

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority and Minority Staff

Date: May 15, 2015

Subject: May 21, 2015, Task Force to Investigate Terrorism Financing hearing titled “A Dangerous Nexus: Terrorism, Crime, and Corruption”

The Task Force to Investigate Terrorism Financing will hold a hearing titled “A Dangerous Nexus: Terrorism, Crime, and Corruption” on Thursday, May 21, 2015, at 10:00 a.m. in room 2128 of the Rayburn House Office Building. This will be a one-panel hearing with the following witnesses:

- Dr. David Asher, Board Member, Center on Sanctions and Illicit Finance, Foundation for Defense of Democracies and Adjunct Senior Fellow, Center for a New American Security
- Richard Barrett, Senior Vice President, The Soufan Group
- Douglas Farah, President, IBI Consultants LLC; Senior Non-Resident Associate, Americas Program, Center for Strategic and International Studies and Senior Fellow, International Assessment and Strategy Center
- Celina B. Realuyo, Professor of Practice, William J. Perry Center for Hemispheric Defense Studies, National Defense University

Introduction¹

Various observers have asserted that transnational terrorism, crime, and corruption interact in varied and significant ways, to the detriment of U.S. national security. In congressional testimony from February 2015, the Director of National Intelligence (DNI) James Clapper identified terrorism and transnational organized crime as among the top eight global threats to U.S. national security.² According to DNI Clapper, both terrorist and transnational criminal groups thrive in highly insecure regions of the world, with terrorist groups contributing to regional instability and internal conflict, while transnational organized crime groups exploit these environments for financial gain and corruptive influence. The February 2015 *National Security Strategy* echoes this theory of how terrorism, crime, and corruption represent mutually reinforcing and interconnected threats:

“[D]iffuse networks of al-Qa’ida, ISIL [Islamic State of Iraq and the Levant or IS], and affiliated groups threaten U.S. citizens, interests, allies, and partners. Violent extremists exploit upheaval across the Middle East and North Africa. Fragile and conflict-affected states incubate and spawn... illicit weapons and drug smugglers.... Too often, failures in governance and endemic corruption hold back the potential of rising regions.”³

Shifting Perspectives?

Although observers recognize that terrorist and criminal actors have long represented distinct entities with unique strategic objectives and motivations, U.S. officials have increasingly adopted an understanding that multiple illicit actors at times converge in particular regions, cooperate for various purposes, and, in combination, contribute to greater insecurity.⁴ This perspective is largely based on recent U.S. experiences of responding to conflict and instability across the globe, including:

- Afghanistan and Pakistan, where extremists, including the Taliban and other insurgency-associated armed groups, also profit from a booming illicit opium trade that is largely facilitated by corrupt officials;⁵
- Latin America, where terrorists, including the Foreign Terrorist Organization-designated (FTO) Revolutionary Armed Forces of Colombia (FARC) and the Shining

¹ This memorandum was prepared by the Congressional Research Service at the Task Force’s request, and has been reviewed and approved by the Financial Services Committee staff.

² James Clapper, Director of the Office of National Intelligence, *Worldwide Threat Assessment of the U.S. Intelligence Community*, statement for the record, U.S. Senate, Committee on Armed Services, February 26, 2015.

³ White House, Administration of President Barack Obama, *National Security Strategy*, February 6, 2015.

⁴ See also Phil Williams, “Lawlessness and Disorder: An Emerging Paradigm for the 21st Century,” in *Convergence: Illicit Networks and National Security in the Age of Globalization*, Michael Miklaucic and Jacqueline Brewer, eds., April 2013.

⁵ U.N. Office on Drugs and Crime, *The Global Afghan Opium Trade: A Threat Assessment*, July 29, 2011; U.N. Office on Drugs and Crime, *Crime and Insurgency: The Transnational Threat of Afghan Opium*, October 21, 2009.

Path in Peru control the majority of the world's illicit cocaine cultivation and production, and cooperate with corrupt government officials in countries such as Venezuela, other international terrorist groups, as well as transnational criminal groups that smuggle a wide range of contraband into the United States;⁶

- Libya, where political instability since the fall of Muammar Gaddafi's regime in 2011 has attracted Al Qaeda-affiliated groups and IS-aligned extremists that profit and contributed to a significant uptick in criminal consolidation of power and the flow of illicit weapons, migrants, and goods throughout the region;⁷
- West Africa, where entrenched kleptocratic regimes such as Guinea-Bissau and a confluence of illicit actors have contributed to the region's emergence as a major narcotics transit point and connected terrorist-affiliated migrant-, cigarette-, and weapons-smugglers with age-old nomadic trade routes through the Sahel, where groups such as Al Qaeda in the Islamic Maghreb (AQIM) operate.⁸

