
June 2009 Overview of Terrorism Risk: Increasing likelihood of macro attacks in many territories, using smaller attack modes on soft targets

Recommended Risk Outlook for use in U.S. Terrorism Risk Model: RMS Standard (2009)

JIHADI HOME GROWN TERRORISM SURFACES AGAIN IN THE UNITED STATES

The arrest of four men in Bronx, New York alleged to be planning attacks on U.S. targets is a strong reminder of the jihadi homegrown terrorism threat in America.

The federal indictment suggests that the plotters intended to bomb two Jewish synagogues in the Bronx and planned to use Stinger missiles to shoot down military planes at the New York Air National Guard Base at Stewart International Airport, in the city of Newburgh, 60 miles north of Manhattan. The plotters were apprehended through an elaborate FBI sting operation after planting what they believed to be car bombs outside the Riverdale Temple and the nearby Riverdale Jewish Center in Bronx, New York.

The accused conform to the model of decentralized terrorism inspired by Al Qaeda. This concept is defined by key Al Qaeda strategist Mustafa Al-Suri's doctrine of *nizam la tanzim* (system, not organization). In his view, the future of jihad consists of small autonomous groups having decentralized organizational structures with no official links connecting them to Al Qaeda leadership. Thus, even if the Al Qaeda leadership is removed and the senior hierarchy dismantled, the threat from Al Qaeda will persist. These are the new generation of Al Qaeda members, disaffected radicals organizing themselves into "rag-tag jihadist" that seek to carry out what they see as Osama bin Laden's wishes.

U.S. law enforcement agencies are keenly aware of the homegrown jihadi threat. American federal agencies continue to uncover increasing numbers of new home-grown cells of Islamist radicals and have led to series of arrests in California, New York and Georgia according to testimony by Scott Redd, director of the National Counterterrorism Center in 2006. He said home-grown cells were a new domestic phenomenon for which the FBI and law enforcement agencies 'have no baseline for measuring the scale of the problem'.

The details of this plot indicate that while the plotters had the intention to orchestrate a terrorist attack, they did not have the capability nor the skill set to launch it. Because of this, they required external support to assist them in their operation; a need that made the group vulnerable to penetration and ultimately led to their arrest. Previous U.S. homegrown jihadi militants have also encountered the same challenge in launching such attacks and followed the same demise. The plots include one in Los Angeles where four were charged in 2005 with conspiring to attack Jewish synagogues. Seven men in Miami were also accused of planning to blow up the Sears Tower while in New York City, authorities broke up a plot to bomb gas pipelines near Kennedy Airport and the tunnels underneath the Hudson River.

While this plot was unlikely to succeed, these "rag-tag" jihadists can still be potentially very dangerous. These individuals clearly showed a desire to commit large-scale terror acts. They were willing and extremely eager and showed signs that they had strong intentions to follow through on their ambitions to commit violence. Thus, had the group contacted an actual jihadist instead of a government informant, the results of this case could have been drastically different.

The motivation of the jihadist movement to attack American assets and interests remains. Attacks perpetuated by homegrown jihadi groups against the U.S. will continue to be planned. But U.S. security services continue to be steadfast and will strive to preserve their record of interdicting all planned attacks since 9/11.

NEXUS BETWEEN PIRACY AND TERRORISM

Recent events in the waters off the horn of Africa have focused worldwide attention on the scourge of piracy at sea. Although piracy is motivated primarily by the desire for financial gain, there are strong indications that the Somali pirates are handing over a part of their ransom money to Al Shabaab, the Somali rebel group that has been linked to Al Qaeda.

The nexus between piracy and terrorism is not unprecedented. The idea of a link developing between piracy and terrorism has been highlighted in several maritime threat assessments and is clearly one that security experts are concerned about. While experts agree that terrorism and piracy are not the same, they believe that there are significant areas of overlap; particularly, when it comes to the selection of targets and techniques which could provide ample opportunities for both groups to collaborate.

