami, who holds the Sadat Chair at the University of Maryland; and Daniel L. Byman, a Middle East terrorism expert from Georgetown University. The center is located in the Foreign Policy Studies Program at Brookings, led by Brookings Vice President Carlos Pascual.

The Saban Center is undertaking path breaking research in five areas: the implications of regime change in Iraq, including post-war nation-building and Persian Gulf security; the dynamics of Iranian domestic politics and the threat of nuclear proliferation; mechanisms and requirements for a two-state solution to the Israeli-Palestinian conflict; policy for the war against terrorism, including the continuing challenge of state sponsorship of terrorism; and political and economic change in the Arab world, and the methods required to promote democratization.



BROOKINGS

1775 MASSACHUSETTS AVE., NW

WASHINGTON, D.C. 20036-2103

www.brookings.edu