This new perspective, at times contested, represents a possible departure from the historical assumption that terrorist and criminal groups would avoid interaction, viewing each other as a liability. In theory, the unique organizational purposes of the two distinct groups, in which terrorists are primarily motivated by ideology and criminals by profit, contributed to the perception that a confluence of the two threats would be rare. According to this viewpoint, terrorist groups would be ideologically resistant to participating in illicit activities and economies that could undermine their popular support and possibly lead to greater scrutiny by the international security community. Moreover, both entities would be wary of compromising internal security by establishing relationships with potentially unreliable outside actors and attracting heightened attention from authorities. In some instances, terrorist groups may, over time, develop capabilities that lessen their reliance on external criminal services. In other instances, criminal groups may develop terrorist-type tactics or attempt to integrate, sometimes forcefully, into a terrorist group's organization to secure influence and access to resources.

Beyond individual anecdotes and case studies, a 2014 network analysis by the Combating Terrorism Center at West Point suggests that criminal and terrorist groups may be highly interconnected.⁹ Using a commercially available data set covering a range of illicit activities, including terrorism, drug trafficking, organized crime, human smuggling, and corruption, researchers conducted a network analysis of more than 2,700 individuals operating in 3,600 places and linked by 15,000 relationships that spanned 122 countries. In total, the network analysis found more than 1,000 country-to-country relationships (see **Figure 1**). According to the analysis, 98% of the individuals in the data set were separated by a maximum of two degrees of association. The study further found that criminals and

⁶ Vanda Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 2010.

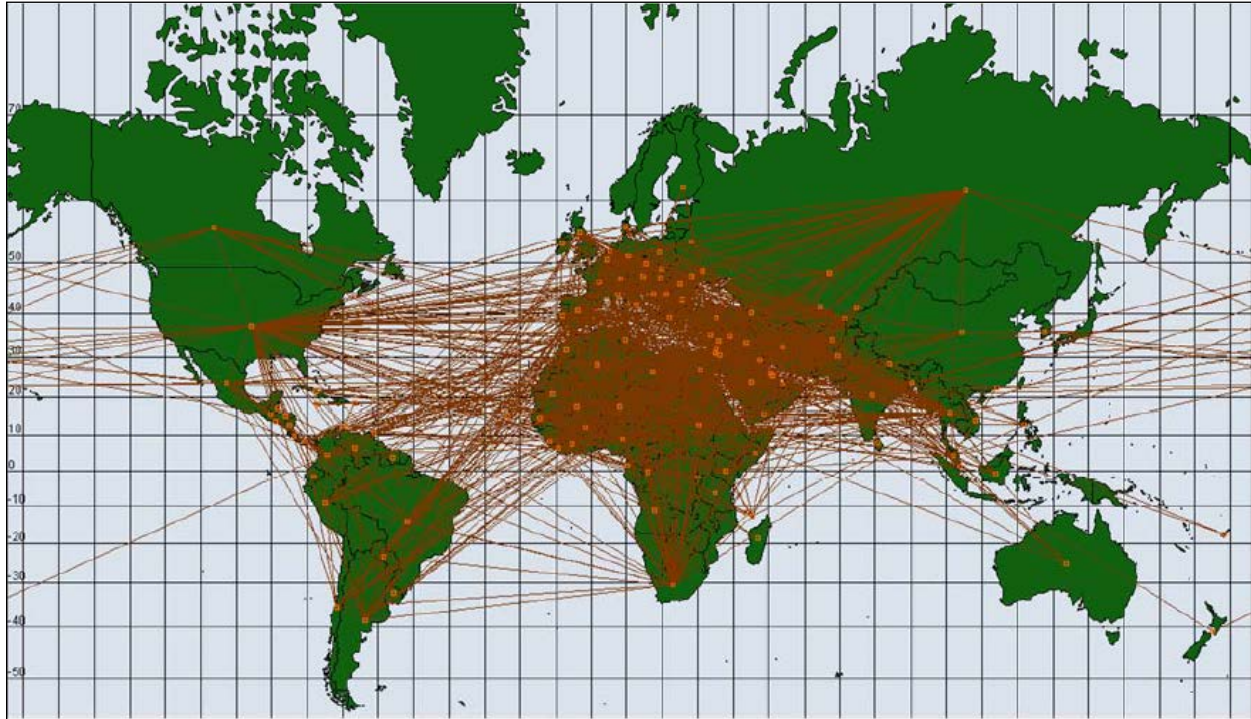
⁷ U.N. Security Council Panel of Experts on Libya, *Final Report*, S/2015/128, February 23, 2015.