Acts of piracy have gone up significantly in 2009. According to the International Maritime Bureau in the first quarter of this year, 102 incidents were reported in the first three months of 2009 compared to 53 incidents compared with the same period of 2008. This trend is apparent to Al-Qaeda and militant Islamic groups located in the coastal regions. The next logical step would be for militant Islamic groups to recruit pirate syndicates into their fold.

Several terrorism groups have already shown a willingness to be involved in maritime piracy. In particular, most security experts are concerned with the notion that terrorists could employ the pirate's maritime expertise to carry out a devastating attack on a commercial port or a shipping operation. In Southeast Asia, The Abu Sayaf Group and the Free Aceh Movement (GAM) have a history of collaborating with pirates. GAM in particular was singled out as being responsible for several acts of piracy in the Malacca Straits. Most noteworthy was an attack in March 2003 where pirates linked to GAM boarded a chemical tanker, the *Dewi Madrim*. While the exact circumstances surrounding the incident are disputed, it is known that the boarding party steered the ship for nearly an hour before leaving with equipment and technical documents. A number of commentators believe that the seizure was a training exercise designed to hone the navigation and sailing skills of terrorists seeking to ram an oceangoing vessel either into a very large crude carrier or an offshore petrochemical facility.

There are a number of reasons terrorists might want to extend their operational arena to the maritime environment. Besides the inherent attractiveness of maritime targets for terrorists, aquatic targets are generally softer targets compared to more traditional targets such as embassies that have been significantly hardened. More importantly, maritime attacks provide an alternative means for causing massive economic destabilization. These considerations have particular pertinence to groups such as Al Qaeda, not least because Osama bin Laden has explicitly emphasized that attacking key pillars of the Western commercial and trading system is integral to his self-defined war on the United States and its major allies. Repeated statements attributed to the Saudi renegade have urged young Muslims to wage their jihad against the U.S. by focusing on targets that are liable to have a disruptive economic effect which includes shipping.

However, carrying out an attack in the maritime domain presents a number of challenges for any terrorist organization. First, the complexity in carrying out waterborne strikes is very high and requires terrorists to have mariner skills, access to appropriate assault and transport vehicles. Second, surveillance at sea of potential targets offers less cover and concealment than on land and entails the same environmental challenges as any maritime activity.

The synergy between terrorism and piracy will likely to continue and increase the probability of success for a major terror attack on a targeted ship. The danger posed by Al Qaeda and similar minded terrorist groups to the maritime arena is significant. Due to the nature of this threat, further attacks on such targets should not be ruled out. The current RMS Probabilistic Terrorism Model incorporates attacks on ports in its modeling of macro attack frequency.

RUSSIA DECLARES AN END TO THE CHECHEN WAR

The insurgency in Chechnya will continue over coming months, although the level of violence is likely to remain limited and far below its historical levels. The real long-term struggle will be Moscow's attempts to restrain Kadyrov, as in the name of fighting terrorism they have in effect supported an autonomous local warlord. So long as Kadyrov is able to co-opt the Chechen warlords, there should be comparative stability in Chechnya, but any future acts of repression inflicted by Kadyrov and his cronies can well ignite another Chechen conflict, which would once more galvanize the Jihadi Umma.

The ability of a dictatorship to control terrorism with brutal efficiency is exemplified by Ramzan Kadyrov, the president of Chechnya. He dispatches terrorists with a degree of ruthlessness and disdain for human rights which would never be condoned in a democracy. Now an ally of Vladimir Putin, Ramzan Kadyrov originally fought alongside nationalists against the Russians in the first Chechen war in the early 1990's. But he flipped sides in the second Chechen war, taking a lead from his father, Akhmad Kadyrov, the former chief religious leader, who being a traditional Sufi Islam was critical of the radical version of Islam espoused by the foreign Muslims waging Jihad in Chechnya.

With Russian support, Akhmad Kadyrov became president in 2003, but his rule lasted only seven months before his assassination in the capital Grozny. His son Ramzan became president in 2007, after Putin had signed a decree removing his predecessor. While Ramzan Kadyrov has managed to control the insurgents by a mix of co-optation and ruthless repression, there is growing unease at the extent to which he has consolidated his personal control of the republic. However, Russia is focusing on reversing the growing tide of violence elsewhere in the North Caucasus and can hardly devote scarce resources to restrain him. As a result, he enjoys considerable autonomy and has used his independence to further consolidate his power in the southern republic through human rights abuses and violent repression of any opposition.

