

SURPRISE, INTELLIGENCE FAILURE, AND MASS CASUALTY TERRORISM

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This study aims to evaluate whether surprise and intelligence failure leading to mass casualty terrorism are inevitable. It explores the extent to which four factors – failures of public policy leadership, analytical challenges, organizational obstacles, and the inherent problems of warning information – contribute to intelligence failure. This study applies existing theories of surprise and intelligence failure to case studies of five mass casualty terrorism incidents: World Trade Center 1993; Oklahoma City 1995; Khobar Towers 1996; East African Embassies 1998; and September 11, 2001. A structured, focused comparison of the cases is made using a set of thirteen probing questions based on the factors above. The study concludes that while all four factors were influential, failures of public policy leadership contributed directly to surprise. Psychological bias and poor threat assessments prohibited policy makers from anticipating or preventing attacks. Policy makers mistakenly continued to use a law enforcement approach to handling terrorism, and failed to provide adequate funding, guidance, and oversight of the intelligence community. The study has implications for intelligence reform, information sharing, Congressional oversight, and society's expectations about the degree to which the intelligence community can predict or prevent surprise attacks.

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PREFACE

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1. INTRODUCTION

During the 1990's the world entered a new era of political and religious terrorism. It began with the 1993 bombing of the World Trade Center in New York, reached perhaps its pinnacle in the suicide hijackings of September 11, 2001, and continued with the 2004 Madrid and 2005 London transport bombings. The terrorists have deeper roots, better resources, and greater readiness to commit violence indiscriminately than in the past – resulting in increasing numbers of casualties when they attack. The intelligence community, and to a lesser extent the law enforcement community, is expected to prevent and deter such incidents, and is blamed when it fails to anticipate or warn of these surprise attacks. Since 9/11 the President and Congress have responded with major initiatives on the domestic front – creating new surveillance powers and implementing structural changes in the intelligence community – as well as international efforts, most notably the invasions of Afghanistan and Iraq.

The purpose of the study is to explore the extent to which the typical factors in intelligence failure (analytical challenges, organizational obstacles, and the inherent problems of warning information) – as well as failures of public policy leadership – contribute to intelligence failure and surprise in counterterrorism. This study is not intended to assign responsibility for each of the incidents studied, but to assess the relative importance of these key factors. Secondly, this study also aims to apply existing theory about warning, surprise, and intelligence failures to a new realm and test it preliminarily in a small set of cases, yielding insights with implications for policy. Perhaps most fundamentally, this study aims to evaluate whether such intelligence

failures and surprises are inevitable and if so, whether this is a result of intelligence shortcomings or policy failures.

The chapters to follow trace how failures in public policy leadership and the typical factors in intelligence failure were manifested in some of the more significant mass casualty terrorist incidents of the 1990's. The picture that emerges is not reassuring – problems identified early in the 1990's persisted and in some cases became worse up to and through the September 11, 2001 attacks. The principal conclusion of this study is that while we can identify a number of specific problems within the four factors identified here, we cannot ignore the significant role played by two problems: (1) erroneous assessments of the threat environment, (2) and inadequate funding, guidance, and oversight of the intelligence community.¹ Both of these are failures of public policy leadership in the Executive and Legislative branches of the U.S. government, failures for which they have not been held accountable.

In this introductory chapter we begin with a review of the key concepts of strategic surprise and intelligence failure, and address the emergence of the super-destructive “new terrorism” and the challenges it poses to governments. We then turn to the guiding questions that shape this study, the rationale for its completion, and its limitations. This chapter concludes with an overview of the analytic method being used here and an explanation of the four theoretical pillars of the analysis.

¹ Please see Appendix for more on the history of how Congressional oversight has affected intelligence and investigation, particularly at the FBI.

1.1. KEY CONCEPTS

1.1.1. Strategic Surprise

Strategic surprise has been an unavoidable part of human existence since at least the time of Sun Tzu. Prominent examples of such surprises are easy to find from the last century alone: Pearl Harbor, the German invasion of the Soviet Union in 1941, the Yom Kippur War of 1973, and the 1982 Argentine invasion of the Falkland Islands, among others. Generally these involve surprise leading to war, although a more comprehensive definition of surprise might include events like the stock market crash of 1929, the fall of the Shah of Iran in 1979, the Mexican peso crisis of 1995, and the Asian financial crisis of 1997.² However, the vast majority of commentators have focused on surprise leading to some form of military attack.

Strategic surprise is a multi-dimensional concept. Avi Shlaim identifies three types of surprise: in method, in place, and in time; but these seem to focus on the tactical level. The term “strategic” implies not only that it takes place at a higher level than mere tactical surprise, but also that it is intentional – the act of surprise is carried out as part of an opponent’s strategy. Yet surprise is a psychological and perhaps emotional *effect* of an action, so the instigator of that action cannot be certain that it will have the desired (strategic) effect. Indeed we are susceptible to surprise in part because of our psychological predispositions and expectations. Thus Klaus Knorr distinguishes between “technical surprise” (where the opponent successfully conceals his intended course of action) and “behavioral surprise” (where the opponent’s behavior does not

² Abram Shulsky identifies political events and major economic changes as other kinds of surprise worth consideration, but the disasters stemming from surprise on the battlefield are more significant and are easier to see. Shulsky, *Silent Warfare: Understanding the World of Intelligence* (New York: Brassey’s, 1993) p. 70.

correspond with our expectations).³ So the concept of strategic surprise includes the level at which it takes place, the strategy of the instigator and the psychology of the one surprised, as well as the location of the effect both in the realm of psychology and in the real world.

Is surprise always a surprise? Richard Betts argues that “surprise is by definition impossible to foresee. If attack preparations are detected, understood, and countered, there is no surprise.”⁴ Yet business management experts suggest that there are such things as “predictable surprises” – events that occur because leaders fail to recognize the threat, to give priority to a threat when it is recognized, or to mobilize resources to meet it.⁵ Indeed, it seems possible that surprise may be relative; that is, the problem may not be a binary yes/no,⁶ but rather a question of the *degree* to which one is surprised based on existing conditions, expectations, partial warnings, etc. Betts states that “all major sudden attacks occurred in situations of prolonged tension, during which the victim state’s leaders recognized that war might be on the horizon.”⁷ He writes extensively about failures in preparedness and decision-making by policy makers even when they have good intelligence available to them. He even suggests that rather than there being “zero warning, a ‘bolt out of the blue’,” most scholars agree that there is usually a reasonably large amount of warning information available.⁸ The concept of relative surprise is supported by Cynthia Grabo, who points out that warning is not something which analysts and policy makers either have or do

³ Klaus Knorr, “Failures in National Intelligence Estimates: The Case of the Cuban Missiles,” *World Politics*, April 1964, pp. 462-463.

⁴ Richard Betts, *Surprise Attack: Lessons for Defense Planning* (Washington, DC: Brookings Institution, 1982) p. 18.

⁵ Michael Watkins and Max Bazerman, “Predictable Surprises: The Disasters You Should Have Seen Coming,” *Harvard Business Review*, March 2003, pp. 72ff.

⁶ Chan suggests that strategic warning is concerned with predicting a single dichotomous event – surprise occurs or it does not. Steve Chan, “The Intelligence of Stupidity: Understanding Failures in Strategic Warning,” *American Political Science Review*, 73:1 (1979), p. 171.

⁷ Betts, *Surprise Attack*, pp. 18-19. In his analysis of the “relativity of surprise,” Betts focuses on the continuum of available warning as well as factors that shape the response by authorities, without explaining how the effect – surprise – is relative.

⁸ Betts, “Surprise, Scholasticism, and Strategy,” *International Studies Quarterly*, 33 (Sept 1989) pp. 331-332.

not have; it is an abstraction, an intangible, a hypothesis, “perceived with varying degrees of understanding or certitude by each individual.”⁹ The implication from Betts and Grabo seems to be that policy makers may be surprised to varying degrees. So the concept of strategic surprise also needs to include the degree to which it takes place.

Fortunately, surprise attacks are infrequent. In his analysis of the anatomy of successful surprise attacks, Richard Posner argues that surprise attacks are relatively rare, perhaps because they are usually the tool of the weak and inflict damage but do not lead to victory.¹⁰ Conceivably there were cases of failed surprise, where the attacker learned that his intended victim had discovered his plans, and decided not to attack after all; but it is almost impossible to know how often that may have occurred. There were only a few successful cases of strategic surprise occurring in the twentieth century, so multiple overlapping analyses and studies have been written on a small number of cases.

Most of these analyses of strategic surprise focus on the failure of intelligence agencies to predict the surprise, even though not all surprises are the result of intelligence failures. While Betts argues that intelligence failures were usually only “secondary elements in the cause of surprise,”¹¹ he and most other scholarly authors focus extensively on the intelligence dimension of strategic surprise even when they analyze other aspects.¹² We turn now to our second key concept, intelligence failure.

⁹ Cynthia Grabo, *Anticipating Surprise: Analysis for Strategic Warning* (Washington, DC: Joint Military Intelligence College, 2002) p. 4.

¹⁰ Richard Posner, *Preventing Surprise Attacks: Intelligence Reform in the Wake of 9/11* (Stanford, CA: Hoover Institution Press, 2005) p. 94.

¹¹ Betts, *Surprise Attack*, p. 16.

¹² Douglas Porch and James Wirtz write that “9/11 fits very much into the *norm* of surprise caused by a breakdown in intelligence warning” (*italics added*). Porch and Wirtz, “Surprise and Intelligence Failure,” *Strategic Insight*, 1:7 (September 2002) online.

1.1.2. Intelligence Failure

The Japanese attack at Pearl Harbor on December 7, 1941 has earned a place as perhaps the most dramatic intelligence failure in American history. It is joined, however, by a number of other failures – among them, the outbreak of the Korean War and the later Chinese involvement in it, the Missile Gaps of the late 1950's, the placement of Soviet missiles in Cuba, the Tet offensive in Vietnam, and the fall of the Shah in Iran. Intelligence failures have continued to plague the United States into the 1990's – like the demise of the Soviet Union, the Iraqi invasion of Kuwait, the Aldrich Ames and Robert Hanssen espionage cases, and India's nuclear tests.

Yet there is a whole range of events that are regarded as intelligence failures – at least by policy makers and journalists – that are not discussed in the academic literature on the subject. Those failures pertain to incidents involving economics, radical politics, ethnic cleansing, crime, drugs, and terrorism. In recent years, intelligence agencies have failed to anticipate incidents and trends like the dramatic rise in trafficking of cocaine and methamphetamine, the emergence of the Russian mafiya, the World Trade Center and Oklahoma City bombings, the Tokyo subway gas attack, ethnic cleansing in the Balkans, and the WTO protests in Seattle. Yet in expanding the definition of intelligence failure to include all of these subjects, we risk losing some of its conceptual and explanatory power.

Unfortunately, few authors define intelligence failure in clear terms, relying instead on a sort of intuitive understanding of what they mean by intelligence failure. Those who are clear often provide competing or complementary definitions which contribute to a multi-faceted concept much like strategic surprise. Harold Wilensky defines intelligence failure as “the inability to muster the intelligence needed for successful pursuit of organizational goals. When the relevant information is not in the organizational system as a result of the lack of appropriate search

procedures, we can speak of an intelligence failure.”¹³ Thus Wilensky is primarily speaking of failures of collection and organization within the Intelligence Community.

Betts suggests that failure is less often organizational than it is political and psychological; though he suggests that intelligence failure and policy failure cannot be disentangled. But he makes clear the root of the problem: most failures occur as a result of wishful thinking, disregard of professional analysis, and the preconceived notions of policy makers.¹⁴ Thus he outlines the proximate causes of failure but not its definition per se. Similarly, Abe Shulsky discusses several types of failure – (a) that leading to surprise attack, (b) unexpected political events or economic changes, or (c) poor contextual understanding leading to policy failures – but he does not define his terms. Though Alex Hybel presents a useful classification of intelligence failure theories (perceptual/psychological; organizational-sociological; organizational-structural; and bureaucratic-political), he also fails to provide a definition of intelligence failure.¹⁵ Based on his ethnographic study of analytic culture among intelligence analysts, Rob Johnston proposes a definition of intelligence failure as “systemic organizational surprise resulting from incorrect, missing, discarded, or inadequate hypotheses.” He rightly connects intelligence failure with surprise, but focuses primarily on analytical failures (i.e., pertaining to the testing of hypotheses), leaving out failures caused by organizational problems, policy and leadership, and the quality of information.¹⁶

So without a solid definition of failure, what else should we call the catastrophes in intelligence? Shulsky suggests that “speaking of intelligence failure is similar to speaking of

¹³ Harold Wilensky, *Organizational Intelligence: Knowledge and Policy in Government and Industry* (New York: Basic Books, 1967), p. ix.

¹⁴ Richard Betts, “Analysis, War, and Decision: Why Intelligence Failures are Inevitable,” *World Politics*, 31:2 (Oct 1978) pp. 66-67.

¹⁵ Alex Hybel, *The Logic of Surprise in International Conflict*, (Lexington, Mass.: Lexington Books, 1986), pp. 4-6.

¹⁶ Rob Johnston, *Analytic Culture in the US Intelligence Community: An Ethnographic Study*, (Washington, DC: Central Intelligence Agency, 2005), pp. 6-7.

‘chess failure,’ defined as the failure to win chess games,”¹⁷ and Chan warns against labeling historical events as successes or failures without considering the policy context. It is important to understand the complexity of the interrelationship between intelligence and policy and the frequent combination of success *and* failure of both intelligence and policy in those events commonly labeled as “failures.”¹⁸ A simple categorization of events will not suffice. There is also a lack of public information about the ratio of intelligence successes to failures, which also makes it difficult to determine what is done differently in cases of success from cases of failure.

Thus “intelligence failure” is an extremely broad term that covers failures of communication, of bureaucratic structure and behavior, of estimation and analysis, of warning, of policy, or of judgment. In this study we use the broadest possible definition of intelligence failure, incorporating leadership failures, organizational obstacles, problems of warning information, and analytical challenges. The working definition of intelligence failure to be used here is that: *Policy makers or analysts knew or reasonably should have known, under the circumstances and relative to the complex decision-making environment and priorities of policy makers, enough information to assess accurately the probability and consequences of the eventual action or incident.*¹⁹ This definition may be criticized for lack of specificity. First, it does not define what is “reasonable.” Yet there must be some commonsense understanding and expectation of what is reasonable among professionals trained for intelligence work and policy makers who are responsible for making decisions based on intelligence information.²⁰ The emphasis here is on

¹⁷ Shulsky, p. 79.

¹⁸ One consequence of that understanding is the realization that policy prescriptions for intelligence failures need to take into account the overall intelligence and policy environments, including the attitudes of key policy makers, the general threat level, and domestic political balances.

¹⁹ This is my own definition, partly addressing Shulsky’s concern that determining what constitutes an intelligence failure “requires a standard against which it is reasonable to measure intelligence achievements.”

²⁰ The intelligence community does seem to believe that a reasonable standard can be found. Consider its efforts to improve analytical methods, including support for internal authors like Richards Heuer and Cynthia Grabo; its

reasonableness given the circumstances, i.e., the real and perceived threat environment, and the availability and quality of warning indicators.

Second, this definition does not address what *degree* of probability or *level* of likely consequences is required to motivate policy makers to take action; in every case that may be different based on the individual decision maker. But this highlights a crucial distinction between intelligence failure and policy failure. An intelligence failure may be present in a surprise attack, but it is only a necessary and not sufficient cause of surprise. Indeed the intelligence community often is successful in predicting surprise attacks, but there are many other factors – particularly in leadership and management – that may yet allow the surprise attack to take place.

Even in light of those limitations, there is one positive aspect of this definition which should not be overlooked, and that is *assessment*. I am not arguing that in every case analysts and policy makers should know all of the tactical details (warning indicators) about an impending attack; that would be an impossible standard. This definition does suggest that warning is more than data, it is an educated guess, a reasonable hypothesis, an evaluative assessment. Grabo articulates this point well. “Warning does not arise from a compilation of possible or potential facts or indications, however useful they may be.... [W]arning cannot be issued with absolute certainty, even under the best of circumstances, but will always be an assessment of probabilities.”²¹ As we proceed in this study, we will see to what extent intelligence analysts successfully assessed the likelihood of a terrorist attack but their warnings were not heeded by policy makers.

training programs like the Sherman Kent School for Intelligence Analysis; and the agonized appraisal of CIA estimates of WMD in Iraq.

²¹ Grabo, pp. 7, 13.