⁸ U.N. Office on Drugs and Crime, *Transnational Organized Crime in West Africa: A Threat Assessment*, February 25, 2013.

⁹ Scott Helfstein and John Solomon, *Risky Business: The Global Threat Network and the Politics of Contraband*, Combating Terrorism Center at West Point, May 2014.

terrorists interacted. According to the study, 46% of the connections associated with terrorist actors were linked to non-terrorist actors. Conversely, 35% of the connections associated with non-terrorist actors were linked to terrorists.

Figure 1. Transnational Relationships of Illicit Actors



Source: Scott Helfstein and John Solomon, *Risky Business: The Global Threat Network and the Politics of Contraband*, Combating Terrorism Center at West Point, May 2014, p. 47.

Notes: As noted above, researchers at the Combating Terrorism Center at West Point used commercially available data on illicit actors from World-Check to map a network of more than 2,700 individuals. The above figure, published in *Risky Business: The Global Threat Network and the Politics of Contraband*, summarizes country-to-country connections within the network. It provides visual evidence of the transnational scope of the network, but simplifies the relationships by looking only at bilateral relationships rather than the strength of the connections.

Motivations, Patterns, and Interactions

Unclassified, publicly available reports describe crime-terrorism interactions as varying significantly in scope and changing over time, as membership, resources, and ideological views evolve.¹⁰ In some cases, crime-terrorism relationships are primarily transactional in nature, based on partnerships of convenience and complementary business ties. Reasons for such transactional relationships could include a need for illicit

¹⁰ Louise Shelley and John Picarelli, "Methods Not Motives: Implications of the Convergence of International Organized Crime and Terrorism," *Police Practice and Research*, Vol. 3, No. 4, 2002; John Picarelli, "Osama bin Corleone? Vito the Jackal? Framing Threat Convergence Through an Examination of Transnational Organized Crime and International Terrorism," *Terrorism and Political Violence*, Vol. 24, No. 2, 2012.

financial or smuggling expertise to move and hide money, people, and weapons.

In other cases, terrorist groups may pursue criminal activities primarily for fundraising purposes. Since the end of the Cold War and corresponding declines in traditional state-sponsored sources of funding, some observers suggest that terrorist groups have become increasingly motivated to generate funds through criminal activity to sustain organizational capabilities.¹¹ Heightened international counterterrorism measures in the past decade may have further motivated terrorist groups to seek alternative, more underground funding options. The universe of potential crime-for-profit activities is vast. Common forms of criminal fundraising include drug trafficking, kidnapping for ransom, and local extortion and theft. Increasingly, cybercrime and cyber-related activities are said to be an area of interest for criminal and terrorist groups alike.

Groups may also transition along an apparent crime-terrorism continuum.¹² Over time, ideologically motivated groups that initially avoid involvement with criminal activities may become increasingly attracted by the lucrative nature of criminal activities. In other instances, criminal groups may become radicalized and apply their criminal expertise to conduct operations that not only result in illicit profits but also further ideologically oriented goals. Crucial in the facilitation of many crime-terrorism interactions are corrupt actors in the private and public sectors, including so-called “gatekeepers,” local and regional “fixers,” and “shadow facilitators.”¹³

Money Laundering

Illicit support activities may include money laundering techniques to obfuscate the origins and recipients of funds through front companies, charities, shell corporations, and other third-party business structures. The movement and storage of money may also involve bulk cash smuggling and cash couriers; the exploitation of informal remittance mechanisms, international trade systems, and the formal international banking sector; as well as the use of unregulated diamonds, gold, and other minerals and commodities for stored value. Multiple financial actions by the Treasury Department in recent years have highlighted the ability of Hezbollah, a terrorist group with reputedly sophisticated financial expertise, to exploit the international financial system and move and store illicit assets.¹⁴

¹¹ U.S. Department of Defense, Office of the Undersecretary of Defense for Acquisition and Technology, Defense Science Board, *1997 Summer Study Task Force on DOD Responses to Transnational Threats*, Vol. 1, final report, October 1997; White House, Administration of President William Clinton, *International Crime Threat Assessment*, December 2000; Steven Hutchinson and Pat O'Malley, “A Crime-Terror Nexus? Thinking on Some of the Links Between Terrorism and Criminality,” *Studies in Conflict & Terrorism*, Vol. 30, No. 12, December 2007.