Such repression is contributing to the radicalization of Chechen youth and the proliferation of fundamentalist political Islam in its Salafi-Jihadi interpretation in Chechnya. The Salafi-jihadists see Chechnya as a battleground for their jihad. For them, the conflict in Chechnya is not about Chechen independence, but as a part of the global pan-Islamic struggle to instigate revolution throughout the Caucasus and beyond. At the peak of the Chechen conflict, more than 300 from the foreign "mujahideen" reportedly were involved in the war. Thus, like Kashmir and Bosnia, a separatist conflict became a battleground of the global Jihad, attracting support from Salafi-jihadists worldwide.

The influx of the Salafi-Jihadi community had an egregious effect on the Chechen conflict. This was substantiated by the devastating terrorist attacks that followed in Chechnya and in Russia itself – airliner bombings, assassinations of pro-Moscow Chechen leaders, and unprecedentedly brutal attacks in the Moscow Theater Siege in 2002, the attack of the Moscow metro and the Beslan siege in 2004.

The conflict in Chechnya has contributed not only to the radicalization of Chechens but Western European Muslims angered at the apparent religious war on Islam. Violence against Muslims in Chechnya has been exploited in Al Qaeda propaganda as evidence of the West's war on Islam, and has inspired Islamist plots all across Europe. In London, there was open Chechen recruitment of Jihadis at Islamic conferences. While in Paris, the French security service, La Direction de la Surveillance du Territoire (DST), discovered a Chechen network while investigating Islamist efforts to recruit French nationals for the Chechen Jihad.

The insurgency in Chechnya will continue over coming months, although the level of violence is likely to remain limited and far below its historical levels. The real long-term struggle will be Moscow's attempts to restrain Kadyrov, as in the name of fighting terrorism they have in effect support an autonomous local warlord. So long as Kadyrov is able to co-opt the Chechen warlords, there should be comparative stability in Chechnya, but any future acts of repression inflicted by Kadyrov and his cronies can well ignite another Chechen conflict, which would once more galvanize the Jihadi Umma.

PREVENTING SUICIDE TERRORISM

Sara De Silva, currently holds the post of a RMS fellow at the at the International Centre for Political Violence and Terrorism Research (ICPVTR), in Singapore. She has performed a special study of suicide attacks and her insights are presented here.

Governments, law enforcement bodies, and even scholars are faced with a great challenge to combat suicide terrorism than ever before as such attacks are steadily on the rise. From 2000 to 2004, there have been more than 472 suicide attacks have taken place globally in 22 countries, killing more than 7,000 people.

Despite the complexity of the mission, suicide terrorism can be prevented with appropriate security precautions. Prevention of suicide attacks through security measures can be divided mainly by four stages: 1. Monitoring and threat assessment; 2. Proactive preventive measures; 3. Incident Response; and 4. Consequence Management.

Monitoring and threat assessment incorporates deterring, predicting, and detecting potential suicide missions. The most important issue is to firstly understand the terrorists' mindset and their operational environment. Monitoring of their activities in the pre-attack stages can lead to the prediction and detection of potential suicide missions. The strongest key to this is intelligence gathering. As evident in the case of Israel, more than 80% of attempted suicide operations were foiled through counter-intelligence operations. Therefore, governments must enhance the capacity of its intelligence in order to disrupt the network that organizes and supports such activities. Intelligence collection must be done at both the top and grass-root level along with an efficient channel in disseminating intelligence.

Proactive measures require the fortification of infrastructures and the increased protection of both hard and soft targets. Previous suicide attacks committed by terrorism groups such as the Tamil Tigers tend to focus mainly on attacks on VIPs. However, this trend has evolved over the years, as the purpose of suicide attacks was to inflict large number of casualties. Thus, terrorist suicide operations became broader and focused on softer targets. The protection of infrastructure comprises of three phases (perimeter security; internal security system; vital area protection), which requires the efforts of not just the security forces, but also private security industries and the empowerment of the citizens.