Such failures to heed warning are not intentional. It is important to note that our definition of intelligence failure includes a caveat about the circumstances facing policy makers, namely the complex decision-making environment and their priorities. Leaders in Congress and the Executive branch (including not only Presidential advisors but all department and agency heads and supervisors) face a complex world in which they have to evaluate, decide, and act on a bewildering array of issues on a daily basis. There are many more important issues and problems out there than they can possibly address, and in fact some of those problems are unknown. Each agency has a set of priorities that they are mandated to act upon. Each leader also has his or her own personal agenda and priorities. The resulting decision-making environment (what has to be addressed and when and how) is extremely complex. An issue or problem has to be understood to be an immediate and urgent priority – perhaps even with catastrophic consequences – to move to the top of a policy makers agenda (and even then there is no *guarantee* that it will be the top priority.)

Scholars confirm that intelligence failure may lead to surprise, but the nature, degree, and effect of the surprise are also strongly influenced by policy failures. Even so, we should not lose sight of the basic nature of surprise as it pertains to terrorism. It is worth quoting Richard Posner at length on this:

The fundamental problem, however, is the asymmetry of attacker and victim. The attacker picks the time, place, and means of attack. Since without a great deal of luck his plan cannot be discovered in advance by the victim, the attacker has, by virtue of his having the initiative and of the victim's being unable to be strong everywhere all the time, a built-in advantage that assures a reasonable probability of a local success.... [W]hen an attacker is willing to settle for a local success, there is little the victim can do to prevent it.²²

²² Posner, p. 96.

Although he concludes that the “causes of vulnerability to surprise attack seem intractable,” he also suggests that some surprise attacks can be prevented, others deterred, and the worst consequences of them can be mitigated.²³ But what Posner highlights is the fundamentally surprising nature of terrorism.

1.1.3. The “New Terrorism”

Nearly all of what has been written about strategic surprise and intelligence failure has focused on surprise leading to war. In this study we are interested in testing the extant theories on intelligence failure to a different problem: terrorism. So we turn to a review of the “New Terrorism” to understand our subject better.

1.1.3.1. Qualitative and Quantitative Changes in the Terrorist Threat Although it is difficult to pinpoint when one trend ceases and a new one begins, the 1993 bombing of the World Trade Center in New York City and the 1995 sarin gas attack in the Tokyo subway system by the Aum Shinrikyo sect might be taken as the inaugurating events for a new paradigm of terrorism. Broadly stated, the new paradigm holds that modern terrorism has different motives, different actors, different sponsors, and greater lethality than the traditional terrorism of the 1960’s to 1980’s.

Walter Laqueur argues that the motives of the new terrorists are shifting. Terrorism from the left is declining.²⁴ Terrorism is rising from the right (such as white supremacists in Europe

²³ Idem. pp. 86, 97.

²⁴ Paul Wilkinson posits that the extreme left ideological motivation for terrorism has almost disappeared in Europe, although it is surviving in Latin America. Paul Wilkinson, “Terrorism: Motivations and Causes” (Commentary No. 53, Canadian Security Intelligence Service, Jan 1995), pp. 4-5.

and North America), and nationalist-separatist terrorism continues in many places.²⁵ Whereas the “old” terrorist groups were primarily secular in their orientation and inspiration, terrorism connected to religious fanaticism is on the rise (not only in Islam, but also in Christianity, Judaism, and Hinduism).²⁶ Hoffman declares that fanatical religious motivation is the defining characteristic of the modern terrorist, producing “radically different value systems, mechanisms of legitimization and justification, concepts of morality, and world-view... compared with his secular counterpart.”²⁷

Radically different value systems are not only a result of the shift to religious motivation. Laqueur argues that “the new terrorism is different in character, aiming not at clearly defined political demands but at the destruction of society and the elimination of large sections of the population.”²⁸ This may entail the liquidation of a country or an entire ethnic group, and perhaps even all of humankind. Shoko Asahara, leader of Aum Shinrikyo, apparently believed that his group needed to provoke Armageddon, and many white supremacist groups have as a goal the elimination of all non-Aryan people. The thirst for anarchy and destruction is found not only in doomsday cults and racist paramilitaries, but also in the large-scale terrorism and popular rage – disconnected from a clear political agenda – observed in Algeria, Rwanda, Haiti, and Somalia.²⁹

²⁵ In fact, ethno-nationalist terrorist groups may have more staying power than the others, because they can draw on a naturally sympathetic constituency and have relatively clear and tangible goals. Bruce Hoffman, *Inside Terrorism* (New York: Columbia University Press, 1998), p. 171. Cf. Walter Laqueur, “Postmodern Terrorism,” *Foreign Affairs*, 75:5 (1996), p. 2.

²⁶ Walter Laqueur, *The New Terrorism: Fanaticism and the Arms of Mass Destruction* (London: Oxford University Press, 1999), pp. 80-81, 127-155.

²⁷ Hoffman (1998), pp. 87, 94.

²⁸ Laqueur (1999), p. 81.

²⁹ Ian Lesser, et al. *Countering the New Terrorism* (Santa Monica, CA: RAND, 1999) p. 109. It is also worth noting in relation to nihilism what Grant Wardlaw calls the “ecstasy factor,” the psychological thrill that many terrorists get when committing violence which supersedes or replaces political motivations; Wardlaw, *Political Terrorism* (New York: Cambridge University Press, 1989) p. 54. This ecstasy factor is also present in Islamic suicide bombers, who are often seen smiling moments before their bomb goes off.

It is the anarchist and nihilist groups which pose perhaps the greatest challenge to government action, because their strategy is non-sequential and non-political and their demands are non-negotiable – if they make any demands at all. New terrorists still demonstrate an interest in notoriety or celebrity, but show less interest in “theater” as a part of their political strategy. Some of the largest recent terrorist attacks have gone unclaimed, a trend which Hoffman claims is a signal of loosening constraints on violence.³⁰ When the new terrorists do communicate their objectives, they are often unintelligible.³¹ The new non-negotiability may also be due to a learning process on the part of terrorists. They have largely given up on airplane hijackings and the associated protracted negotiations (in part because of governments’ more forceful reactions to resolve those crises), and they must have observed the annihilation of the terrorists who took hostages at the Japanese ambassador’s residence in Lima, Peru in 1996.

State sponsorship is a declining factor in the new terrorism.³² The rise of globalization and the mobility of people and money create opportunities for terrorists to diversify their income sources through criminal enterprise. Terrorists are no longer able to depend on the superpowers to sponsor them as proxies, but have found new wealth in crime. In fact, analysts see more and more convergence of methods, operations, and organizations between terrorist groups and transnational organized crime networks. Many of the terrorist attacks in Europe in 2004-2005 were funded by the criminal activities of terror cell members.³³ While they reap new benefits

³⁰ Bruce Hoffman, “Terrorism Trends and Prospects” in Lesser (1999), p. 28.

³¹ Consider the Unabomber, Theodore Kaczynski, and his rambling 35,000 word statement on the threats of technology, modernity, and environmental destruction. Kaczynski may not be the typical new terrorist, but his ravings are similar in tone to those of many radical (left and right) terrorist groups.

³² State sponsors of terrorism have backed away from open support of these groups, but the problem now is recognizing friend from foe in states such as Pakistan, Indonesia, and Saudi Arabia where terrorists still operate.

³³ See David Kaplan, “Paying for Terror,” *US News & World Report*, 139: 21 (Dec 5, 2005) pp. 40ff. See also Phil Williams, “Getting Rich and Getting Even: Transnational Threats in the Twenty-First Century,” in Stanley Einstein and Menachem Amir, *Organized Crime: Uncertainties and Dilemmas* (Chicago: University of Illinois, 1999) pp. 20-21 ff.

from criminal activity, the terrorists also hide their money effectively. Terrorist groups are adapting their financial networks at least as rapidly as Western governments develop tools to track and seize their assets.³⁴

The new terrorism exhibits characteristics which contrast with traditional terrorism. First, terrorist groups are more likely to form networks, rather than hierarchies or cells; this is particularly true of the groups emerging from decentralized radical Islamic movements organized around charismatic clerics.³⁵ These networks are transnational, amorphous, and diffuse, permitting the groups to engage in a wider range of activities, to consider new strategies like netwar,³⁶ and to come together for one-time operations. Indeed, al-Qa'ida operational cells seem to be conducted almost like franchises – a local cadre develops an attack plan and only seeks approval from the organization before final preparations are made.

Second, new terrorist groups are much larger in size than their predecessors. Whereas the Abu Nidal Organization may have had four or five hundred members, Osama Bin Laden reportedly had between four and five thousand trained men at his call by the late 1990's,³⁷ and may have had tens of thousands by the dawn of the new millennium. Third, terrorist groups are more likely to include amateurs, "part-time" terrorists who do not have professional training but who can access the resources and methods of terrorism through informal (often Internet-based) sources – and who therefore can be as deadly as professionals.³⁸

³⁴ Phil Williams, "Warning Indicators, Terrorist Finances, and Terrorist Adaptation," *Strategic Insights*, IV: 1 (January 2005) online.

³⁵ James Phillips, "The Changing Face of Middle Eastern Terrorism," (*Heritage Background* #1005, October 6, 1994), p. 6.

³⁶ See John Arquilla, David Ronfeldt, and Michele Zanini, "Networks, Netwar, and Information-Age Terrorism," in Lesser (1999).

³⁷ Marie Colvin, et al., "Clinton gambles all on revenge," *Sunday Times* (London), August 23, 1998, cited in Hoffman (1999).

³⁸ Hoffman (1998), p. 203.

With these large, networked, amateur organizations, target and tactics selection are more indiscriminate. New terrorist attacks exhibit greater lethality; a higher percentage of attacks in the 1990's resulted in one or more fatalities than in any previous decade.³⁹ Hoffman cites a number of reasons for the increasing lethality:

- The desensitization of the media and the public to terrorist violence leads terrorists to attempt ever more dramatic or destructive attacks to get the attention they seek.
- Terrorists have learned from the past and improved their tactics and weapons.
- State sponsorship continues to provide terrorists with training, logistics, and the resources needed to buy new and deadlier weapons.
- Religiously-motivated terrorists find violence to be a divine duty, and seek religious justifications for committing violence against a broad range of opponents (anyone who opposes their faith).
- Amateurs are difficult to track and anticipate and have no central authority to put constraints on their behavior.
- The truly professional terrorists are becoming more sophisticated and competent.⁴⁰

Perhaps the greatest danger in this increased lethality is the likelihood that new terrorists will use weapons of mass destruction. The 1995 Aum Shinrikyo attack is the only known incident of successful use of a chemical weapon (though a chemical attack was foiled in Amman, Jordan recently), and there have been no nuclear attacks thus far, although there have been a larger number of incidents and attempts at using biological agents. The relative scarcity of WMD attacks in the past has been attributed to a lack of technical expertise by terrorists,⁴¹ to the fact that mass casualties would hurt rather than help their political agenda,⁴² or to the notion that

³⁹ Both the State Department and the RAND-St. Andrew's Chronology of terrorism incidents arrive at the same conclusion regarding the dramatic increase in the lethality of terrorist attacks. See Hoffman (1999), p. 12-13.

⁴⁰ Hoffman (1999), pp. 13-28. For a lengthier discussion of religious terrorism and its increased lethality, see Hoffman (1998), pp. 87-129.

⁴¹ Laqueur (1996), p. 4; see also Glenn Schweitzer, *Super-terrorism: Assassins, Mobsters, and Weapons of Mass Destruction* (New York: Plenum Trade, 1998) p. 141.

⁴² Wardlaw, p. 26; cf. Laqueur (1996), p. 4. Laqueur suggests that use of WMD would turn off sponsor or supplier states, have unintended consequences, and cause long-term damage; and that "traditional terrorism rests on the heroic gesture, on the willingness to sacrifice one's own life as proof of one's idealism... there is not much heroism in spreading botulism or anthrax..."; p. 5.

causing mass casualties is simply “out of character” for terrorists.⁴³ Hoffman is not sanguine about the new threat, cautioning that “many of the constraints (both self-imposed and technical) which previously inhibited terrorist use of WMD are eroding.”⁴⁴ The fear of terrorist groups acquiring WMD was a clear motivating factor in the U.S. invasion and occupation of Iraq in 2003, and while no nuclear weapons were found, it is not safe to assume that such weapons will not be exploited elsewhere in the future.

In sum, the new paradigm of terrorism suggests a major change in the motives, strategies, characteristics, and tactics of terrorism. These changes all occurred in an evolving international environment. Stephen Sloan argues that the end of the Cold War and the demise of many communist governments unmasked old ethnic and religious conflicts (often accompanied by terrorism and other forms of violence). The end of the bipolar system and the superpowers’ use of regional surrogates as proxies allowed the emergence of a number of regional powers, such as Iran, which see terrorism as a tool of diplomacy. Other new non-state actors, particularly in organized crime, are stepping in to fill the void left by the breakdown of central authority in many less developed countries and the decline in the legitimacy, power, and authority of the nation-state. Finally, interventions by the United States, its presence overseas, the predominance of its military power, its cultural influence and economic dominance, and Western culture more generally have incited new animosity from fundamentalists, particularly in the Middle East. Osama Bin Laden stated clearly that the American presence on the Saudi peninsula was the cause for his terrorist campaign,⁴⁵ and the 2003 invasion and occupation of Iraq by U.S. forces

⁴³ Brian Jenkins, “International Terrorism: A New Mode of Conflict,” in David Carlton and Carlo Schaerf, eds., *International Terrorism and World Security* (London: Croon Helm, 1975), quoted in Hoffman (1998), p. 199.

⁴⁴ Hoffman (1998), p. 197.

⁴⁵ Interview with Bin Laden in June of 1999, conducted by Jamal Isma’il and presented by Salah Najm. Transcript accessed at www.terrorism.com/terrorism/binladintranscript.html.

both produced an active insurgency with popular support and increased public resentment across the region.

1.1.3.2. The Challenge to Government This dissertation comes at a time when democratic governments are searching for new and better ways to understand, predict, and prevent the activities of hostile organizations, particularly terrorists – whose resources and capabilities are growing, while the governments’ ability to respond is diminishing. Several dimensions of this problem are worth brief exploration: the network structure of terrorist groups (as mentioned above); the enhanced and adaptable skills of terrorists, especially in operational areas like communications and denial-and-deception; the problem of signals vs. noise and the level of granularity required in analysis; the existence of restraints on police power and counterintelligence caused by concerns for privacy and personal and religious freedom; an overabundance of potential threats; and the simultaneous empowerment and embitterment of individuals in the era of globalization.

The adaptive nature of contemporary terrorism creates some particular problems for governments with traditional intelligence and law enforcement bureaucracies. Terrorist organizations, once hierarchies of publicity-seeking revolutionaries supported by known state governments, have evolved into networks of reclusive anarchists who effectively hide their activities. The bureaucratic structure of intelligence agencies does not allow them to be as nimble as the network-based organizations of the terrorists. Jurisdictional boundaries between agencies and countries are utterly irrelevant to the terrorists. Their networks are more resilient than the old cellular model of organization, where taking out a few key leaders or entire cells could seriously affect a terrorist group’s operations. The decentralized structure of al-Qa’ida

allows local cadres to generate and execute their own plans, making it more difficult for counterterrorism units to use surveillance and communication intercepts to uncover ongoing plots.

We have already mentioned the problem of skilled amateurs. Betts suggests that while the victim's mistakes are the primary focus of orthodox theory on surprise attacks, "many sources of surprise lie in the attacker's skill in deception or operational innovation."⁴⁶ We do not tend to give terrorists much credit for their evolving skills. Analysts are often able to identify modified tactics only after a new attack has occurred. Scholars are now exploring how terrorist organizations adapt their financial operations in response to government interventions. Certainly terrorists are making the most of new communications technologies, even advanced tools like steganography (hiding electronic data inside other computer files). J. Bowyer Bell argues that clandestine groups do not typically have the resources or time to develop strategic deception plans (disinformation), but they of necessity do attempt denial (denying your adversary access to your plans, structure, etc.).⁴⁷ Evolving tactics and skills by terrorists make it more difficult for analysts to keep up with them.

The problem of the signals vs. noise ratio first identified by Roberta Wohlstetter in the 1960's has become significantly worse for governments. The massive technical intelligence collection systems deployed by Western countries during the Cold War have become the modern Maginot Line. They have largely been bypassed by the terrorists, who hide their activities in the billions of phone calls, e-mails, financial transactions, trips, and personal conversations making up daily life on the planet. Even the massive computing power of the National Security Agency

⁴⁶ Betts (1989), p. 330.

⁴⁷ J. Bowyer Bell, "Conditions Making for Success and Failure of Denial and Deception: Nonstate and Illicit Actors," *Trends in Organized Crime*, 6:1 (Fall 2000) online. Bell cites specific examples of the use of denial by terrorist groups, including the group of jihadists who carried out the first World Trade Center bombing in 1993.

cannot scan through all the electronic messages it acquires each day. *Atlanta Journal-Constitution* political cartoonist Mike Luckovich, in a July 2005 cartoon depicts a cell phone call between two apparent Islamist terrorists. One says, “The FBI is 707,742 hours behind in translating conversations between terrorist suspects...” The reply: “Praise Allah, the family share plan with unlimited weekend minutes is working!”