¹² Tamara Makarenko, “The Crime-Terror Continuum: Tracing the Interplay between Transnational Organized Crime and Terrorism,” *Global Crime*, Vol. 6, No. 1, February 2004.

¹³ Doug Farah, *Fixers, Super Fixers and Shadow Facilitators: How Networks Connect*, International Assessment and Strategy Center, April 23, 2012.

¹⁴ The Treasury Department’s Financial Crimes Enforcement Network (FinCEN) has applied special measures, pursuant to Section 311 of the USA PATRIOT Act (31 U.S.C. 5318A), to several financial institutions due in part to allegations of Hezbollah-related financial activity. See for example FinCEN-prepared findings, published in the *Federal Register*, on Lebanese Canadian Bank SAL (February 2, 2011), Kassem Rmeiti & Co.

Human Smuggling

Illicit support activities may include the clandestine movement of people and the use of false identities to facilitate international travel of known illicit actors without detection. Such activities may involve the use of vendors of fraudulent identity and travel documents and criminal groups with local expertise in exploiting porous borders. The State Department's 2013 *Country Reports on Terrorism*, published in April 2014, identified Panama's Darien region as a "significant pathway for human smuggling with potential counterterrorism implications."¹⁵ The Panamanian National Border Service reported that 30% of all irregular migrants detected were from African, Middle Eastern, and South Asian countries—and that some portion of this smuggling was facilitated by FARC members operating along the Panamanian-Colombian border. In another example cited by the State Department, terrorist groups exploited the services of organized criminal groups operating in South Africa with an expertise in passport forgery to "assume false identities and enable them to move freely throughout Africa."¹⁶

Arms Trafficking

Illicit support activities may include the movement and acquisition of arms, ammunition, and military materiel central to the operations of both criminal and terrorist groups. In one example, the RAND Corporation reported that the Liberation Tigers of Tamil Eelam (LTTE) have maintained a cadre of criminal intermediaries for procuring and smuggling weapons.¹⁷ Such affiliations between arms brokers and LTTE appear to have been purposefully indirect in order to maintain sufficient distance between criminal activities and the leaders of the Tamil Tigers. In a more recent example, the U.N. Security Council's Panel of Experts on Libya has found that illicit arms transfers have proliferated outside the country since the fall of Gaddafi in 2011, reaching and reinforcing the military capacity of terrorist groups operating in countries such as Algeria, Chad, Egypt, Mali, Niger, Syria, Sudan, and Tunisia.¹⁸

Corruption

Through bribery, financial inducements, and other forms of coercion, including the credible threat of violence, both criminal and terrorist elements can take advantage of corrupt actors to facilitate their operations and reduce the likelihood of detection and capture. Corrupt actors may range from border guards, financial regulators, justice sector officials, high-level policymakers and political figures, to private bankers, small business owners, and industry magnates. Government protection may take several forms, such as selectively ignoring evidence of illicit activity perpetrated by certain groups; actively

foreign Exchange (April 23, 2013), Halawi Exchange Co. (April 23, 2013), and FBME Bank Ltd. (July 15, 2014).

¹⁵ U.S. Department of State, *Country Reports on Terrorism 2013*, April 2014.

¹⁶ Ibid.

¹⁷ Angel Rabasa et al., "The Convergence of Terrorism, Insurgency, and Crime," in *Beyond al-Qaeda, Part 2: The Outer Rings of the Terrorist Universe*, RAND Corporation, 2006.

¹⁸ U.N. Security Council Panel of Experts on Libya, *Final Report*, S/2015/128, February 23, 2015.

providing intelligence and other support to illicit actors; or the wholesale ceding of authority and legitimacy to an illicit group. The Treasury Department has sought to reveal these interactions through targeted financial sanctions designations against senior military, intelligence, and parliamentary figures in Venezuela, who reportedly supported the FARC's drug and arms trafficking activities.¹⁹ In Afghanistan, the U.S. Drug Enforcement Agency (DEA), Treasury Department, and Defense Department led an interagency, forward deployed entity called the Afghanistan Threat Finance Cell (ATFC) specifically geared for targeting illicit financial networks linked to terrorism, the Taliban, drug trafficking, and corruption.