In case of spotting a suicide bomber on the spot, several security precautions can be taken to minimize casualties. It is paramount to teach law enforcement awareness and to have policies and procedures in the event of an attack or an attempt. Rigorous training is needed for identifying a potential suicide bomber, confronting a suspect, and responding and securing the area around the attack site in the event of an explosion. This must also be followed by the establishment of a consequence response in order to mitigate the impact of the suicide attacks, to ultimately discourage the terrorist organizations from employing such tactic in the long-run.

Though security measures can successfully prevent suicide terrorism, such measures are merely effective in containing suicide terrorism and not its eradication. Security measures can stop suicide attacks from physically happening, but it does not contribute in extinguishing the ideology and motivations which drive suicide bombers. This can be only tackled through socio-political approach. Many countries have mastered operational counter-terrorism but not strategic counter-terrorism. For a long-term success there is a need to not only hunt operational terrorists, but also to tackle the ideology that drives the use of this unique tactic. Therefore, socio-political measures must simultaneously be addressed to eradicate the root causes of suicide terrorism. Consequently, it would create an environment that is 'unfriendly' to terrorists and resilient to political violence.

First and foremost, it is crucial to understand that motivations of employing suicide missions greatly differ at organizational and individual level. Therefore, tackling suicide terrorism starts from identifying the so called 'target audiences', and then implementing socio-political measures appropriately to the groups. Whether it is a religious or an ethno-nationalist motivated terrorist attack, strategic countermeasures must be implemented accordingly to the appropriate levels of target. Strategic measures against organizations must be carried out to cripple the ideology that drives and sustains their movement. Other socio-political measures must be tailored to discourage and de-radicalize the individuals at a personal level who perform the suicide mission. Finally and most importantly, measures must be adopted in order to create a society altogether that is vigilant and resistant to suicide attacks, and to create an environment which discourages terrorists to employ such tactics.

Support and recruitment for suicide terrorism occur not under conditions of poverty, foreign occupation, and unemployment per se- but when converging political, economic, and social trends produce fewer opportunities relative to expectations. This generates frustrations that radical organizations can exploit to propagate their ideas among the public. Reasons and motivations behind the missions are many, and there is no one-size-fits all approach that can socio-politically prevent incidents. Motives of suicide terrorism can be broadly categorized in two different aspects: religious vs. secular suicide missions. In a religious context, it is necessary to combat the extremist religious ideology promoting suicide bombing and to create a dialectical space to condemn suicide bombings, both practically and ideologically. In a secularly motivated context, the root causes and grievances of each case must be addressed and redressed both by the government and the people. Socio-political measures need to attend to the grievances and the root cause of the conflict in each particular case, so no universal answer that can be applicable to all cases can be given.

As history has proved us in the recent years, suicide bombing can be quelled like in the case of Hamas and Hezbollah. Multi-layered and improved security measures can successfully contain suicide terrorism. Both preventive and proactive measures need to be taken, through performing necessary threat assessment. Such efforts must be accompanied by implementing socio-political approach. Countries and governments need greater understanding of the root causes of suicide terrorism in their own particular context to work towards its sustained eradication. It is therefore paramount to invest in more resources to counter them strategically, whether it be a religious or a secular motive.

Sara De Silva is an Associate Research Fellow at ICPVTR one of the largest counter terrorism centers in the world. ICPVTR is a specialist counter terrorism research and training centre at the S. Rajaratnam School of International Studies at Nanyang Technological University in Singapore. Previously she was attached to the International Centre for Study of Radicalization and Political Violence in London. She holds a Bachelor's Degree in International Relations from University of Birmingham (Honors) and a Master's Degree in Intelligence and International Security from King's College, University of London.