Finally, it is important to recognize the fundamentally different level of granularity required in successful collection and analysis of warning indicators prior to terrorist attacks. It is one thing to observe the mass mobilization of armies leading up to cross-border incursions and large-scale war (such as Yom Kippur or Iraq-Kuwait 1990), or to detect significant chatter or electronic signals surrounding a mobilization of nuclear forces; it is quite another to detect the actions of a small cell of terrorists hiding and plotting an attack within a community. Phil Williams argues:

In terms of levels of warning, part of the challenge for counter-terrorism intelligence is that it is relatively easy to obtain strategic warning... that some kind of attack is likely to occur. The difficulty, however, is going from the general to the specific, or from strategic warning to tactical warning.... Unfortunately, tactical warning regarding the time, target or method and the perpetrators of an impending attack is far more difficult to obtain – particularly where the terrorists have managed to obtain operational security.⁴⁸

He adds further that the problem “is less about finding a needle in a haystack than finding a particular needle in a stack of needles...” Intelligence analysts must now find one of an exceedingly small number of warning indicators to have any chance at predicting and interdicting an attack.

Finding those warning indicators, however, often requires intelligence agencies to expand surveillance and utilize invasive technologies. Such activities bring the agencies into direct

⁴⁸ Williams (2005).

conflict with advocates of privacy rights. Some of the more famous invasive technological tools are Carnivore (a powerful automated tool developed by the FBI for scanning e-mails for key words); Echelon (a global network of eavesdropping technologies deployed by the U.S., Britain, Canada, and Australia); TIA or Total Information Awareness (a Department of Defense project aiming to combine and search massive intelligence databases); and CAPPS or Computer Assisted Passenger Pre-Screening (a system designed to verify the identities of air travelers and assess the security risk they pose). All of these programs have been controversial; Carnivore and TIA were effectively put on ice, and CAPPS was slowed and then scrapped because of increasing public concern in the U.S. and in Europe about privacy rights. While the public debate over privacy vs. security goes on, it is slowly strangling the collection efforts of even the most capable government intelligence agencies.

Governments face not just the threat of proliferation but the proliferation of threats. The “main adversary” of the Cold War is long gone, leaving a void in which nearly anything and anyone could be perceived as a potential threat. Organized crime, once an internal problem in places like Italy and Japan, has become a transnational threat to economic security – and perhaps to political security. Domestic security threats are growing, from left-wing environmental and political movements like EarthFirst! to the Aum Shinrikyo cult of Japan and Russia, from the “bubba cells” of American militia members to splinter groups from the Irish Republican Army. Globalization has further radicalized many of these groups and their followers. All of these groups are now able to take advantage of new information technologies to provide better security for fundraising, planning, and operations.

Finally, one of the many effects of globalization is the simultaneous empowerment and embitterment of the individual. The individual is empowered by being able not only to

communicate with nearly anyone (and recruit them) and with any institution in the world (and threaten it), but also to attack them, usually in the form of malicious computer attacks. Embitterment and personal hatred for an adversary no longer require that one belong to the affected class or group of people. Many of the terrorists who took part in the attacks of the 1990's were so-called Afghan Arabs who had fought and trained in Afghanistan, Chechnya, and Bosnia. But with global television, e-mail, and cell phones, individuals may now develop a long-distance emotional connection with an aggrieved group from thousands of miles away, without having to travel and fight with them. The combination of empowerment and embitterment allows al-Qa'ida to recruit new members who are not Afghan Arabs and do not need training, support, and new identities, but who rather are well-established but overlooked residents of Western target countries. It is now impossible for governments to deny access to the empowering tools of globalization, even in repressive systems like China.

With the key concepts of surprise and intelligence failure in mind, and having reviewed some of the challenges that the new terrorism poses for governments, we turn to the research project itself.

1.2. GUIDING QUESTIONS

Every research project begins with some questions in mind, dimensions related to the main problem under consideration. These are not preliminary hypotheses so much as overarching questions whose answers are not yet known but which guide the overall study of each case. In this study, there are five such guiding questions to be answered.

What was the nature of the surprise? To what degree were analysts and policy makers surprised? What was the impact of the surprise (global, national, or other)? Can we categorize it as technical or behavioral surprise?

Were details of the event foreseeable? Were specific warning indicators available? Was there a pattern that should have been noticed, or was noticed perhaps outside of the official intelligence community? Were opportunities missed to get inside the planning cycle of the terrorists?

What was the threat environment like at the time? What was the nature of the threat (domestic, foreign, religious, fringe, criminal) and the government's attitude toward that threat? Who defined the threats? Was the threat recognized, defined, or prepared for?

Was it an intelligence failure or a policy failure? Two subsets of questions are asked: (a) If it was an intelligence failure, what factors contributed to it – analysis, warning information, or organization? and (b) If it was a policy failure, what factors contributed to it – decision, perception, or culture?

Was the surprise avoidable? Is it possible that the terrorist incident might have been foreseeable by analysts and even by policymakers, but other problems in the system made the surprise unavoidable? If so, what were the contributory factors (such as bureaucracy, policy choices, attitudes, bias, etc.)?

1.3. LIMITATIONS OF THE STUDY

There are several important limitations to this study: the use of open and secondary sources; the potential problems of hindsight bias and retrospective coherence; and the selection of cases. Case selection is explained in the section on Methodology below.

1.3.1. Use of Open and Secondary Sources

A study such as this ideally would have full access to documents pertaining to both the government's handling of intelligence information and to detailed evidence of terrorist planning. Such documents are highly classified by the U.S. government, especially in the wake of September 11. When I called the FOIA office at the FBI to request documents on the Oklahoma City bombing, the librarian told me she would have been glad to help but that new restrictions had been imposed on releasing documents even pertaining to older incidents. Other types of documents such as communications intercepts have been used in the trials of terrorists from the 1993 World Trade Center bombing and the 1998 East African Embassy bombings, but such evidence is kept under seal by the courts.⁴⁹ In the absence of such classified sources, this study relies on open source information – which is almost invariably secondary source material, at least one level removed from the author.

⁴⁹ Criminologist Mark Hamm, who has studied and written extensively about the Oklahoma City bombing, suggests that “when the media or analysts try to understand terrorism, they almost exclusively rely on court testimony. Court testimony is designed to serve a legal aim. It’s not necessarily the best material to use for research purposes.... The many books that we produce in this country on the phenomenon of terrorism are almost exclusively reliant on secondary sources.” Interviewed in Suzy Hansen, “America’s Homegrown Terrorists,” *Salon.com*, January 17, 2002, online.

Ariel Levite is critical of the methodology employed by most scholars of intelligence failure because it relies heavily on secondary sources.⁵⁰ Richard Betts replies that a researcher must rely on secondary sources when doing a comparative study or else do book-length research on each case.⁵¹ Art Hulnick adds that the U.S. intelligence community is the most open in the world, making it easier to examine this system than most others.⁵² The unavailability of documents that would help illuminate the causes of intelligence failures, however, suggests that excessive government secrecy is a stumbling block to both accountability and reform. The argument that release of classified information about sources and methods would damage future counterterrorist actions is important, but it assumes that terrorists do not learn from their mistakes and our successes, and therefore are likely to carry out attacks just like previous ones.

Some secondary sources would appear to be more reliable than others. After several of the incidents studied here, official investigatory commissions produced reports that include testimony given under oath and other witness statements. There have been a large number of books written in recent years by participants in counterterrorism in the 1990's, including counterterrorism czar Richard Clarke, NSC staffers Daniel Benjamin and Steven Simon, and FBI Director Louis Freeh, among others. Their books are not "primary" sources, and they may indeed interpret events subjectively, but on the whole their accounts are believable, if imperfect. As much as possible, I have relied on sources like these books and the official investigations that are more proximate to their authors. There also are some excellent journalistic investigations into the various that provide quality information based in part on leaks of classified information.

⁵⁰ Ariel Levite, *Intelligence and Strategic Surprises* (New York: Columbia University Press, 1987), pp. 21ff and 174.

⁵¹ Betts (1989), p. 335.

⁵² Art Hulnick, *Fixing the Spy Machine: Preparing American Intelligence for the Twenty-First Century* (Westport, CT: Praeger, 1999) p. 3.

1.3.2. Problems of Hindsight Bias and Retrospective Coherence

Scholars of intelligence failure universally point out the danger of *hindsight bias*, the tendency to exaggerate the extent to which an event was foreseeable based on information only available later. Research suggests that under normal conditions, hindsight bias is a useful adaptive mechanism in human cognition, making our memory more efficient.⁵³ However, it becomes problematic when, for example, an outside observer demonstrates hindsight bias concerning the information that was available to *someone else*. Hindsight bias (about intelligence failures) also may result from an under appreciation of the complexity of both the threat environment and the decision-making environment facing key policy makers. Shlaim points out that: “Signals that announce an impending disaster appear much more stark and clear after the disaster has taken place than at the time they are originally received.... But the commentator must take care not to allow the benefit of hindsight to distort his vision and not be too unsympathetic with the people who were proved wrong....”⁵⁴

A related and somewhat more nuanced concept is that of *retrospective coherence*. Complexity theory suggests that in an un-ordered information environment, patterns which emerge through the interaction of different agents can be perceived as they happen but they cannot be predicted. Indeed, “once a pattern has stabilized, its path appears logical, but it is only one of many that could have stabilized, each of which also would appear logical in retrospect.”⁵⁵

This suggests the need to evaluate other possible interpretations of the warning indicators known

⁵³ See Ulrich Hoffrage, et al., “Hindsight Bias: A By-Product of Knowledge Updating?,” *Journal of Experimental Psychology: Learning, Memory and Cognition*, 26:3.

⁵⁴ Avi Shlaim, “Failures in Intelligence Estimates: The Case of the Yom Kippur War,” *World Politics*, 28:3 (April 1976), p. 351. Almost every other scholar cited in this chapter points out the dangers of hindsight bias.

⁵⁵ C.F. Kurtz and David Snowden, “The New Dynamics of Strategy: Sense-Making in a Complex and Complicated World,” *IBM Systems Journal*, 42:3, p. 469.

to intelligence analysts at the time of each terrorist attack, in order to avoid oversimplifying the threat and decision-making environments and assuming that analysts should have been able to forecast the actual trajectory of the future event.

There is also a danger of reverse hindsight bias – the tendency to explain away a surprise by suggesting that the event was unforeseeable despite indications to the contrary. This perhaps was seen in the testimony of a variety of Bush Administration officials before the 9/11 Commission, where they argued that there was nothing in the information available to them that would have suggested suicide airline hijackings. Similarly, there is a danger of reverse hindsight bias if one assumes that the threat environment was so complex that *all* the warning information about a terrorist attack was simply un-knowable and could not be understood with normal analytic techniques. Reverse hindsight bias is as un-motivated as hindsight bias, but it is something of which we should be wary.

Any analysis of historical events is bound to face the problems of hindsight bias and retrospective coherence. The scholar must recognize these problems and attempt to minimize their effects by, for example, acknowledging the chaos and complexity of the threat environment, and couching conclusions in cautious terms. Yet it would also be irresponsible to “pull punches” when it is clear that analysts or policy makers knew or reasonably should have known under the circumstances that an attack was likely. This study attempts to find a balanced position between giving in to hindsight bias and unduly assigning blame on the one hand, and on the other hand allowing reverse hindsight bias to suggest that there was no way to forecast some of the events described here.

1.4. RATIONALE FOR THE STUDY

There are at least four reasons why this study is important. The first is that a deeper analysis of intelligence failures relating to mass casualty terrorist incidents of the 1990's will advance our understanding of weaknesses in how the U.S. government has utilized intelligence to fight terrorism. It will be argued that the trends seen in the cases reviewed here are significant, persistent, and inherent within the process, and though we may not see them in every future failure, they were important in the failure of 9/11.

Second, because intelligence failures happen within a context of perceptions and priorities and decisions made by policy makers, we need to trace the role played by policy failures in these massive terrorist attacks. The intelligence community often provides a fair amount of warning to policy makers, who for a variety of reasons often do not use the information correctly. Larger policy decisions made at the national level often have unintended consequences that shape the threat environment – that is, they may *generate* threats and affect the kinds of responses permitted to intelligence and law enforcement. So we need to evaluate the balance between policy and intelligence failures and assign responsibility to the policy makers where they have contributed to failure, while recognizing their need to make decisions in a complex variety of policy areas.

Third, this study will help Americans avoid unwarranted optimism about the ability of intelligence to avoid surprise and wishful thinking about proposed solutions to “fix” intelligence. If intelligence failures and surprise are unavoidable, then we must limit our expectations of the intelligence community and about proposed solutions like the centralization of intelligence under a Director of National Intelligence. It is possible that such organizational solutions will not only

fail to prevent intelligence failures but may in fact lead to more failures. Spending billions of extra dollars on intelligence and restricting personal rights may not necessarily breed success.

Fourth, this study will test existing theory on intelligence failures. While much has been written about intelligence failures in foreign policy and war, until 9/11 little academic research had been conducted on the impact of intelligence failures on political terrorism. Existing theories on intelligence failure have been applied preliminarily to 9/11,⁵⁶ but not to the broader category of mass casualty terrorist attacks that have continued to plague the world. This research expands our understanding of the conditions under which intelligence failures allow mass casualty terrorist incidents to occur and tests the dominant theory that such failures are inevitable.

1.5. METHODOLOGY

1.5.1. Design

This dissertation applies a method of structured, focused comparison across a set of cases to explore the extent to which four key factors (leadership failures, organizational obstacles, threat and warning information, and analytical challenges) contribute to intelligence failures in counter-terrorism. The methodology, known also as a “within-case explanation” or the “process-tracing procedure,” relies on a careful analysis of a small number of cases to identify the nature of the relationships and variance among dependent and independent variables.⁵⁷

⁵⁶ See Charles Parker and Eric Stern, “Blindsided? September 11 and the Origins of Strategic Surprise,” *Political Psychology*, 23:3 (2002).

⁵⁷ See Hybel (1986), p. 18 ff. See also Andrew Bennett and Alexander George, “Research Design Tasks in Case Study Methods,” paper presented at the MacArthur Foundation Workshop on Case Study Methods, Belfer Center for Science and International Affairs (BCSIA), Harvard University, October 17-19, 1997; Alexander George and

Ideally one would conduct a rigorous quantitative analysis of a large number of cases, but this limits the depth of each case, and the number of cases with available documentation is small. Additionally, the range of security issues not covered by the intelligence failure literature (drugs, crime, terrorism, etc.) is so broad that a comprehensive study would require an enormous number of cases. The cases chosen are a partial subset from one security issue – mass casualty terrorist incidents from the 1990's. This will be done for the sake of simplicity, to assist in the process of drawing valid conclusions, and because open source information about them is readily available.

1.5.2. Theoretical Framework

There are a number of tasks that must be completed in order to produce a comparison that allows careful testing of hypotheses and rigorous cross-case analyses and inferences. The first involves outlining the phenomena being studied, placing it within the relevant theoretical framework, and suggesting the elements of existing theory that will be tested and perhaps refined or expanded.⁵⁸ To restate what has already been discussed, the phenomenon of intelligence failure allowing mass casualty incidents has not been addressed by current theory on intelligence failures, which focuses almost exclusively on cases of surprise and war or foreign espionage. Yet there are important components of the existing theories on intelligence failures that need to be tested and developed in relation to counterterrorism intelligence. These components center around four areas of concern: failures of leadership, particularly in public policy; organizational obstacles inherent in bureaucratic institutions; problems with warning information, such as the quality of

Richard Smoke, *Deterrence in American Foreign Policy: Theory and Practice* (New York: Columbia University Press, 1974), pp. 93-103; J. David Singer, *Models, Methods, and Progress in World Politics* (Boulder: Westview Press, 1990), pp. 142-143; Oran Young, *The Politics of Force: Bargaining During International Crises* (Princeton: Princeton University Press, 1968), pp. 417-427; Lincoln Bloomfield, *The Foreign Policy Process: Making Theory Relevant* (Beverly Hills: Sage Publications, 1974), pp. 38-42.

⁵⁸ Hybel (1986), p. 18.

indicator data and the problem of signals vs. noise; and analytical challenges, particularly psychological pathologies. Thus, this study uses a “building block” approach to expand and refine existing theory by testing it against a new set of cases, drawing conclusions about the explanatory power of existing theory when applied to cases of mass casualty terrorism.