Drug Trafficking

Terrorist and insurgent groups are associated with major drug-producing countries, such as Afghanistan, Burma, Colombia, Morocco, and Peru, as well as countries through which key drug transit routes pass.²⁰ In drug-producing countries, the narcotics trade has the potential to provide terrorist groups with an added bonus: recruits and sympathizers among impoverished, neglected, and isolated farmers who cannot only cultivate drug crops but also popularize and reinforce anti-government movements. According to the DEA, 22 of 59 FTOs at the end of FY2014 were linked to drug trafficking.²¹ Although the United Nations Office on Drugs and Crime conservatively estimated that the global value of the drug trade in 2003 was worth \$322 billion at the retail level, terrorist groups likely receive a small fraction of that total.²² Nevertheless, profits from drug cultivation, production, and trafficking have been sufficient to transform previously ideologically motivated terrorist groups into more criminally oriented actors, including the FARC and National Liberation Army in Colombia, the Shining Path in Peru, and the Kurdistan Workers' Party in Turkey.

Kidnapping for Ransom

A form of hostage taking, kidnapping for ransom (KFR) is a popular means of collecting illicit profits for both organized crime as well as terrorist groups. KFR is often perceived as a crime of low risk, low cost, and high reward. The State Department's 2013 *Country Reports on Terrorism* named KFR "the most frequent and profitable source of illicit financing" for terrorist groups.²³ A July 2014 *New York Times* article reported that at least \$125 million in ransom money had been paid to terrorist groups affiliated with Al Qaeda since 2008—including more than \$90 million to Al Qaeda in the Islamic Maghreb, nearly \$30 million to Al Qaeda in the Arabian Peninsula (AQAP), and \$5 million to Al Shabaab.²⁴ Among these ransom payments, according to the Treasury Department, was a €30 million transfer in October 2013 to AQIM for the release of four French hostages who worked for

¹⁹ U.S. Department of the Treasury, "Treasury Designates Four Venezuelan Officials for Providing Arms and Security to the FARC," press release, September 8, 2011.

²⁰ Vanda Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 2010.

²¹ U.S. Drug Enforcement Administration, *FY2016 Performance Budget Congressional Submission*, 2015.

²² U.N. Office on Drugs and Crime, *2005 World Drug Report*, Vol. 1, June 2005.

²³ U.S. Department of State, *Country Reports on Terrorism 2013*, April 2014.

²⁴ Rukmini Callimachi, "Paying Ransoms, Europe Bankrolls Qaeda Terror," *New York Times*, July 29, 2014.

the French government-owned firm Areva and a \$5 million transfer to Al Shabaab for the release of two Spanish hostages.²⁵ The Islamic State is reported to have netted between \$35 and \$45 million in ransom payments in 2014.²⁶

Extortion and Local Crimes

Multiple reports identify local extortion and theft as a key source of revenue for numerous terrorist organizations. Terrorists may levy “taxes” for various reasons at key roadway crossings, ports of entry, and areas under their control. Local resources, ranging from antiquities to rare wildlife, have been exploited for profit by groups such as the Islamic State and the Lord’s Resistance Army. According to the State Department, the National Liberation Army has extorted oil and gas companies in Colombia while Tehrik-i-Taliban Pakistan has engaged in truck robbery.²⁷ Numerous reports also indicate that the Islamic State, Boko Haram, and Abu Sayyaf have robbed and taken control of bank branches in the areas where these groups operate. Al Shabaab has reportedly profited from the illegal charcoal trade.²⁸

U.S. Policy Responses

Policy responses to the interaction of international crime, terrorism, and corruption are inherently complex and often case-specific. Responses have variously included action through diplomacy, foreign assistance, financial tools, intelligence collection and analysis, military support, border security, and law enforcement investigations. There is no formal budget or planning process that describes the full extent to which the U.S. government is responding to nexus threats. Yet, many observers have argued that a key tool to combat the confluence of crime, terrorism, and corruption is to follow the overlapping money trails.²⁹

Since the September 11 attacks, Congress has enacted several landmark bills that provide the U.S. government greater authority and additional tools to counter the convergence of illicit threats, including organized crime and terrorism. Less than six weeks after the attack, Congress enacted the USA PATRIOT Act ([P.L. 107-56](#)) to strengthen the U.S. government’s ability to detect, report, and prevent terrorist activities, including potential connections between organized crime, terrorism, and corruption. Subsequent congressional efforts to enhance U.S. efforts to combat threat finance included the

²⁵ David Cohen, Under Secretary for Terrorism and Financial Intelligence, remarks at the Center for a New American Security on “Confronting New Threats in Terrorist Financing,” March 4, 2014.

²⁶ U.N. Security Council Al-Qaida Sanctions Committee, *Sixteenth Report of the Analytical Support and Sanctions Monitoring Team Submitted Pursuant to Resolution 2161 (2014) concerning Al-Qaida and Associated Individuals and Entities*, S/2014/770, October 29, 2014.

²⁷ U.S. Department of State, *Country Reports on Terrorism 2013*, April 2014.