OTHER DEVELOPMENTS

Starting in 2011, the Obama administration wants to reduce the federal subsidy that helps the property-casualty insurance industry pay for losses from terrorist attacks, May 17, 2009. The goal, the administration said in the full budget plan it released for fiscal year 2010, is to encourage the insurance industry to better mitigate terrorism risk without federal aid. The reduction in federal subsidy would generate \$21 million in savings that year and a total of \$263 million by 2014. However, scaling back the federal government's terrorism insurance backstop program, the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA), could face significant difficulties, according to Washington observers. Supporters and skeptics of the terrorism insurance program questioned the political viability of the administration's call and they firmly believe there is no congressional appetite for reopening the act before 2014.

The "U.S. State Department Country Terrorism report for 2008" was released on April 4, 2009 . The report states that Al-Qaeda poses the greatest terrorist threat to the West, while Iran is the world's "most active state sponsor of terrorism." The State Department report also mentions that Al-Qaeda was recovering some of the potency it had before the September 2001 attacks by using the lawless Pakistan border areas, replacing key leaders, and restoring some "central control" by its top leadership.

A suicide bomber demolished a mosque packed with hundreds of worshippers attending Friday prayers near the Afghan border, March 27, 2009. The attack killed at least 48 people and injured scores more, in the bloodiest attack in Pakistan this year. The bomber struck at the climax of the service, as the mosque leader was starting the communal prayer.

FORTHCOMING RMS EVENTS

Quantifying Terrorism Risk Under The President Obama Administration

RMS Terrorism Seminar, July 23, 2009, Landmark Hudson Theatre, Millennium Broadway Hotel, New York, New York

President Obama has promised significant changes in America's counter-terrorism strategy. These will have ramifications on terrorism risk in the United States and abroad. This conference will address the impacts on global terrorism risk from the foreign and domestic policies of the Obama Administration. As in past years, RMS will assemble several pre-eminent terrorism experts to present their insights and take questions.

- **Terrorism Risk In The U.S. During The Obama Administration** - Dr. Bruce Hoffman, Professor of Security Studies at Georgetown University's Edmund A. Walsh School of Foreign Service.
- **Al Qaeda: A Status Report** – Dr. Rohan Gunaratna, Head of the International Centre for Political Violence & Terrorism Research at the S. Rajaratnam School of International Studies (RSIS) of Nanyang Technological University, Singapore.
- **NYPD Counterterrorism Efforts** – Elanna DeLozier, Intelligence Research Specialist at the Counterterrorism Bureau of the New York City Police Department

The free half-day event will be held at New York City on Thursday, July 23 at the Landmark Hudson Theatre of the Millennium Broadway Hotel.

RMS TERRORISM PRODUCTS

U.S. Probabilistic Terrorism Model Version 2.8, will be released in the Summer of 2009 incorporates parameterization for terrorism risk in the United States in 2009. Some of the primary features include:

- Updated analysis of terrorism risk from foreign and domestic terrorist organizations
- Conventional and CBRN attack modes
- Multiple Risk Outlooks for the terrorism threat environment in 2010: expected as well as increased and decreased risk perspectives

New documentation *U.S. Terrorism Risk Model: Parameterization for 2010*, is available to clients on request.

RiskLink® and RiskBrowser® Version 9.0, will be released in the Summer of 2009 includes worldwide capability for exposure and accumulation management and modeling terrorism scenarios with geocoding available in over 150 countries, including street-level resolution for Western Europe.

Global Terrorism Risk Model Version 2.8, will be released in the Summer of 2009 includes coverage of 228 countries, incorporating site-specific EP curves and portfolio management capability. Modeling provides terrorism loss rates for insured assets by class, city, and ownership anywhere in the world. Risk assessment is available for both property and human exposures.

Terrorism Risk Management System Version 1.0, released in July 2008 is a visualization tool designed for underwriters and portfolio managers to gain greater insight into their exposure to terrorism risk and make more informed decisions. The Terrorism Risk Management System has been designed to simplify the visualization of quantitative and qualitative data along with contextualized terrorism-specific data layers.

Terrorism & Security Risk Manager is an online information service for insurers and risk managers, linked to the RMS Global Terrorism Risk Model. It is produced in collaboration with Jane's Information Group, the leading independent provider of defense and security information.