1.5.2.1. Leadership and Policy Failures There is precious little agreement on the cause of intelligence failures – some blame policy makers for the failures, not the intelligence community. Richard Betts, the most prolific scholar on intelligence failures and surprise attack, places responsibility for failure squarely on the shoulders of policy makers, who often fail to act on intelligence in a timely manner among other misuses of intelligence.⁵⁹ Abraham Ben-Zvi argues that the fault for intelligence failures most often rests with decision makers who allow their assumptions to overrule tactical indicators of an impending attack.⁶⁰ Roy Godson suggests that U.S. counterintelligence policy has been shaped to a great extent by the contemporary threat environment – the perception of which is largely determined by policy makers. Jonathan Schachter concurs, arguing that subconscious psychological biases have affected policy makers’ situational assessments (their view of the threat environment) and thus their decisions concerning counterterrorism policy.⁶¹

⁵⁹ Betts modified his criticism of policy makers over time, allowing that warning failures may result not only from policy makers’ errors, but also from a lack of warning (the fault of intelligence) or lack of time to respond to warning (nobody’s fault); see “Intelligence Warning: Old Problems, New Agendas,” *Parameters*, Spring 1998, pp. 26-35.

⁶⁰ See Abraham Ben-Zvi, “Hindsight and Foresight: A Conceptual Framework for the Analysis of Surprise Attack,” *World Politics*, 28:3 (April 1976), pp. 381-395.

⁶¹ See Jonathan M. Schachter, dissertation, *The Eye of the Beholder: Psychological Influences on Counter-Terrorism Policy-Making*, Santa Monica, CA: RAND, 2002.

Policy makers' perceptions of the threat environment may differ significantly from the actual threats facing them.⁶² Levite says that "accurate threat perception by policy makers... rules out, by definition, the possibility of strategic surprise."⁶³ Ipso facto, if policy makers are surprised, their threat perceptions were inaccurate. This leaves plenty of room for debate over how to measure the difference between the perceived and real threat environments. Even if there were an objective standard, one would still need to determine what factors contributed to the difference in order to assign responsibility and/or recommend correctives. It seems safe to argue that at a minimum, policy makers should strive to avoid motivated biases that might affect their perceptions,⁶⁴ and they should be involved in scanning or probing the threat environment to resolve whatever level of complexity and chaos exists.⁶⁵ For the purposes of this study, we will highlight the differences between the real and perceived threat environments and locate the sources of those differences as much as possible.

Policy makers may also fail in terms of oversight and implementation of policy. Failures occur when Congress or the President do not concern themselves deeply enough with intelligence and national security affairs,⁶⁶ when they do not ensure that the bureaucracy implements policies effectively, and when they do not provide adequate funding for intelligence or physical security measures. Failures may also occur when a given course of policy is allowed to continue for many years despite its obvious ineffectiveness.

⁶² Steve Chan agrees that it is important to recognize the policy context for intelligence collection and prediction; see Chan, pp. 171-180. Gerald Hopple reviews the British intelligence failure at the Falkland Islands, studying the strategic assumptions made by policy makers on both sides; see Hopple, "Intelligence and Warning: Implications and Lessons of the Falkland Islands War," *World Politics*, 36:3 (April 1984), pp. 339-361.

⁶³ Levite, p. 3.

⁶⁴ It is likely that both Presidents Clinton and George W. Bush allowed motivated biases pertaining to other priorities, partisanship, and critiques of past Administrations to affect their perception of the threat environment.

⁶⁵ See Kurtz, p. 469.

⁶⁶ This includes the failure to assess, set, and reassess priorities for the intelligence community's collection and analysis efforts. Please see Appendix for more on the history of how Congress and the courts have affected intelligence operations.

A related type of failure in public policy leadership that deserves some particular attention is the failure to consider the possible repercussions of policy decisions or to recognize them when they happen. Good policy analysis requires that analysts and policy makers seek an understanding of possible effects – both intended and unintended – that may result from the policy decision. In many of the cases studied here, prior policy decisions in both foreign and domestic policy shaped the future threat environment and even generated new threats, but the effects of those decisions were either misunderstood or ignored by policy makers.

Thus in this study we are concerned with failures of public policy leadership that include failing to act appropriately on intelligence, holding erroneous perceptions of the threat environment, failing to oversee and implement policy effectively, and failing to understand the effects of earlier decisions. We are less concerned generally with poor decisions; evaluating those requires a more subjective determination and is not really within the scope of this study.

1.5.2.2. Organization Betts, Wilensky, and Travers [separately] explore the organizational problems faced by every government intelligence community. Betts is cynical about typical policy prescriptions for reform of the intelligence community's bureaucratic structure, describing them as "hortatory, homiletic, and repetitive." Harold Wilensky, analyzing the sources of blockage and distortion in the intelligence process and the effects of other organizational factors, suggests that intelligence failures "are rooted in structural problems that cannot be fully solved." He concludes that intelligence failures are inevitable in complex organizations and are essentially beyond their control.⁶⁷ Russ Travers argues that organizational problems in the intelligence

⁶⁷ Harold Wilensky, *Organizational Intelligence: Knowledge and Policy in Government and Industry* (New York: Basic Books, 1967), p. 128.

community “guarantee” future intelligence failures unless there is further bureaucratic centralization,⁶⁸ whereas Richard Posner concludes that over-centralization of intelligence will create more failures as analysts struggle even harder to make their concerns heard at higher levels.⁶⁹ Amy Zegart suggests that a major failure prior to 9/11 was the inability of the intelligence community to adapt its structure and focus to the emergent threat of terrorism in the post-Cold War world.⁷⁰ This study addresses the contribution of organizational obstacles to intelligence failures, including problems of organizational culture, poor information-sharing, duplication of effort, and bureaucratic turf battles, among others.

1.5.2.3. Problems with Warning Information Scholars have identified two key aspects of the warning information available to the intelligence community which affect intelligence failures: the quantity of information (the problem of signals vs. noise) and the quality of information. These problems are particularly significant because they provide the key data which, with retrospective coherence, make it “clear” that the intelligence community should have known or did know about an impending attack.

Robert Wohlstetter’s famous study of Pearl Harbor was the first to recognize the “signals vs. noise” problem – filtering out the valuable pieces of information about enemy intentions from the vast flood of irrelevant, competing, and contradictory signals that obscure the truth.⁷¹ The problem of signals vs. noise has if anything grown with time, despite awareness of the problem and the availability of all kinds of new technologies in data mining, non-obvious relationship

⁶⁸ Russ Travers, “The Coming Intelligence Failure: A Blueprint for Survival,” *Studies in Intelligence*, 1:1, 1997.

⁶⁹ Posner, pp. 37-50 and elsewhere.

⁷⁰ See Amy Zegart, “September 11 and the Adaptation Failure of U.S. Intelligence Agencies,” *International Security*, Spring 2005 (online). Zegart’s argument is discussed further in the conclusion chapter.

⁷¹ See Roberta Wohlstetter, “Cuba and Pearl Harbor: Hindsight and Foresight,” *Foreign Affairs*, 43 (July 1965).

analysis, and so forth. Quite simply there is more noise coming in than can possibly be evaluated. Such information overload contributes to psychological distortion. Richard Posner suggests that: “The greater the flow of incoming data, the bigger will be the effect of preconceptions on the response to data because the greater will be the need for filtering to stem the flood.”⁷² Those psychological distortions affect both policy making and intelligence analysis.

Not all signals are made equal; some are more useful or accurate than others. Ariel Levite argues that assessing the quality of available information (warning indicators) is the necessary first step in explaining strategic surprise.⁷³ Ephraim Kam identifies the quality of information by its reliability and diagnostic value. He characterizes information as (1) *nonreliable or partly reliable*, because the source is somehow problematic; (2) *reliable but controlled*, where the source is trustworthy but the enemy may know that we know and change his behavior accordingly; and (3) *reliable noncontrolled*, hard evidence that discloses enemy intentions or actions without his knowledge. The diagnostic value of information depends on its ability to confirm or reject competing hypotheses or interpretations of enemy intentions or actions. That ability to confirm or reject hypotheses depends on both the reliability of the information and the degree to which the information can be “resolved” – the extent to which noise is filtered out from the signals.⁷⁴

What Kam and Levite are getting at is that even when intelligence analysts are able to filter out the noise, the remaining signals are not of uniform strength, accuracy, or usefulness. To compound matters, different intelligence agencies use different rubrics for assessing the

⁷² Posner, p. 117.

⁷³ Levite, p. 159 and 173-174. He focuses particularly on the scope, specificity, certainty, reliability, and timeliness of the information.

⁷⁴ Ephraim Kam, *Surprise Attack: The Victim's Perspective* (Cambridge: Harvard University Press, 1988), pp. 38-39.

reliability and validity of incoming information, leading to conflicting conclusions about the truth. This study will attempt to quantify the signals-to-noise problem and identify the information quality problems in each case.

1.5.2.4. Analysis A wide variety of authors have explored the ways in which analytical pathologies in the intelligence cycle often lead to intelligence failures. Richards Heuer, a long-time CIA analyst and the agency's resident guru on intelligence epistemology, describes in detail the impact of human psychology on intelligence analysis.⁷⁵ Drawing on Jervis, Holsti, and others, Avi Shlaim argues that psychological factors deeply affect analysis. "Images, beliefs, ideological bias, wishful thinking, natural optimism or pessimism, confidence or the lack of it, all play a part in determining which facts the observer will notice and which he will ignore."⁷⁶ Art Hulnick blames the inevitability of intelligence failures on the problems of human judgment, of forecasting the future, and deception and secrecy, all intimately connected to human psychological factors.⁷⁷ Breakdowns within the intelligence cycle – from planning to collection to collation to analysis to dissemination – also contribute directly to intelligence failure.⁷⁸ All of these failures within intelligence analysis itself are grouped together here as "analytical challenges."

⁷⁵ See Richards Heuer, *Psychology of Intelligence Analysis* (Center for the Study of Intelligence, 1999).

⁷⁶ Shlaim, p. 357 ff. Shlaim also discusses group dynamics as a psychological factor at the organizational level.

⁷⁷ See Hulnick, p. 2.

⁷⁸ John Hughes-Wilson groups case studies of military intelligence failures under "failures of collection, of collation, and of interpretation with a particular hell being reserved for failures to disseminate intelligence to those who really needed it." *Military Intelligence Blunders* (New York: Carroll & Graf, 1999), p. 15. See also Michael Turner, *Why Secret Intelligence Fails* (Dulles, VA: Potomac Books, 2005). Turner's thesis is that the intelligence process itself is at the root of most failures.

1.5.3. Structuring the Focused Comparison

The second task in this method is to prepare a standard set of probing questions – based on the theoretical framework and the hypotheses being tested – to be applied to each case. In keeping the analysis focused on the theoretical construct being investigated, the questions also serve to guide the investigator in the collection of data. Scholars and journalists have previously analyzed most of the cases selected for this study, so the purpose of this analysis is not to uncover new facts about the incidents but to take a new look at them by asking different and interesting questions.

The third task involves identifying and quantifying (or “operationalizing”) the prevailing conditions and relevant variables to the extent possible.⁷⁹ The prevailing conditions are described in each case as the actual strategic threat environment – though the policy makers’ perception of that threat environment may not correspond accurately to reality.

Although there is an almost endless number of variables that might be considered, a smaller number appear to be most relevant and likely to have the greatest influence on the cases.⁸⁰ In this study, each probing question is explicitly tied to an independent variable that may have played a role in each case. The independent variables are grouped together according to the relevant area of theory addressed above.

⁷⁹ Hybel, p. 19.

⁸⁰ There are some variables that will vary little from one case to the next. For example, despite the fact that the intelligence work done by CIA, FBI, State, INS, and the military varies somewhat, they all share similar fundamental beliefs about individual rights and face similar political and legal constraints upon police power, and they all have advanced surveillance technology available to them. It is impossible to “control” all the variables, but for the purposes of this study, these last few variables will be assumed to be relatively constant.

Table 1.1 Probing Questions

Theoretical Realm	Probing Questions based on Independent Variables
Leadership	<ul style="list-style-type: none"> • Did key policy makers have an accurate perception of the real threat environment? • To what extent did psychological factors (such as motivated bias, wishful thinking, etc.) shape those perceptions? • What areas of American public policy had implications for the threat environment that were unseen or ignored by policy makers?
Organization	<ul style="list-style-type: none"> • To what extent did attitudes and culture within the law enforcement and intelligence community affect collection and analysis? • Was interagency coordination or information sharing a significant factor? Were there restrictions on the vertical sharing of information? • How did institutional self-preservation affect it? Were there other internal organizational problems that impacted the ability of the agency to deal with the situation? • Are there other organizational problems unique to this case?
Information	<ul style="list-style-type: none"> • To what extent were the available strategic threat indicators understood and shared? • Were warning indicators available that revealed some portion of the terrorists' plans? Were they lost in signals-to-noise? • To what extent did the government fail to learn from information and experiences in the past?
Analysis	<ul style="list-style-type: none"> • Were there breakdowns within the intelligence cycle that contributed to the failure? • Did analytical bias creep into assessments of the threat environment and/or warning indicators? • Was analysis handicapped by collection failures such as the lack of human intelligence or signals intelligence?

1.5.4. Selection of Cases

The final task in the structured, focused comparison method is specifying and providing the rationale for the selection of the cases used in the analysis. Four primary cases are included in this dissertation, with the conclusions from the first four being applied to one final case:

- (1) the World Trade Center bombing
- (2) the Murrah Federal Building (Oklahoma City) bombing
- (3) the Khobar Towers bombing
- (4) the U.S. Embassy bombings
- (5) the 9/11 attacks

Several factors influenced the selection of these cases. First, the cases all share a common outcome – a terrorist attack that produced large numbers of casualties.⁸¹ The use of such cases (where there is no variance in the dependent variable) does not necessarily lead to selection bias.⁸² In fact, equifinality – the existence of alternate paths to the same outcome – permits the investigator to explore those different paths and arrive at contingent generalizations that may have more usefulness than larger covering laws.

Second, there is a general agreement among observers that all of the incidents were indeed failures that permitted mass casualty incidents. Journalistic accounts and legislative

⁸¹ What constitutes a “mass casualty incident”? A Hamas car bomb that injures 3 soldiers probably does not fit the definition. A school shooting in San Diego that kills two and wounds 14 may fit the definition. A chemical weapons attack that kills six and wounds 6,000 does fit the definition. There are no definite numbers on the sliding scale from a single casualty to mass casualties, but attacks that injure scores or kill a dozen or more people at once seem to generate the public anxiety and media attention that give rise to those attacks being labeled as mass casualty incidents. Therefore, based again on a fairly broad definition, the case studies chosen all involve death or injury to large numbers of people as the result of intentional terrorist attack. For a very good review of and chronology of mass casualty attacks, see Chris Quillen, “A Historical Analysis of Mass Casualty Bombers,” *Studies in Conflict & Terrorism*, 25 (2002), pp. 279-292.

⁸² Bennett and George, *op cit*.

investigations questioned how such events could have been allowed to happen. Third, all of the cases were mass casualty events where some indicators were available beforehand, regarding the magnitude, immediacy, or nature of the threat. Subsequent analyses of the incidents have been critical of the intelligence agencies for not paying heed to warnings; the typical response to such criticisms is often that such warnings were not specific and credible enough to warrant an immediate response. Such criticisms and responses will be explored in these cases.

Fourth, the law enforcement and intelligence communities in each case are largely similar in terms of their stage of institutional growth, common institutional pathologies, professionalism and reputation for competence, and democratic legal constraints on abuse of power. There are some variations among the intelligence and law enforcement agencies reviewed here, including their organizational structure, missions, and capabilities. The Khobar Towers and U.S. Embassy bombing cases took place overseas, but we are primarily interested in the U.S. intelligence community, not the local authorities.

Fifth, because of the perceived availability of warnings in each of the cases, they offer an opportunity to investigate whether mass casualty incidents are inevitable or can be avoided. Most of the intelligence failure literature points us to the conclusion that such failures are unavoidable, but that does not sit well with those who believe that the appropriate application of science and intellect (as well as money) will allow government to thwart terrorism on every front. The implications for intelligence direction, collection, analysis, and budgeting may be significant.

The cases selected do not constitute the entire population of intelligence failures leading to mass casualty terrorism incidents, nor are they a purely random sample. They are a purposive sample, meant to hold certain variables constant (or within a reasonable range, like the relative

importance of legal controls on domestic surveillance) without ruthlessly enforcing uniformity on the cases. Five cases is a small sample by the standards of quantitative research, but the universe of possible cases is fairly limited, and the method of structured, focused comparison allows for careful, in-depth analysis of a small number of cases.

1.6. CHAPTER OUTLINE

Chapter Two looks at the first bombing attack against the World Trade Center in New York City on February 26, 1993. We review important details of the bombing, many of which emerged years later, including warning indicators of the impending attack. The chapter highlights particular problems with perceptions of the new post-Cold War threat environment, enforcement of immigration policy, the use of confidential informants, and the FBI's failure to follow up earlier investigative leads.