²⁸ U.N. Environment Programme, *The Environmental Crime Crisis: Threats to Sustainable Development from Illegal Exploitation and Trade in Wildlife and Forest Resources*, rapid response assessment, 2014.

²⁹ Danielle Camner and Celina Realuyo, “Threat Finance: A Critical Enabler for Illicit Networks,” in *Convergence: Illicit Networks and National Security in the Age of Globalization*, Michael Miklaucic and Jacqueline Brewer, eds., April 2013.

establishment within the Treasury Department of the Office of Terrorism and Financial Intelligence (TFI) (P.L. 108-447), which leverages a combination of financial policy, enforcement, and intelligence capabilities to fulfill its mission of protecting the financial system “against illicit use and combating rogue nations, terrorist facilitators, weapons of mass destruction (WMD) proliferators, money launderers, drug kingpins, and other national security threats.”³⁰

Bureaus and offices within TFI include the Office of Terrorist Financing and Financial Crimes (TFFC), the Financial Crimes Enforcement Network (FinCEN), the Office of Foreign Assets Control (OFAC), and the Office of Intelligence and Analysis (OIA)—each of which contributes to U.S. efforts to combat threats related to crime, terrorism, and corruption.

- FinCEN, for example, has administered a procedure, authorized pursuant to the USA PATRIOT Act and popularly known as Section 311, to apply enhanced regulatory requirements, called “special measures,” against designated jurisdictions, financial institutions, or international transactions deemed to be of “primary money laundering concern.” Among the jurisdictional factors that can be considered when applying Section 311 measures are “evidence that organized criminal groups, international terrorists, or both, have transacted business in that jurisdiction as well as “the extent to which that jurisdiction is characterized by high levels of official or institutional corruption.”
- OFAC administers multiple sanctions programs to block transactions and freeze assets within U.S. jurisdiction of specified foreign terrorist, criminal, and political entities, including specially designated individuals and nation states. Authorities for OFAC to designate such entities are derived from executive order and federal statutes, including the International Emergency Economic Powers Act (IEEPA), the Antiterrorism and Effective Death Penalty Act of 1996 (AEDPA), and the Foreign Narcotics Kingpin Designation Act.
- TFFC is the policy development and outreach office for TFI, which, among other priorities, leads the U.S. delegation to the Financial Action Task Force (FATF).³¹ FATF is an intergovernmental body that develops and promotes international financial regulatory standards and has produced risk-based guidelines for identifying and preventing illicit actors, including criminals, terrorists, and corrupt officials, from exploiting financial institutions.
- OIA, which was established by the Intelligence Authorization Act for Fiscal Year

³⁰ U.S. Department of the Treasury, *Terrorism and Financial Intelligence*, <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Terrorism-and-Financial-Intelligence.aspx>.

³¹ The Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) authorized the Secretary of the Treasury, or the Secretary’s designee, as the lead U.S. government official to the Financial Action Task Force.

2004 (P.L. 108-177), contributes all-source financial threat assessments and products as a formal member of the U.S. Intelligence Community. Its analysts have been central in interagency efforts such as the Afghanistan Threat Finance Cell (ATFC) as well as its predecessor the Iraq Threat Finance Cell (ITFC).

Continuing a policy approach that was invigorated by the response to 9/11, the February 2015 *National Security Strategy* appears to endorse ongoing efforts to combat crime-terrorism nexus threats through financial enforcement and regulatory policy tools. It states that targeted economic sanctions “will remain an effective tool for imposing costs on irresponsible actors and helping to dismantle criminal and terrorist networks.”³² The strategy notes that the U.S. government aims to work within the FATF, the G-20, and other international fora “to promote financial transparency and prevent the global financial system from being abused by transnational criminal and terrorist organizations to engage in, or launder the proceeds of illegal activity.”

As the United States continues to grapple with the implications of a global environment in which multiple and often overlapping illicit actors pose threats to national security, some may question the U.S. government’s choice and application of policy responses when new illustrations of the crime-terrorism nexus emerge. As terrorists, criminals, and corrupt officials continue to exploit opportunities to move funds and hide their financial tracks, others may question the effectiveness or limits of such policy responses.

³² White House, Administration of President Barack Obama, *National Security Strategy*, February 6, 2015.

Witness Biographies

Dr. David Asher, Board Member, Center on Sanctions and Illicit Finance, Foundation for Defense of Democracies and Adjunct Senior Fellow, Center for a New American Security

Dr. David Asher serves on the Board of Advisors of the Center on Sanctions and Illicit Finance at the Foundation for Defense of Democracies. Dr. Asher is also an Adjunct Senior Fellow at the Center for a New American Security.