Chapter Three covers the April 19, 1995 bombing of the Murrah federal building in Oklahoma City. It reviews not only the facts of the government's case against Timothy McVeigh and Terry Nichols, but also a number of the alternative explanations and conspiracy theories encouraged by yet-unanswered questions about the attack. We focus on the rise of the Patriot movement as a new and unrecognized element in the threat environment, and the legal restrictions imposed on domestic intelligence collection.

Chapter Four reviews the bombing of the Air Force housing complex at Khobar Towers, Saudi Arabia, on June 25, 1996. We examine the series of official investigations into the bombing, including the various explanations given for that intelligence failure. The chapter focuses on the misperception of the threat environment, as well as staffing and funding problems,

mission creep, unanticipated repercussions of American foreign policy, and failure to learn from recent events.

The August 7, 1998 bombings of the U.S. Embassies in Nairobi, Kenya and Dar es Salaam, Tanzania, are the subject of Chapter Five. We review details of the attack, including warning indicators that were missed. Once again we highlight a poor understanding of the threat environment, inadequate funding for facility security, and the failure of the law enforcement approach to counterterrorism.

In Chapter Six we apply the insights into leadership, organization, warning, and analysis from the first four cases to the suicide hijackings of September 11, 2001. We review Clinton and Bush Administration policies pre-9/11, the work of the 9/11 Commission, and the availability of threat and warning indicators. The chapter reviews and expands on the findings and the official recommendations of the Commission.

Finally, in Chapter Seven we summarize the findings from the five cases and draw a series of conclusions. We finish with a commentary on several of the key recommendations of the 9/11 Commission as well as some of our own policy recommendations on how the United States can and should fight the war on terrorism.

2. FEBRUARY 26, 1993: THE WORLD TRADE CENTER

2.1. INTRODUCTION

Late in the morning of February 26, 1993, several men drove into the B-2 parking level of the World Trade Center in New York City with a Ryder rental van loaded with a 3,000-pound bomb made of urea nitrate and nitric acid. At 12:18 p.m. the van exploded, creating a huge crater in the parking garage and heavily damaging the building's water and electrical systems. The explosion killed six people and injured more than a thousand with injuries from shrapnel to broken limbs to smoke inhalation. Speculation that the explosion might have been an electrical transformer quickly shifted to certainty that a bomb had done the damage, thanks to evidence recovered at the scene and by claims of responsibility phoned in to the New York *Daily News* and a letter sent to the *New York Times*. The terrorists later confirmed that they had intended to topple one building into the other and kill tens of thousands.

Within days of the bombing, one of the conspirators was arrested when he tried to collect his security deposit on the rental van, and several other members of the group were arrested. Within three weeks one of the terrorists who had fled the country to Egypt was returned to U.S. authorities. But Ramzi Yousef, the master planner, escaped to Pakistan, and it would be more than two years before he was brought to justice. One other known member of the group fled to Iraq and remained there for many years. All of the participants were men of Middle Eastern

descent who centered their activities and lives on a radical Muslim mosque and community in Jersey City, New Jersey. At one time or another, each of the terrorists had been observed by law enforcement or intelligence organizations, and indeed informants inside the group had warned authorities about bomb plots, but the plan was executed without any impediment.

The initial group of conspirators had been planning a terrorist campaign in the hopes of springing out of jail a comrade and convicted murderer, El Sayyed Nosair. But their plan was limited to pipe bombs, and they did not have the skills needed to build even those correctly. Late in the summer of 1992, someone called in Yousef and Ahmad Ajaj. The two were experts in building explosive devices, and had studied together in the terrorist training camps of Afghanistan. They brought with them detailed manuals on bomb making, and despite Ajaj's arrest on his way into the country, Yousef built a large, complex bomb with chemical accelerants as well as hydrogen gas to enhance the bomb's impact.

Who knew to call in – or send in – Yousef and Ajaj? The initial group had to have been connected to a larger terrorist network to know how to reach out for these experts. In fact, Nosair may well have been connected to the Abu Nidal terrorist organization. But their aims were far more limited than the objectives of the large-scale bombing plan. More likely, an outside player – like Osama Bin Laden or Saddam Hussein – became aware of the limited plot and sent in known and reliable experts Yousef and Ajaj with the intent of creating a much larger incident. In either case, the investigation and prosecution of the bomb plotters did not unveil who else might have been behind the bombing.

The 1993 bombing was the first large-scale terrorist attack in the United States – that is, the first mass casualty incident taking place on U.S. soil. There had been bombings in the U.S. by anarchists and Puerto Rican nationalists, and attempted bombings by Armenian groups among

others, but none on the scale of the first bombing of the World Trade Center. Commentators at the time presciently suggested that this might be a watershed moment in American history and in Middle East relations. Investigators discovered a letter saved on the laptop computer of one of the conspirators, which said that the bomb did not do as much damage as they had hoped because their calculations were not accurate. It warned that the World Trade Center would continue to be a target, and they would be more precise in the future.⁸³

The new President did not see the event as a watershed. As a two-term governor and former law school professor, Clinton perceived the event to be a criminal matter rather than a national security threat. This was a long-standing American view of terrorism: as a law enforcement problem.⁸⁴ In his weekly radio address the day after the bombing, the only public comments President Clinton ever made about it, he referred to “the tragedy that struck Manhattan” and an “explosion” – but not a “bomb,” despite the fact that FBI Director William Sessions had told him that morning that the FBI was confident it was a bomb and not an accident. Clinton reassured the public that he had promised New Yorkers the “full measure of federal law enforcement resources” including the FBI and the Treasury Department, who would “find out who was involved and why this happened.” He did not deplore the attack, and said nothing about hunting down or punishing the perpetrators or their sponsors. He immediately moved on to his economic stimulus package; in less than one minute, he had dismissed the first major terrorist attack on U.S. soil.⁸⁵

⁸³ J. Gilmore Childers and Henry DePippo, prepared testimony before the Senate Judiciary Committee, Subcommittee on Technology, Terrorism, and Government Information, February 24, 1998.

⁸⁴ See Andrew McCarthy, “What About the Wall?” *National Review*, April 13, 2004, online.

⁸⁵ Richard Miniter, *Losing Bin Laden: How Bill Clinton’s Failures Unleashed Global Terror* (Washington, DC: Regnery Publishing, 2003), pp. 29-30. Miniter suggests further failures by Clinton after the attack: he left the WTC investigation “in the hands of the FBI, led by a man [William Sessions] he did not trust and was waiting to fire....” and he failed to meet with CIA Director James Woolsey to even discuss possible responses to terrorism.

True to the President's message, the investigation of the bombing plot was carried on as a criminal investigation, not as a national security investigation, which limited the scope of the inquiry. A former prosecutor later commented that "you're not likely to get the answers to [sponsorship] questions in the context of a criminal trial because the prosecution is much more limited."⁸⁶ This focus on legal prosecution of a small set of individual defendants rather than investigation and retaliation against the terrorist cell's sponsors and support network – wherever they might be located – caused the law enforcement and intelligence community to overlook the connections between Ramzi Yousef and his New York cell and the much larger global terrorist network then emerging as al-Qa'ida. This would be crucial at Khobar Towers and the East African embassy bombings.

2.1.1. What was the nature of the surprise?

The first bombing of the World Trade Center in New York was an enormous surprise to policy makers and the American public. It was the first mass casualty terrorist incident in the United States in recent memory, although there had been plenty of terrorist incidents in the previous two decades, including bombings in New York by Puerto Rican nationalists and an unsolved bombing at LaGuardia Airport in 1975 that killed eleven people. Although it was technically nothing new, the immediate public response to the bombing was profound. Two days after the bombing, the *Dallas Morning News* reported:

“Even New York, the City of Cynics, was jolted by the explosion in its two tallest buildings. On Saturday, normally jaded urbanites worried about the fate of the world as they gawked at the damage to the World Trade Center in lower Manhattan. Uptowners or downtowners, immigrants or third-generation Brooklynites, everybody wondered aloud whether the blast was a one-time scare

⁸⁶ Hendry De Pippo, in the *New York Times*, August 4, 1997; quoted in Laurie Mylroie, *Study of Revenge: Saddam Hussein's Unfinished War with America* (Washington, DC: The AEI Press, 2000), p. 116.

or the beginning of a hellish terrorism campaign.... The mysterious bombing was a catastrophe made to order for a city in the midst of a tabloid newspaper war. The giant headline on *New York Newsday's* cover: "No One Is Safe." The *New York Post* included a special "Twin Towers Terror" section. Mike McAlary, star columnist for *The Daily News*, wrote: "A foreign terrorist's bomb has ripped apart the American psyche. Lockerbie has come to a fantastic Manhattan address."⁸⁷

The same day, the *Boston Globe* suggested that the psychological effects spread beyond New York:

"It is too early to tell if the suspected bombing of the World Trade Center in New York was a mad aberration or the first sign of a frightening new trend in international terrorism. But one thing was immediately clear: America's sense of security seemed shaken like the damaged skyscrapers by Friday afternoon's explosion. The massive news coverage of the explosion left many Americans and their elected officials wondering if dangers faced by the residents of Belfast or Bogota might become a part of everyday life in the United States."⁸⁸

Strangely, the long-term effect on the American psyche was not as significant as might have been expected. The event did not lead to long-term efforts to improve intelligence, counter-terrorism, or physical security. It perhaps broke the ice, but it was really the 1995 Oklahoma City bombing that first brought the American populace face-to-face with mass casualty terrorism. Even so, efforts to improve the nation's security against terrorism were mostly small-scale (like PDD-39) until after the attacks of September 11, 2001 that brought down the World Trade Center towers. Perhaps the first WTC bombing failed to have a lasting impact because there were few people killed and life in New York City and the rest of the country quickly returned to normal. Or perhaps the public's view of the terrorist threat was diminished because

⁸⁷ David L. Marcus, "NY tightens security after blast," *The Dallas Morning News*, February 28, 1993, p. 1A.

⁸⁸ John Farrell, "Suddenly, questions of security jolt America the invulnerable; Explosion in New York," *The Boston Globe*, February 28, 1993, p. 1.

the terrorists were described as belonging only to a “loose network” rather than to a state intelligence service.⁸⁹

The bombing was a behavioral and technical surprise because it was the first time that Islamic radicals – or their state sponsors – had struck at the U.S. homeland. It was perhaps the first strike in the clash between the West and Islamists that has continued for more than a decade. Or was it a continuation of the Persian Gulf War?⁹⁰ Experts suggested immediately that the event might be a defining moment, beginning a new chapter in global terrorism, and local political leaders in New York and New Jersey quickly echoed their dire predictions. But the intelligence community and policy makers together had failed to comprehend the indicators of a significant terrorist threat against the United States. This was due to confused priorities for intelligence collection and a mistaken perception of trends in terrorism.

At the operational and tactical levels, the government failed to interdict the World Trade Center bombing plot at a number of important points. It allowed individuals with known links to terrorism into the country, including the blind Egyptian cleric Sheikh Omar Abdel Rahman, who inspired the plotters. The FBI was aware of Egyptian radicals operating in New Jersey, including many of the bomb plotters, but was unable to gather enough information on their intentions in part because it had difficulty in managing its confidential informants inside the group at precisely the time when the bombing plot began to materialize. It also failed to connect Sayyed Nosair, the assassin of radical Jewish rabbi Meir Kahane, with the larger radical Muslim group and its religious leader, or to capitalize on evidence seized in his case.

⁸⁹ See Mylroie, pp. 116, 181, 207. Mylroie argues that the trials of the bombers focused attention on the individual defendants, obscuring the difference between individual culpability and state sponsorship of the attack.

⁹⁰ See Noel Koch, “Saddam’s Secret Allies: The Legions of Terror,” *The Washington Post*, September 23, 1990, p. B1.

Finally, the government – and this included federal, state, and local authorities – failed to protect adequately the World Trade Center and its residents. Such protection should have included countersurveillance, improved security patrols, restrictions on physical access, and structural changes and improvements. Following the bombing of the U.S. Marines barracks in Lebanon in 1983, and a host of other car and truck bombings around the world (including Spain, Ireland, and Colombia), important buildings and landmarks in the United States should have been better protected against this kind of attack. The Port Authority of New York, which had responsibility for security at the World Trade Center, knew from internal analyses that the parking garage in the building was a security risk but did nothing about it.

2.2. LEADERSHIP FAILURES

2.2.1. Psychology, Perception and the Threat Environment

In the early 1990's the focus of the international security environment had shifted from the Cold War balance to globalization, human rights, drug trafficking, nationalist insurgencies, and economic security. Conventional wisdom held that the threat of terrorism against the West had diminished. Scholars of international security added many new topics to the security “agenda,” and the intelligence community was faced with a complex threat environment filled with different targets and priorities. The shifts in focus and concepts reflected some important perceptions and assumptions about the nature of the threat environment facing the United States.

The Cold War had ended, and the inception of a “New World Order” meant an opportunity to reshape the global system. It was the presumed victory of liberalism over realism in international relations, of multinational norms and agreements on peace over the harsh realities

of national interests and security. There was a seething undercurrent of violence underlying the appearance of world peace, from genocide in Rwanda and Bosnia, to civil wars in Yugoslavia and Chechnya, to terrorism in Sri Lanka and Kashmir. But to true believers, these crises merely presented opportunities to test the newest tools – diplomacy and multinational peacekeepers. It was assumed that these were adequate for resolving conflict, and that the United States could rely on them without taking recourse to its own interests and strengths.

Cultural bias in the West also led to misunderstanding of the Middle East and the roots of terrorism. Anti-Arab sentiment in the West has never been as strong as anti-Semitism, despite the protests of Arab advocacy groups, but there have been some common images of Arabs in the Western mind. Swarthy Arabs were completely incapable of attacking America because they were not all that smart. There was disdain for the “mob mentality” of the “Arab street,” and Arab rulers were generally (often accurately) known as despots and tyrants. Any culture that oppressed its women as Arabs did could not be the root of any kind of enlightenment. Western intelligentsia would never acknowledge holding any of these views even in secret, but their presumed intellectual superiority to everyone led them to underestimate their opponents – mullahs, rulers, and peasants – and their motivations.

The intelligence and law enforcement community had similar biases. An FBI source told journalist Peter Lance: “There were supervisors in the New York office who came from this arrogant point of view that nobody was ever going to attack the United States. To them these Muslims were not a threat. They were a Bedouin people running around the desert with no education. We were the big bad USA, smart and intelligent, and they weren’t.”⁹¹

⁹¹ Peter Lance, *1000 Years for Revenge: International Terrorism and the FBI – the Untold Story* (New York: Regan Books, 2003), p. 113.

Cultural biases and the attitudes of policy makers are ingrained and not entirely conscious, but they are relatively easy to assess. More difficult are deeper psychological factors that shape the perceived threat environment. One of the carryovers from the Cold War era was a continued subconscious belief in the efficacy of deterrence theory. Deterrence, backed by force and calibrated carefully, had served the United States well for fifty years in its conflict with the Soviet Union. It appeared to work against terrorists, too, given the way Libya's Muammar Qaddafi went to ground after being bombed by the Americans in retaliation for his support of terrorists. Potential opponents were presumed to be rational actors – nobody could really be crazy enough to go up against the might of the American military. Even when they were that crazy, all the United States had to do was flex a little muscle – shoot off several dozen cruise missiles – and deterrence was restored and reinvigorated. But there are a number of important problems with perception and misperception in deterrence situations, and it is not certain at all that deterrence even applies in terrorism.

Jervis writes that statesmen are subject to both motivated and unmotivated (cognitive) biases as they attempt to simplify perceptions to help make sense of their environments. Although unmotivated biases like over-reliance on theory, or inferences based on the availability of historical cases are significant, they are less relevant in the current case than motivated biases. These biases “influence threat perception. The inferences statesmen draw often serve functions other than reality appraisal.... [T]he needs of decision makers and their states can strongly influence whether others are seen as threats, the kind of threats they are seen as presenting, and the best way of dealing with the threat.”⁹²

⁹² Robert Jervis, Richard Ned Lebow, and Janice Gross Stein, *Psychology and Deterrence* (Baltimore: Johns Hopkins University Press, 1985). From Jervis' chapter “Perceiving and Coping with Threat,” pp. 24-25.

The end of the Cold War did not mean that the United States could abandon its position of global superpower and allow diplomats and lawyers to promise peace through words instead of peace through strength. But the Clinton Administration was determined not to let international affairs, including terrorism, get in the way of its domestic agenda. After the bombing of the World Trade Center, President Clinton publicly proclaimed that the “individuals” involved would be brought to justice, ignoring any possibility of state sponsorship of the bombing. The Cold War was over and there was enough to accomplish on the home front; there was no need to go looking for trouble internationally. The motivated biases of the Clinton Administration – including the need to focus on domestic issues – influenced its outlook on terrorism even before the Inauguration, but they would have a more serious effect in the later mass casualty incidents of the 1990’s.

The real threat environment in early 1993 was complicated. Saddam Hussein was still in power and causing trouble over UN inspections, but his ability to hurt the United States appeared to be fairly limited. China and North Korea were still Communist states, and presented moderate if not pressing security threats. The Israeli-Palestinian conflict was ongoing, as was the terror campaign in Northern Ireland. Drug trafficking continued to be a major problem in Latin America and Asia. Nationalist civil wars were emerging in Africa and southern Europe. U.S. troops were on the ground in Somalia in a relief effort-turned-peacekeeping mission. The biggest international security threat seemed to be the lack of control over the nuclear forces of the former Soviet Union as it lurched toward disintegration.

In the midst of all this, assessment and appreciation of the continuing threat of international terrorism seems to have diminished within the intelligence and law enforcement communities. But terrorist cells were still operational the world over. In New York, the group including

Sayyed Nosair had been planning bombing attacks since at least 1990. Terrorist incidents continued to occur regularly throughout 1991 and 1992; the decline in the number of American casualties lulled authorities into believing the threat was diminishing.

2.2.2. Setting Priorities for Intelligence Collection

As an outgrowth of the perceived threat environment, the government's intelligence priorities were not clear, resulting in a tendency to collect information on a lot of different topics without focusing on low-probability but high-risk threats like terrorism. It was not that the government had failed to devote considerable thought to the implications of the end of the Cold War. It was clear that while the bipolar world had constrained a number of state and non-state actors, with the U.S. and Russia no longer tightly controlling their proxies, they were free to act. Departing Secretary of Defense Dick Cheney told Congress in January 1993 that:

“Diminished superpower competition appears to have unleashed many long-submerged ethnic, religious and nationalist forces.... Those lesser powers which seek to challenge the United States tend to be well-financed and have many weapons from which to choose, including terrorism, insurgency, subversion, sabotage and drug trafficking.”⁹³

The administration of President-elect Clinton was aware of the changed world situation. Secretary of State Warren Christopher testified during his confirmation hearings that: “The end of the Cold War has lifted the lid on many cauldrons of long-simmering conflicts.... Nor will this era lack for its ruthless and expansionist despots. Saddam Hussein confirms that fact almost

⁹³ Farrell, op cit. It was not just nation-states that emerged as threats when the Cold War ended. Nationalist movements that had taken on the trappings of political philosophy (e.g., communism) to justify their civil wars and terrorism were now reverting to religious and nationalist bases for their beliefs. The mujahedin of Afghanistan, ardent anti-Communists when fighting Soviet invaders, turned out to be nationalists and Islamists. Their turn toward radical Islam was aided by Pakistan, an erstwhile ally against Communism but at heart a country bitterly divided over secular versus religious power and control. But the intelligence community apparently had not at the time considered the possible negative “blowback” from their support for the Afghans.

every day.” In advocating the new Clinton foreign policy strategy, Christopher mentioned that along with globalization, democratization, human rights, poverty, the environment, and conflict in the former Soviet Union, the nation must also consider “the rise of new security threats, especially terrorism.”⁹⁴

This articulation of a foreign policy strategy with many different objectives did not provide much guidance for the intelligence community on where to target its intelligence gathering efforts. To be fair, the intelligence failures that led to the World Trade Center bombing one month into Clinton’s first term pre-dated the advent of this new, somewhat haphazard strategy. By early 1993 the intelligence community had had more than three years to begin developing new priorities and strategies for collecting intelligence, yet it seems that terrorism got lost in the shadows of other issues like conflict in the Balkans, Russian democratization, Iraq’s continued struggle with United Nations inspectors, and economic relations with Asia.

When strategic priorities for the collection of intelligence changed – or perhaps *dispersed* – so did the allocation of resources. In 1991, FBI Director Williams Sessions reassigned 350 agents from counterintelligence to other functions.⁹⁵ In 1992 he transferred another 1,300 agents out of intelligence into other work. Even a year after the World Trade Center bombing, the FBI was devoting up to a quarter of its resources to the drug war, despite the existence of more than 7,000 agents and support staff at the Drug Enforcement Administration. According to a retired FBI counterterrorism specialist, “The drug war was the big thing back then, and terrorism was way on the back burner.” A former SAC for the Phoenix FBI field office agreed that

⁹⁴ Warren Christopher, statement before Senate Foreign Relations Committee, January 13, 1993.

⁹⁵ Terrorism expert Neil Livingstone blamed “weak leadership” at the FBI for its failure to deal with the terrorist threat, including the reassignments from CI. In M.P. McQueen, “Prevent Defense; Experts: U.S. Can’t Stop Them,” *Newsday* (New York), March 10, 1993, p. 33.

international terrorism was “job four” at his office in the mid-1990’s.⁹⁶ These years also marked the beginning of a decade-long slump in the number of analysts at the CIA and the State Department, as well.

Even if the intelligence community had focused its priorities and resources on terrorism, it is possible that it may still have failed to collect intelligence against the most important emerging threats. The conventional wisdom was that state-sponsored terrorism against Western countries had subsided by the beginning of the 1990’s, following the U.S. bombing of Libya in 1987 in response to its support for terrorism, and the failure of Saddam Hussein to execute successfully his promises of retaliation during the Persian Gulf War.⁹⁷ Syria and Iran continued to support terrorist groups like Hamas and Hezbollah, but their primary operational area was the Middle East. Further investigation would reveal that the 1988 bombing of Pan Am flight 103 over Lockerbie, Scotland had been the work of Libya – disproving the conventional wisdom – but in early 1993 the immediate suspects in the World Trade Center bombing seemed to be drug lords or individuals involved in the civil war in Yugoslavia.

2.2.3. Failures of Public Policy Leadership

For the purposes of this study, we have defined policy failure in fairly broad terms. There are three areas of U.S. policy that one might argue persuasively were failures, in whole or in part, that influenced the World Trade Center bombing. Outlined below, these include U.S. policy toward Israel and the Palestinians, toward Iraq, and the enforcement of immigration laws. But it

⁹⁶ Lance, p. 210.

⁹⁷ According to one source, unbeknownst to the public, the U.S. Intelligence Community thwarted more than 30 attacks by Iraqi-sponsored terrorist cells during the Persian Gulf War.

is important to distinguish between broad policy failures, failures related to oversight, and policy failure as it pertains to the collection and use of intelligence, as has just been discussed.

2.2.3.1. Policy toward Israel and the Palestinians The 1993 bombing conspirators sent a letter to the *New York Times*, claiming that the attack was retaliation for U.S. support of Israel. The real motive may indeed have been U.S. policy, although there may have been a variety of motives involved, including the hope of freeing Nosair, anti-Semitism, and retaliation for the Gulf War and the UN inspections in Iraq. But Islamic fundamentalists and terrorists in this case and in many others chose to highlight U.S. policy in the Middle East; in fact, the plight of the Palestinians had become the ostensible cause behind most advocacy of violence by fundamentalists.

The United States has failed consistently over the past two decades and more to grapple fully with the conflict between Israel and the Palestinians. The U.S. has not been seen as an honest broker in the conflict, because the approach for many years has been to show clear favoritism to one side and then abruptly favor the other – usually more in response to domestic political pressure than to realities on the ground in the Middle East. This is true of both Republican and Democratic administrations. In the late 1980's, support for Israel was particularly strong, both because of President Reagan's interest in supporting democracies and in part because of the recent U.S. withdrawal from Lebanon. At the same time, Yasser Arafat and the Palestine Liberation Organization (PLO) were still openly committed to terrorism and the destruction of the Jewish state, and were not deemed by the world community to be the legitimate representatives of Palestinian interests.

The ongoing problem of Palestinian statehood is not just a failure of U.S. policy, but a failure of the United Nations to fulfill its mandate and of the former colonial powers in Europe to deal with the mess they left behind. Some of those colonial powers have proudly proclaimed for years that they could see that the Palestinian issue was at the heart of Arab resentment against the United States; unfortunately they have not been as ready with solutions as with criticism. More importantly, both the plight of the Palestinians and anti-Semitism are merely covers for what may be the real reason for Arab resentment – the failure of secular governments in the post-colonial Middle East to provide the political freedom and economic success demanded by their people. In response to the failed promises of corrupt secular governments, the people have turned to religious leaders for their hope.

Where Islamists have little influence over their secular government (as in Egypt and Algeria), they focus on the overthrow of the internal government and establishment of a Muslim state. Where they hold influence (as in the Sudan and Saudi Arabia) or control (as in Iran), fundamentalist clerics turn much of their attention to combating the political and cultural influence of the West – including support for terrorism against U.S. interests. By doing so they effectively prop up the regimes they despise for being too secular, but they protect their own lives and livings. Their Anti-American and anti-Semitic rhetoric masks the real problems in these countries.

Even a devoted and completely even-handed effort by the United States might not resolve the Palestinian issue; there are many factors involved, and U.S. influence is only one of them. After the attacks of 9/11, from the chanceries of Europe to the streets of the Middle East, people excoriated the Americans for siding with Israel against the Palestinians, stating clearly that U.S. policy had created motivation for the terrorists. Yet even after President Clinton brought Israel

and the PLO together in the Oslo Peace Accords in 1995, terrorists attacked American servicemen in Saudi Arabia in 1995 and 1996 and the U.S. embassies in East Africa in 1998. It might be argued that the failure of the United States – and the world – to force a resolution of the conflict upon the Israelis and the Palestinians has allowed the conflict to remain a rallying cry for terrorists. But based on the actions of the terrorists even in the immediate wake of apparent progress in resolving the conflict, it seems unlikely that such a resolution will dramatically affect terrorist recruitment and mobilization. U.S. policy in the Middle East during the 1980's and early 1990's might have encouraged terrorism, but better policy might not have discouraged terrorism, either.

2.2.3.2. Iraq Policy If indeed Iraq was behind the WTC bombing, then there is a direct connection to the failure of American and UN policy towards Iraq. Two books lay out important evidence suggesting Iraq's involvement in the attack, Simon Reeve's *The New Jackals*, and Laurie Mylroie's *Study of Revenge*. Some of the evidence has already been described, but it is worth reviewing.

First, timing – Ramzi Yousef claimed that they picked the date because they had run out of money and had to flee the country, but he used a first-class ticket to get away, and investigators found more than \$2,500 in a bank account afterwards, both of which indicate having time and money. February 26th was not just a random date, it was the second anniversary of the liberation of Kuwait. Second, Abdel Rahman Yasin, one of the conspirators, fled to Baghdad after the bombing and openly worked for the government; it is hard to tell if he had an official Iraqi connection at the time of the bombing, but it is possible. Third, Salameh had made nearly 50 phone calls to his uncle Qadri Abu Bakr, a senior fundraiser for the PLO, who lived in Baghdad;

it is unlikely that Iraqi intelligence was unaware of their relationship. Fourth, Ramzi Yousef traveled on an Iraqi passport; he had connections to the MOK, an anti-Iranian terrorist group supported and operated out of Iraq; and he was from Baluchistan, a region in Iran which had been fertile recruiting ground for Iraqi intelligence. Finally, there were other attempted revenge attacks, in the Philippines in 1991 and against former President Bush in April 1993.⁹⁸

Recognizing the possibility that Saddam was behind the bombing plot or was aware of it, the failure of U.S. policy toward Iraq may have contributed to the incident. Many have suggested that President Bush failed to finish the Persian Gulf War of 1991 by sending coalition forces on into Baghdad to remove Saddam from power. Given the limited objectives laid out by the UN Security Council (the removal of Iraqi forces from Kuwait), and the fractious nature of the coalition, Bush would have been in a difficult position had he tried to march on Baghdad. The failure to expel Saddam from Iraq when the allies had the opportunity in 1991 rests on the United States, the Security Council, and the coalition members.

Yet there was another opportunity to contain Saddam, when it came time to negotiate the surrender of Iraqi forces. But the terms of surrender were not unconditional, and the opportunity was missed to force major changes in Iraqi behavior.⁹⁹ The coalition required Iraq to return promptly all POW's, compensate Kuwait for damages and restore stolen property, renounce its territorial claims on Kuwait, and comply with the relevant UN Security Council resolutions. Saddam never renounced his claims, and he never provided the UN with unfettered access to his WMD programs to prove he had eliminated them.

⁹⁸ Simon Reeve, *The New Jackals: Ramzi Yousef, Osama Bin Laden and the Future of Terrorism* (Boston: Northeastern University Press, 1999), pp. 246-248.

⁹⁹ A LexisNexis search of major newspaper in February and March 1991 yields a number of references to "unconditional surrender" prior to March 1st, and none afterwards.

The allies had won a dramatic, decisive, and rapid victory at a relatively low cost of life to its forces, but the coalition was not durable enough to force Saddam's compliance after the war. Within a year he was again openly confronting UN weapons inspectors, firing on allied fighters enforcing the no-fly zones, and wiping out opposition groups in the north and south of Iraq. U.S.-Iraqi relations settled down into a low-grade, two-phase war – an impersonal one in the air over Iraq, and a personal one on the airwaves, with the two presidents trading televised barbs and threats like schoolboys.

A week before his inauguration in January 1993, President-elect Bill Clinton did an interview with the *New York Times* where he indicated that he was ready for a fresh start with Saddam Hussein. *Times* reporter Thomas Friedman rather uncharacteristically gushed:

What was most striking about the interview was Mr. Clinton's tone on Iraq. It was matter-of-fact and almost laconic in its self-assurance. With neither bluster nor apparent anxiety, the President-elect repeatedly warned Mr. Hussein not to test him or underestimate him. But he seemed equally comfortable signaling the Iraqi leader that he could have a new relationship with the new Administration, if he complies with United Nations requirements.¹⁰⁰

Excerpts from the interview are more revelatory than the news analysis. Asked about what he would do to force Hussein's compliance with UN sanctions, he said, "I wouldn't rule out reviewing our options in the future.... I'm not obsessed with the man..." On normalizing relations with Iraq, Clinton stated: "I can't imagine having normalized relations with Iraq with the sort of behavior that characterizes what they did." But he left the door open: "Based on the evidence that we have, the people of Iraq would be better off if they had a different leader. But my job is not to pick their rulers for them. I always tell everybody, 'I'm a Baptist; I believe in deathbed conversions'."

¹⁰⁰ Thomas Friedman, "The New Presidency: Clinton Backs Raid but Muses about a New Start," *New York Times*, January 14, 1993, p. A1.

There were other mixed signals in Clinton's message. He stated that "I still think our first priority is to rebuild America at home, economically and otherwise." He added later in the interview that "the main thing is we can't do anything or give him or anyone else the slightest indication that we are wavering."¹⁰¹ But that is precisely what his statements did, by offering to accept a "deathbed conversion." At a press conference the next day, Clinton insisted that he had been misquoted by the *Times* and that he had no intention of normalizing relations with Saddam or changing the Bush Administration's policies toward Iraq.¹⁰² The damage was done, and Secretary of State Warren Christopher and White House Spokesman George Stephanopoulos were at great pains thereafter to restate the President's commitment to a hard line on Iraq.

Clinton's apparent offer to normalize relations, his emphasis on putting domestic issues first, and other statements expressing his intent to rely more heavily on the UN provided the opening that Hussein was looking for. On January 19, Saddam offered Clinton a "unilateral ceasefire" and expressed hope for a "new kind of relation based on dialogue and not military force."¹⁰³ Newspapers acknowledged that "Iraqi officials are aware that Clinton was elected to deal with U.S. economic woes, not to make wars abroad...." and that Saddam might count on Clinton being distracted by Bosnia and Somalia.¹⁰⁴

In mid-February, Iraq sent further signals to Clinton. "We think we can turn a new page with the Clinton administration and this is what we are working on now," said a senior Ba'ath Party official. Clinton sent Iraq a welcoming signal when it sent Ramsey Clark, attorney general under Lyndon Johnson, and who had opposed U.S. actions in the Gulf War, Vietnam, Panama,

¹⁰¹ "The New Presidency: Excerpts from an Interview with Clinton after the Air Strikes," *New York Times*, January 14, 1993, p. A10.

¹⁰² Thomas Friedman, "Clinton Affirms U.S. Policy on Iraq," *The New York Times*, January 15, 1993, p. A1.

¹⁰³ Paul Quinn-Judge, "Iraq Makes Offers to UN, Clinton," *The Boston Globe*, January 20, 1993, p. 1.

¹⁰⁴ Terry Atlas, "Hussein Makes His Points to Clinton," *Chicago Tribune*, January 20, 1993, p. 1.