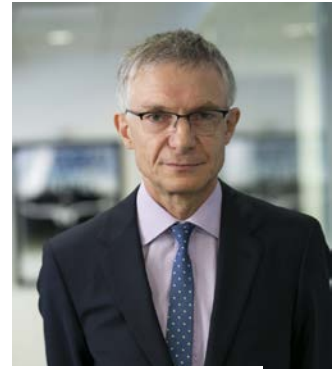


Dr. Asher is one of the world's most accomplished practitioners in the identification and pursuit of illicit financing and facilitation schemes. Over the last decade, he has advised the leadership of SOCOM, CENTCOM, DEA, and the Departments of Defense, Treasury, State, and Justice on top counter threat finance priorities, including targeting the finances of Hezbollah, Iran, Al Qaeda in Iraq, ISIL, the Taliban, the Haqqani Network, and multiple drug cartels. He personally conceived of and spearheaded several of the highest profile anti-money laundering actions in history, including USA Patriot Act (Section 311) designations of Banco Delta Asia against North Korea (2005), the Lebanese Canadian Bank (2011), and the Halawi and Rmeity exchange houses in Beirut (2013). From 2002-2005, Dr. Asher organized and ran the North Korea Illicit Activities Initiative (IAI) for the National Security Council and the Department of State (where he served as North Korea Working Group Special Coordinator). The IAI was one of the most ambitious and successful global law enforcement and coercive economic efforts in history, producing hundreds of criminal indictments and arrests internationally and immobilizing hundreds of millions of dollars in North Korean external financial assets, while wreaking dissension inside the North Korean regime.

Outside of government, Dr. Asher has over 15 years of experience in and around the international financial community, including working for and advising major hedge funds on activist investing, global macro, and long-short equity, focused on Japan. He currently is a principal with Vital Venture Capital, Chairman of Sayari Analytics, and a member of the Advisory Board of BCA Research. Asher graduated from Cornell University and received his doctorate in International Relations from the University of Oxford. He is fluent in Japanese.

Richard Barrett, Senior Vice President, The Soufan Group

Richard Barrett, Senior Vice President, is a former British diplomat and intelligence officer who from March 2004 to January 2013 headed the United Nations Monitoring Team concerning Al-Qaida and the Taliban. He is a recognized expert on violent extremism and the measures that can be taken against it. While at the United Nations, Mr. Barrett also helped found the United Nations Counter Terrorism Implementation Task Force (CTITF), a coordinating body that aims to ensure effective counter-terrorism cooperation within the United Nations system. Within the CTITF, he led working groups on terrorist use of the Internet and on countering the appeal of terrorism. He was also known for his work on countering the financing of terrorism.



Before being appointed to head the Monitoring Team, Mr. Barrett worked for the British government in the Security Service (MI5), the Foreign Office and the Secret Intelligence Service (MI6). He was Director of Global Counter Terrorism Operations both before and after the 9/11 attacks. He has served abroad in Canada, Jordan, Turkey, and the United States.

Mr. Barrett is a board member of the International Centre for Counter-Terrorism in the Hague; the Transnational Crisis Project; the Center on Global Counterterrorism Cooperation in Washington; the Centre for Research and Security Studies in Islamabad, and the Center for the Study of United Nations Systems and the Global Legal Order in New York. He is a fellow of the New America Foundation, Washington, and of the Royal United Services Institute, London, and an adjunct Professor at Case Western Reserve University in Cleveland, Ohio.

Mr. Barrett was appointed an Officer of the Order of the British Empire (OBE) by HM The Queen in 1992 and a Companion of the Order of St. Michael and St. George (CMG) in 2013.

Douglas Farah, President, IBI Consultants LLC; Senior Non-Resident Associate, Americas Program, Center for Strategic and International Studies and Senior Fellow, International Assessment and Strategy Center

Douglas Farah is president of IBI Consultants, LLC, a senior associate of the Americas Program at CSIS and a senior fellow at the International Assessment and Strategy Center. He is an expert on transnational criminal organizations, insurgencies, ungoverned spaces, illicit money flows, and resource exploitation in Latin America. In recent years, he has written extensively about Iran's growing influence in Latin America, the Bolivarian revolution, and transnational criminal and terrorist networks in the region.