Grenada, and Libya, to meet with Saddam. Speaking of Clinton, Saddam asked Clark, “Is he ready to listen to the viewpoint of Iraq? If he is ready, I simply believe that we can pave the way for building new relations based on mutual respect... regardless of what has happened.”¹⁰⁵

Two weeks later, the bomb exploded under the World Trade Center. Whether or not Saddam Hussein was directly responsible, it is possible that he or his intelligence agencies were aware of the plan, and might have put a stop to it if they wanted to. Mylroie believes that Iraq was directly responsible, and his conciliatory posture was just another one of Saddam’s misleading tricks. Though he had already decided to invade Kuwait, he had fooled U.S. Ambassador April Gillespie – and the Bush Administration – into believing that his intentions were benign when he had 100,000 troops poised on the Kuwaiti border. Similarly, he may well have already decided to exact revenge on America with a terrorist attack before Clinton’s mollifying gestures of early 1993. The failure to finish the Gulf War and remove Saddam from power had left a bitter opponent in power with a number of tools, like terrorism, at his disposal. However, it is nearly universally accepted that the World Trade Center bombers were not in the employ of Saddam Hussein – though they may have been linked to Osama Bin Laden.

2.2.3.3. Immigration Policy Supporters of terrorism have long attempted to enter the United States to meet with their financial and political backers. Occasionally individuals have been denied entrance because they advocate the use of violence for political ends, one of the 33 grounds for exclusion from the United States. Several times in the 1980’s the State Department denied visas to Gerry Adams, a member of the British Parliament and the head of Sinn Fein, the

¹⁰⁵ Nora Boustany, “Saddam: Clinton’s ‘Anti-War Past’ Is a Good Sign,” *The Washington Post*, February 15, 1993, p. A29.

political arm of the Irish Republican Army; the Department argued publicly that this was not for ideological reasons, but because Adams personally supported violence.¹⁰⁶ In 1989 Massachusetts Congressman Barney Frank introduced an amendment to the Immigration and Nationality Act that placed the burden on the Attorney General to prove that an applicant was ineligible for a visa because he was likely to engage in criminal activity related to terrorism during his visit to America. This opened the door wide to all kinds of terrorism supporters, sponsors, and operators who wanted to enter the country.

Under the new regulations, the Sheikh was permitted to enter the United States by the State Department, despite the fact that the Department's own *Patterns of Global Terrorism* in both 1991 and 1992 listed the Sheikh's militant Islamic group as a known terrorist organization. The 1992 report described the group thus:

Al-Gama'a al-Islamiyya (aka: The Islamic Group)

Description: An indigenous Egyptian Islamic extremist group active since the late 1970s; appears to be loosely organized with no single readily identifiable operational leader. Sheikh Omar Abdurrahman [sic] is the preeminent spiritual leader. Goal is to overthrow the government of President Hosni Mubarak and replace it with an Islamic state.

Activities: Armed attacks against Egyptian security and other officials, Coptic Christians, Western tourists, and Egyptian opponents of Islamic extremism. It assassinated the speaker of the Egyptian assembly in October 1990 and launched a series of attacks on tourists in Egypt in 1992. One of the attacks resulted in the death of a British tourist.

Strength: Not known, but probably several thousand hardcore members and another several thousand sympathizers.

¹⁰⁶ Jerome Ogden, "'Ideological Grounds' Are a Myth," *The New York Times*, January 10, 1987, p. A27. Ogden was then Deputy Assistant Secretary of State for Visa Services. In 1989, Deputy Secretary of State John Whitehead made a similar public comment after Adams was denied a visa again; see Kevin Cullen, "Gerry Adams' political shadow world; After US denies his visa, the question remains: Is he or isn't he an IRA member?", *Boston Globe*, August 8, 1989, p. 12.

External Aid: Not known. Egyptian Government believes that Iran and Sudan support the group.¹⁰⁷

The CIA and the FBI had been attempting to coordinate the denial of visas to certain suspects, but in this case the CIA post in Khartoum, Sudan approved the Sheikh's visa without passing the information on to the FBI (according to former FBI Director William Webster).¹⁰⁸ One possible reason for the CIA to allow the Sheikh to obtain a visa was the hope that the U.S. Government might befriend him, because he was perceived as an Egyptian counterpart to Iran's Ayatollah Khomeini – a potential ally if the Islamic movement succeeded in overthrowing Mubarak.¹⁰⁹

It appears that most of the minor players in the bombing conspiracy had entered the US legally. Rahman and Yousef did not. A long procession of Administrations and Congresses failed to force the sluggish INS to improve its enforcement of immigration laws, or to provide it with adequate resources to do the job. But the INS cannot protect national security if it does not have access to information from the CIA and FBI on suspected terrorists. The INS actually followed procedure by permitting Sheikh Omar to enter the country, because the State Department and CIA had approved his visa.

The INS cannot escape blame with Ramzi Yousef, however. Although the front-line INS inspector felt that something was suspicious about this man who switched passports upon arrival and asked for asylum, the lack of space at the detention center was an administrative problem. INS headquarters long before should have dealt with the backlog of immigration cases, slow

¹⁰⁷ U.S. Department of State, *Patterns of Global Terrorism 1992*.

¹⁰⁸ Mark Riebling, *Wedge: The Secret War Between the FBI and CIA* (New York: Alfred A. Knopf, 1994), p. 434.

¹⁰⁹ Reeve, p. 60.

extradition processes, and lack of funding for appropriate facilities. The failure at the port of entry was followed by the failure to track down Yousef when he failed to appear for his hearing.

This is indicative of what was long a dichotomy within the INS over its mission – half the organization saw its mission as facilitating legal entry into the United States (particularly anyone seeking asylum), while the other half saw its mission as protecting the country from illegal entry. Both are noble goals, but incompatible within one agency, at least as it was being managed at the time. Who should have been responsible for bringing Yousef in? Typically the asylum officer assigned to an asylum case will ask the enforcement division to locate anyone who fails to appear. In this case, because of the likelihood that at least one of his two passports was false, the Diplomatic Security Service (part of the State Department responsible for investigating visa and passport fraud) should have been notified, and the National Security Unit at INS should have been alerted and required to locate Yousef. Nothing happened.

The three areas of public policy failure described here did not contribute equally to the World Trade Center attack. First and foremost was the failure by the United States to enforce its immigration laws effectively, including the exclusion of individuals associated with terrorism. The legislative branch shares the blame with the executive in this. If immigration policy had enjoyed sufficient resources for enforcement, and if Congressional oversight had forced the intelligence community to cooperate more fully with the INS, the WTC conspirators would never have entered the country.

Second, based on the available evidence, one can only speculate that Iraq was probably aware of the conspiracy and might have had the ability to influence its direction. If Iraq was indeed involved, then policy makers failed to deal appropriately with the continued threat of violence from Saddam Hussein. The U.S. failed to capitalize on the opportunity it had at the end

of the Gulf War to replace or restrain Saddam. It failed to develop the kind of counterterrorism efforts needed to prevent a mass casualty incident from taking place. And, outgoing President Bush and incoming President Clinton sent soft and mixed signals to Saddam. But suspicion that Saddam *may* have been involved is not sufficient grounds for determining that the failure of U.S. policy towards Iraq contributed to the first World Trade Center bombing.

Finally, despite the failure of America, its allies, and the United Nations to resolve the Palestinian issue and defuse it as the source of anti-Western sentiment, it is unlikely that a resolution of the issue would have forestalled this bombing. There may never be a real chance for peace in the Middle East; there are many involved in Palestine who benefit from and encourage the continued violence and conflict. A more concerted and consistently even-handed approach to Israel and Palestine might have forestalled the development of the virulent anti-Americanism that motivated terrorists like Ramzi Yousef. But there is no guarantee that would have been true.

The executive and legislative branches share blame for the policy failures in this case. The failures of U.S. policy toward Iraq and Palestine played a far smaller role than did failed immigration policy. Effective policy creation, implementation, and enforcement would have kept most, if not all, of the bomb plotters from entering the United States. Certainly the inspirational leader (the Sheikh) and the key tactical expert (Yousef) should not and would not have been allowed to enter the country. Immigration enforcement should have deported several of the plotters who overstayed their visas or obtained immigration status illegally. Any one of those actions might have pre-empted the attack.

2.3. ORGANIZATIONAL OBSTACLES

There was a wide range of organizational pathologies at work within the law enforcement and intelligence community in the early 1990's that shaped the perceived threat environment, and the kinds of indicators that analysts sought. These pathologies, as Betts describes them, (check reference) might also be considered obstacles to effective intelligence analysis. In this case, they included agency cultures, federal-state coordination, turf wars, investigative vs. intelligence functions, and executive and legislative restriction on intelligence collections.

2.3.1. Obstacle #1: FBI Culture and Confidential Informants

In August 1991, FBI Agent Nancy Floyd was checking up on Russian spies under cover as diplomats working in the United States, when she met Emad Salem, security director for a hotel where many of the diplomats stayed. She recruited the former Egyptian army officer as a source, and he began providing valuable intelligence about the Russians. Within several months he also began providing information on Sheikh Rahman and his followers. For his own safety and that of his family, Salem did not want his identity to be disclosed. He would wear a secret recording device only if the FBI would promise that he would not have to appear in open court; the FBI would not promise that, so agreed at the time to use him only as an intelligence asset.¹¹⁰ Salem came to be one of the Sheikh's trusted advisers, and became friends with Abouhalima and Salameh, among others. Salem warned the FBI about El Sayyed Nosair's directive to his cousin Ibrahim El-Gabrownny to free him from jail, about a plot to begin terrorist attacks against the

¹¹⁰ Lance, p. 59.

U.S., starting in New York,¹¹¹ and about a plan to purchase explosives.¹¹² He acquired audio and videotapes of the Sheikh and his followers, and made almost daily contact with Floyd to provide her with information.

Handling confidential informants is a dirty, complicated business, and this case was no different. In July 1992, just as the WTC plotters were developing their plan for pipe bomb attacks, Salem was dropped as an informant. Carson Dunbar, the new ASAC in New York, did not like Nancy Floyd's involvement in the case; he ordered a lie-detector test for Salem. The results being inconclusive, Dunbar threatened Salem that he would have to wear a wire and testify in court, or he would be cut off. He may have even considered Salem to be a potential double agent for Egyptian intelligence,¹¹³ but the Egyptian had only been a low-level officer with limited connections to intelligence.¹¹⁴ Dunbar was unfamiliar with Salem's file, and his own lack of experience in counterintelligence and terrorism investigations led him to perceive Salem's value only in terms of criminal cases rather than intelligence-gathering. He continued to insist that Salem testify, and Salem walked away (though it was clear Dunbar forced the issue.) The informant who was deep inside the Sheikh's group of followers had to extricate himself from the bombing plot with the excuse that he thought the FBI might be after him.¹¹⁵

When the initial bomb plot fizzled, rather than asking Salem for advice on bomb making, the plotters turned to Ramzi Yousef, and the FBI was left with nobody on the inside of the plot. NYPD Detective Lou Napoli, who worked with Salem, acknowledged later that if Salem had been permitted to continue with the investigation and link to Abouhalima and the others, the first

¹¹¹ Jim Dwyer, *Two Seconds Under the World* (New York: Crown Publishers, 1994), p. 139.

¹¹² Reeve, p. 60.

¹¹³ Reeve, p. 61.

¹¹⁴ Lance p. 54.

¹¹⁵ Idem., pp. 90-94.

World Trade Center bombing never would have happened.¹¹⁶ Napoli's opinion is confirmed by Oliver "Buck" Revell, retired associate deputy director of the FBI for investigations, who stated in 1999 that "it was obviously the wrong move to shut the [Salem] investigation down. If we had continued that investigation, it would have led us to the Sheikh's people, and it's possible we could have prevented the bombing."¹¹⁷

The FBI did develop other informants inside the Sheikh's mosque after Salem was dropped. Despite warnings from Salem, from one of the other informants, and from a contact for the Mossad that members of the mosque had requested help in acquiring explosives, someone at the FBI determined there was not enough evidence to move against the Sheikh and his followers. The relatively small amount of explosives at issue was indicative of small bombs, not 3,000-pound truck bombs.¹¹⁸

The Bureau also tried more direct tactics. In September 1992, the FBI hauled in for questioning more than twenty Arabs from the Jersey City area who they considered possible suspects in a plot to assassinate Egyptian President Hosni Mubarak. The questioning was handled clumsily, and they got nothing out of the interviews.¹¹⁹ Despite monitoring these individuals, and having several informants at the mosque, by early 1993 the FBI had little solid intelligence from the Sheikh's inner circle or from the WTC plotters. Although it had sufficient evidence to proceed beyond a preliminary investigation, the FBI did not share that information

¹¹⁶ *Idem.*, p. 149.

¹¹⁷ David Kocieniewski, "Leader Arises for Top Post in State Police," *New York Times*, July 30, 1999; quoted in *Lance*, p. 384.

¹¹⁸ Dwyer, p. 170.

¹¹⁹ Reeve, p. 144.

with the Justice Department, which forced the FBI to close the investigation six weeks before the World Trade Center bombing.¹²⁰

2.3.2. Obstacle #2: Federal-State Coordination

Law enforcement and intelligence should have seen the warning signs emanating from many of the key individuals involved in the WTC bombing. The 1990 assassination of Jewish Rabbi Meir Kahane in New York City provided a window of opportunity to look inside the emerging terrorist conspiracy. The principal suspect in the case, and the man later convicted of the murder, was El Sayyed Nosair, an Egyptian. When NYPD detectives searched his apartment, they collected 49 boxes of evidence. Among the incriminating documents discovered there were newspaper clippings on assassinations, pamphlets on paramilitary training and bomb construction, and a “hit list” of other targeted individuals besides the Rabbi.¹²¹ Investigators also found more interesting documents, including speeches from radical Muslim leaders like Sheikh Rahman, photographs of the Washington Monument, Empire State Building, and World Trade Center, and detailed manuals for bomb-making.

But law enforcement authorities failed to fully exploit the documents found at Nosair’s apartment for several reasons. First, the NYPD and the District Attorney’s office latched onto and stuck with the notion that Nosair was “a lone, deranged gunman.” The NYPD’s chief of detectives announced within hours of the raid that he was convinced Nosair acted alone. According to the Joint Inquiry into 9/11, the prosecution of Nosair gave “the appearance of

¹²⁰ Dwyer, p. 170.

¹²¹ Dwyer, p. 126.

speedy justice and a quick resolution to a volatile situation.” The focus on a lone gunman effectively precluded law enforcement investigators from pursuing the international conspiracy angle – which, given Nosair’s connections to terrorist groups – was clearly a viable possibility.¹²²

Second, there were problems with the chain of custody of evidence. NYPD detectives on the raid did not inventory all of the boxes appropriately, failing to number or tag some evidence, making some of the evidence inadmissible at trial. Several days after the raid the FBI was given control of the boxes of evidence, but within another 2-3 days it was forced to return them to the District Attorney’s office. It is unclear whether the FBI turned over all the boxes of evidence,¹²³ but the prosecutor felt he already had enough evidence without bringing in the Middle East connection. Even if he had pursued the evidence further, the documents might not have been translated from Arabic and brought to light, because the Bureau did not have adequate resources for translating Arabic. Without a requirement to check the documents further, the FBI let the boxes of information sit in a warehouse until 1993 – after the World Trade Center bombing.¹²⁴

2.3.3. Obstacle #3: FBI-CIA Turf Wars

Communication failures, lack of information sharing – even rhetorical warfare and political skullduggery – are common to the relationship between the FBI and CIA. In a confusing threat environment, it appears that information sharing between the agencies was at one of its many low points in the early 1990’s. This may have been true particularly of terrorist threats, which

¹²² Lance, pp. 34-37.

¹²³ In the two best accounts, Dwyer suggests that the FBI did not turn over all the evidence to the DA, but Lance gives no indication of the problem.

¹²⁴ Dwyer, pp. 126, 138-139. See also Lance, pp. 34-37. Lance indicates that even five years later (1998) the FBI only had two Arabic speakers capable of translating the materials from Nosair’s apartment.

were low on the Bureau's priority list. When the CIA officer in the Sudan granted a visa to Sheikh Rahman, the Agency did not inform the Bureau; the FBI only found out when they investigated who was paying the legal bills for Sayyed Nosair and discovered the Sheikh on the CIA's terrorist watch list.

When Egyptian intelligence services warned the CIA in early 1993 that Islamic radicals were planning to bring terrorism to the United States, the Agency took the warning seriously enough to alert U.S. embassies overseas, but not the FBI.¹²⁵ There was some speculation later that the CIA withheld information on Rahman because he was their paid agent, helping to funnel men and money to the mujahedin in Afghanistan in the 1980's. The CIA also might have wanted to keep an eye on Rahman as a possible leadership figure in an Islamic revolution in Egypt. Whether or not he was being paid, the Agency should have had little incentive to allow him to enter the United States, where it could not legally keep tabs on him.

2.3.4. Obstacle #4: FBI Investigations vs. Intelligence

The FBI as an institution has historically been ill-prepared to tackle complicated international investigations. Domestic crime is its main target, far more than national security. It is focused on hunting down individuals and bringing them to justice, not ferreting out transnational criminal and terrorist networks. Conspiracies can be hard to crack, requiring lengthy investigations that are not rewarded within the FBI system. Priority is placed on closing cases. The unofficial motto of the FBI, "We always get our man," is indicative of this mindset. The FBI's counterterrorism program has been accused by critics of "conceptual bankruptcy," of failing to understand foreign terrorist organizations in context. Senior FBI intelligence officials explain:

¹²⁵ Riebling, pp. 434-437.