From 1985 to 2005, he worked as a journalist, primarily as a foreign correspondent and investigative reporter for the *Washington Post*. In addition to several postings in Latin America, he served as West Africa bureau chief, international investigative correspondent, and a member of the investigative unit. Since leaving the *Post* in 2004, Mr. Farah has worked as a consultant to the U.S. government on national intelligence reform, nonstate armed actors, critical infrastructure protection, criminal-terrorist pipelines, bulk cash smuggling to Mexico, and other topics. He has also worked as a consultant with the World Bank, the Rand Corporation, the Woodrow Wilson International Center for Scholars, and other organizations.

He is a frequent lecturer to the U.S. military institutions on the FARC and other Latin American insurgencies, and he has testified before Congress on numerous occasions. Mr. Farah is the author of two books: *Blood from Stones: The Secret Financial Network of Terror* (Broadway, 2004) and *Merchant of Death: Money, Guns, Planes and the Man Who Makes War Possible* (Wiley, 2007). He appears regularly in the national and international media and has been published in more than a dozen journals and magazines.

Celina B. Realuyo, Professor of Practice, William J. Perry Center for Hemispheric Defense Studies, National Defense University

Celina Realuyo is Professor of Practice at the William J. Perry Center for Hemispheric Defense Studies at the National Defense University where she focuses on U.S. national security, illicit networks, transnational organized crime, counterterrorism and threat finance issues in the Americas. As a former U.S. diplomat, international banker with Goldman Sachs, U.S. foreign policy advisor under the Clinton and Bush Administrations, State Department Director of Counterterrorism Finance Programs, and professor of international security affairs at the National Defense, Georgetown, George Washington, and Joint Special Operations Universities, Professor Realuyo has over two decades of international experience in the public, private, and academic sectors. She has developed and delivered graduate-level courses on “Combating Transnational Organized Crime and Illicit Networks in the Americas,” “Globalization and National Security,” “The Nexus between Terrorism and Crime,” “Illicit Economies, Narcotics and National Security,” and “Strategies and Policies to Combat Terrorism.” She speaks regularly in English and Spanish on “Managing U.S. National Security in the New Global Security Environment,” “The U.S. National Security Decision Making Process,” “Following the Money to Combat Terrorism, Crime, and Corruption,” and “Combating Illicit Networks in an Age of Globalization.” Professor Realuyo is cited and appears regularly in the media, including CNN en Español, Voice of America, Univision Radio, Radio Bilingue, Reuters, Foreign Policy, and el Universal.



Throughout her career, Professor Realuyo has been a trusted strategic advisor to the most senior leaders in U.S. government, military, business, and academic circles on international issues. As a professor at the National Defense University since 2007, she has educated top U.S. and foreign military and civilian leaders on counterterrorism, illicit networks, and national security affairs. From 2002-2006, Professor Realuyo served as the State Department Director of Counterterrorism Finance Programs in the U.S. Secretary of State’s Office of the Coordinator for Counterterrorism in Washington, D.C. In the wake of the September 11, 2001 attacks, she returned to government service to apply her international banking skills to the financial front of the war on terror. She managed a multimillion-dollar foreign assistance program aimed at safeguarding financial systems against terrorist financing and co-chaired the U.S. interagency Terrorist Financing Working Group. Under her stewardship, the U.S. delivered training and technical assistance to over 20 countries across four continents (including Afghanistan, Iraq, Pakistan, and Saudi Arabia), training over 1800 foreign counterparts, and her team received an “A-” from the 9/11 Commission for their efforts to combat terrorist financing in 2005. Prior to returning to Washington, Professor Realuyo was a private banker in London with Goldman Sachs International providing strategic wealth advisory services to the most prominent families in the world. Previously, she had a distinguished career as a U.S. Foreign Service Officer serving as a political officer abroad in Madrid, Panama, and the U.S. Mission to NATO, Brussels. In Washington, Professor Realuyo served at the highest levels of government, in

the State Department Operations Center, National Security Council's White House Situation Room, and as Special Assistant to the Secretary of State.

Professor Realuyo holds an MBA from Harvard Business School, MA from Johns Hopkins University School of Advanced International Studies (SAIS), BS from Georgetown University School of Foreign Service, and Certificate from l'Institut d'Etudes Politiques (Sciences Po) in Paris, France. She is a life member of the Council on Foreign Relations, International Institute for Strategic Studies, Women in International Security, Global Summit of Women, and the Professional Risk Managers' International Association. She was an Aspen Institute Young Leaders Socrates Scholar in 2004, French-American Foundation Young Leader in 2006, and Atlantik-Brucke German-American Young Leader in 2007. Professor Realuyo has traveled to over 70 countries, speaks English, French, and Spanish fluently, and is conversant in Italian, German, Filipino, and Arabic.