“We try not to get into the business of motivation. When we do, given the nature of the evidence, it tends to make us look stupid.”¹²⁶

In the assassination of Meir Kahane, the NYPD and the DA had settled for Nosair, so the FBI did not pursue a possibly wider conspiracy. In fact, the FBI did have information on five of the seven major conspirators in the WTC bombing thanks to Nosair, but did not investigate most of the individuals any further. Later translations of materials found in Nosair’s apartment shed light on his motivation for killing Kahane, and would have pointed the Bureau to the Sheikh’s radical mosque. The translations also allowed the FBI to disrupt the plot to blow up other landmarks in New York City later in 1993. But in the years immediately after Nosair’s arrest, the Bureau did not develop these promising leads far enough to get close to the bombing conspiracy.

2.3.5. Obstacle #5: Executive and Legislative Restrictions

The CIA and the FBI are restricted by a variety of measures pertaining to, among other things, grounds for intelligence gathering, agency jurisdiction, and the use of confidential informants. The FBI is subject to the Attorney General’s guidelines for conducting various types of investigations, which include the reasonable-sounding requirement that a “criminal predicate” – strong likelihood of criminal activity – be found before investigators are allowed to employ invasive surveillance techniques.¹²⁷ The information provided by Emad Salem should have been sufficient criminal predicate for warrants and wiretaps against several of the conspirators, yet Bureau supervisors were able to use criminal predicate as a bureaucratic obstacle to forestall investigations they did not support.

¹²⁶ *Idem.*, p. 439.

¹²⁷ Please see Appendix for more on the history of how Congress and the courts affected FBI investigations.

The problem of jurisdiction was important in the failure of the World Trade Center bombing. The areas of responsibility for the FBI and CIA have usually been sharply defined by the nation's physical borders. In late 1992 and early 1993, Egypt warned the U.S. about a growing fundamentalist network inside the United States, but the CIA could do nothing about it. So the Agency arranged for several FBI agents to visit Cairo in early February 1993; but the agents explained to their Egyptian hosts that they needed probable cause to investigate the Sheikh and his followers. While the CIA was free to use wire taps and surveillance overseas, the FBI could not use them inside the United States. The Egyptians were amazed, since the needed evidence would only surface with surveillance.¹²⁸ The CIA could not merely hand-off surveillance to the FBI. The Bureau had to hope that someone in the fundamentalist network would make a mistake and give them an opportunity to investigate. But by the middle of February, the bombing plot was nearing completion.

Not only is surveillance heavily restricted, but so is the use of confidential informants. The FBI had been using Emad Salem as an informant inside the Sheikh's mosque, but forced him out several months before the bombing. Because the FBI pursued individual suspects, not conspiracies, they could only see Salem being useful to them if he testified in court against individuals. The fact that he might lead them to a significant national security threat was less important.

On the other hand, what was the FBI to do? Place spies inside every religious organization with connections to foreign countries? The FBI had been publicly rebuked in the 1980's for abuses in conducting its investigation into CISPES; debate continues today as to whether the Congressional scrutiny was due to the Bureau going after an ostensibly religious organization, or

¹²⁸ Riebling, p. 435.

because it had found evidence that got close to members of Congress. Investigating domestic religious groups was not a winning strategy for the FBI.

The intelligence and law enforcement communities bear their own share of responsibility for the failure to predict or prevent the 1993 World Trade Center bombing. Intelligence collection priorities were unclear in the post-Cold War world, and both communities failed to appreciate fully the lingering threat of terrorism. These failures of strategic intelligence leadership filtered down to the operational and tactical levels in a variety of ways, including the misallocation of resources, hesitancy to pursue investigations, and failures to communicate and share information among agencies. A single-minded focus on “getting their man” regardless of larger conspiracies, and the ill effects of poor executive guidance and legislative oversight of surveillance and the use of informants also contributed to the failure.

Additionally, the Bureau failed to exploit fully the documents seized at Nosair’s apartment, and to turn the investigation from a criminal bent to a national security approach. The CIA and FBI failed to cooperate and coordinate to deny the Sheikh’s visa and to seek additional authority to continue tracking him once he entered the United States. Carson Dunbar, the New York ASAC, forced out the FBI’s best informant and closed down other promising surveillance. The FBI and JTTF did not take advantage of the evidence they did have to request additional surveillance of key plotters. Intelligence and law enforcement failed to pursue sufficiently the core members of the World Trade Center bombing plot.

2.4. THREAT AND WARNING INFORMATION

How do we assess the information challenges in this case? First, several important indicators at the strategic level should have alerted the United States to the possibility of terrorist attack aimed at inflicting mass casualties and taking place within its borders. There was a continued, significant level of international terrorism, there were several nation-states known to be continuing their sponsorship of terrorist groups, and there were signs of growth in Islamic radical groups espousing terrorism.

Second, warning indicators should have been heeded. One of the most persistent problems for intelligence is the ratio of signals to noise. In this case law enforcement and intelligence did not suffer from an absence of useful information. New York City was an area where there was plenty of noise about potential bombing attacks – from Colombian drug lords, Balkan activists, Palestinian groups, and Iraqi operatives – but a surplus of noise is not the same thing as an absence of signals. There was enough clear information available to authorities to conduct deeper analysis that would have led them to the bomb plotters. And while some of the signals might have been ambiguous, like the intentions of Sheikh Rahman, many were not, such as weapons training, information on bombing plots from informants, photographs of major landmarks, and attempted purchases of explosives.

2.4.1. Threat Indicators – Hiding in Plain Sight

The United States had been targeted by terrorists throughout the 1980's. In 1983, 241 U.S. Marines were killed when a suicide bomber drove an explosives-laden truck into their barracks in Beirut, Lebanon. More U.S. servicemen were killed and wounded in an attack on a disco in Berlin. In 1985, American Leon Klinghoffer was killed by Abu Abbas and his hijacking team

aboard the cruise ship Achille Lauro. Americans were among the hundreds killed when Pan Am flight 103 was blown up over Lockerbie, Scotland in 1988.

By the beginning of the 1990's it seemed that perhaps the terrorist threat to the United States had diminished. After President Ronald Reagan authorized attacks against Libya in 1987 in response to its support for several terrorist attacks, it seemed that visible state-sponsorship of terrorism had declined. As further proof, despite threats from Saddam Hussein and a variety of Palestinian groups during the Persian Gulf War, the few terrorist attacks which occurred were mostly bombings of coalition commercial interests and not civilians.¹²⁹ According to the State Department, 1992 had one of the largest single-year decreases in the number of international terrorist incidents since it began keeping such statistics in 1968. Nearly 40 percent of the 361 terrorist attacks that year were directed at U.S. targets, but U.S. casualties from acts of terrorism were the lowest ever – two Americans killed and one wounded.¹³⁰

Yet international terrorism continued to claim many victims into 1992, as shown in this abbreviated calendar of significant incidents:

- February: Shining Path terrorists car-bomb the U.S. Ambassador's residence in Lima, killing three policemen and wounding several others.
- March: Hezbollah uses a truck-bomb to destroy the Israeli embassy in Buenos Aires, Argentina, killing 29 and wounding 242.
- April: An IRA car bomb kills three and wounds 93 outside the Baltic Exchange in London.
- July: Visiting Iraq, the wife of French President Francois Mitterrand escapes injury in a car-bomb attack that kills four and injuring 19 others.
- August: A bomb explodes near the Air France ticket counter at the airport in Algiers, killing 12 people and injuring another dozen.
- October: A bus carrying foreign tourists is attacked by militants of Gama'a al-Islamiya (headed by Sheikh Omar Abdel Rahman) in Dayrut, near Luxor in southern Egypt. One British tourist is killed, two others wounded.

¹²⁹ U.S. Department of State, *Patterns of Global Terrorism: 1991* (Washington, DC: GPO, 1992), Middle East Overview.

¹³⁰ U.S. Department of State, *Patterns of Global Terrorism: 1992* (Washington, DC: GPO, 1993), The Year in Review.

- December: Shining Path terrorists detonate car bombs at the Japanese and Chinese embassies in Lima, causing more than a dozen injuries and damaging more than 60 homes and buildings.¹³¹

During 1992 there had also been a series of IRA bombings in London, a series of terrorist attacks and bombings in Colombia, and several attacks involving Basque separatist terrorists. Despite the one-year decline in the number of terrorist attacks, it was clear that international terrorism was still a significant threat.

The United States was aware that state sponsors of terrorism still existed after the Persian Gulf War. The annual FBI reports on terrorism for the years 1990 and 1991 (issued the following year) warned of the danger of terrorism from Iraq; the authors of the 1991 report noted that Iraq's defeat in the war had diminished, but not eliminated, the threat of direct terrorist activity by Iraq.¹³² In fact, the FBI warned in February 1991 that "we must anticipate continuing acts of terrorism long after hostilities in the gulf have ceased."¹³³ These were yet the early days of Saddam Hussein's decade-long feud with United Nations weapons inspection teams, but he clearly bore a grudge from the liberation of Kuwait.

The State Department's annual *Patterns of Global Terrorism* for 1990, 1991, and 1992 stressed the continuing significance of state sponsorship of terrorism, and listed ways in which Cuba, Iran, Iraq, Libya, North Korea, and Syria provided terrorists with support – "safe haven, travel documents, arms, training and technical expertise." The reports also highlighted scores of terrorist attacks and threats against U.S. citizens and interests around the world.¹³⁴ Additionally, in 1992 the U.S. and Britain presented evidence to the United Nations Security Council that

¹³¹ Idem., see Appendix of this report.

¹³² Mylroie, p. 114.

¹³³ John Tepper Marlin, "Bills for the Gulf War Are Higher Than You Think," *Newsday*, March 8, 1991, p. 57.

¹³⁴ See U.S. Department of State, *Patterns of Global Terrorism: 1990 and 1991 and 1992* (Washington, DC: GPO, 1991, 1992, 1993).

Libya was behind the bombing of Pan Am Flight 103, and the Security Council unanimously passed a resolution to impose a range of sanctions on Libya for its sponsorship of terrorism.

This is not the place to recount the emergence of Islamic fundamentalism in the Middle East, but it is important to note where the movement stood in 1993. During the Cold War, many states in the region had attempted to play the U.S. and the Soviet Union against each other, collecting monetary support and buying weapons that enhanced their national security and ensured the continued control of undemocratic regimes. Despite gathering such support, and controlling the world's oil supply, central governments often failed to build economic prosperity or political freedom for their people. The resulting frustration and anger in the "Arab street" was a threat to governments, especially when those feelings were stoked by religious fundamentalists who condemned the corruption and excess of area governments. The regimes could choose either to reform internally, or to deflect attention and responsibility to someone else – in most cases, the Jews and their supporters in America.

Iranian fundamentalists successfully cast off their regime in 1979, and moved quickly thereafter to carry the battle to Israel and the West. Unrest caused by Islamic movements simmered throughout the 1980's in places like Egypt and Pakistan. Inspired and aided by governments like Iran and Libya, these movements found that terrorism was a tool that the weak could use against the powerful, and engaged in campaigns of assassinations and bombings.

The end of the Cold War suddenly removed many of the restraints on states and subnational groups. By the early 1990's there were significant struggles ongoing in Algeria, Sudan, Yemen, Saudi Arabia, Turkey, Afghanistan, and Somalia – with the Islamists winning or gaining influence in many cases. Sudan emerged as a new terror sponsor, Yemen as a new host country. Pakistani intelligence directly aided terrorist groups in Afghanistan and Kashmir, and public and

private funding for terrorists moved through back channels in Saudi Arabia. The implosion of the Soviet Union created a whole new frontier for the revival of nationalism and Islamic fundamentalism in Central Asia.

Most importantly, many of the Islamist movements and terrorist groups came together in late 1992. On January 1, 1993, leaders of a number of both secular and religious Islamic groups jointly issued a fatwa calling for holy war or *jihad* against the West. These included Muammar Qaddafi, Saddam Hussein, and clerics from Iran, Egypt, Algeria, Sudan, and Afghanistan.¹³⁵ This was significant, because religious clerics had always been among the most vocal opponents of oppressive leaders like Qaddafi and Hussein, and they saw the pan-Arabism of such secular leaders as the power play that it was, not a true vision of a united Islamic community. Neither the announcement nor its importance was covered by the press. Here in the U.S., Sheikh Omar Abdel Rahman issued his own global fatwa against U.S. interests in January 1993,¹³⁶ though it also went unnoticed by the press.

The U.S. intelligence community was aware of the broad trends in Islam and in terrorism in the early 1990's. What they missed were emerging developments in organization (from cells to networks), finance (from state funding to criminal behavior like drug trafficking), and objectives (from political aims to physical annihilation of peoples and cultures). Yet the information that intelligence analysts needed – the strategic threat indicators that constitute the threat environment for a nation – was available, and should have been sufficient to alert intelligence to the need to look carefully for warning indicators.

¹³⁵ Riebling, p. 433.

¹³⁶ Chitra Ragavan, et al., "Tracing Terror's Roots," *U.S. News & World Report*, February 24, 2003 (online).

2.4.2. Warning Indicators – Signals vs. Noise

There was specific, credible information available concerning the who? what? when? where? and why? of the World Trade Center bombing in 1993. We have already discussed at least two possible “why’s” – anti-American sentiment arising from Islamic fundamentalist movements, and Iraqi retaliation for war and UN sanctions. The method, target, timing, and instigators themselves were within the grasp of intelligence if the pieces had been put together.

2.4.2.1. Where: The Twin Towers There should have been little surprise at an attack taking place on U.S. soil, especially in New York City, the symbol of American economic might and cultural power, and home to the United Nations. In January 1991 before the U.S. counterattack to free Kuwait from Iraqi occupation, federal, state, and local officials met with corporate security experts to plan against possible terrorist attacks in New York City. At the time, intelligence officials believed that there were sleeper cells already existing in the U.S. (some since 1987), waiting to be activated.¹³⁷ Several days after the bombing, authorities indicated that terrorist threats against New York City were not that unusual; one had been issued in January by the Popular Front for the Liberation of Palestine (PFLP) for an attack on January 26 that never materialized.¹³⁸

The World Trade Center should have been considered one of the most likely targets in New York City, along with the United Nations building and the Statue of Liberty. As far back as

¹³⁷ David Kocieniewski and Anthony M. DeStefano, “City Braces for Terrorism If War Breaks Out in Gulf; Cops, FBI prepare anti-terror plans,” *Newsday*, January 18, 1991, p. 5. It was also reported in 1992 that the Abu Nidal Organization had a support cell in New York City; see Douglas Waller and Christopher Dickey, “Set Up to Make a Killing,” *Newsweek*, April 6, 1992.

¹³⁸ Russell Ben-Ali and William K. Rashbaum, “Usual Suspects Come From All Over the Map,” *Newsday*, March 3, 1993, p. 32.

1984, the Port Authority had been made aware of both direct threats against the Center and of glaring security weaknesses, including the almost complete lack of security in the parking garages. Security audits in later years were never completed, the Port Authority unit assigned to assess terrorist threats was disbanded, and both internal and external critiques of the WTC's security were ignored.¹³⁹ There had also been very recent threats against the Center. According to newspaper reports, New York Police indicated that they had received no warnings or previous threats about the bombing, but WTC employees told reporters that a bomb squad had been dispatched twice to the buildings after threats in early February, but no bombs were found.¹⁴⁰

2.4.2.2. What: The Car Bomb Experts had been studying terrorist tactics for many years, and by the early 1990's they were well aware of one favorite tactic – the vehicle bomb. Small cars and light trucks were popular; it was only in Oklahoma City and at Khobar Towers where large trucks and tanker trucks were used. But the IRA and the ETA, among others, were well-known for their skill with car bombs. In the early 1990's, attacks with car and truck bombs had taken place in Northern Ireland, Spain, Sicily, Lebanon, Colombia, and Peru, among others. Clearly even large buildings could be destroyed with these weapons – such as the U.S. Marine barracks in Beirut and the Israeli embassy in Buenos Aires, Argentina (in March 1992).

When the World Trade Center was bombed, suspicion turned to a car bomb almost immediately. James Fox, SAC of the FBI field office in New York, told a news conference that his office suspected a car bomb was the most likely cause of the blast. News reports quoted counterterrorism experts: “That is the weapon of choice for terrorists from the Middle East to

¹³⁹ Peter Caram, *The 1993 World Trade Center Bombing: Foresight and Warning* (London: Janus, 2001), pp. 4-7, 84-85, 90, 95-97, 103-105.

¹⁴⁰ Russell Ben-Ali, “Many Heard, None Believed,” *Newsday*, March 2, 1993, p. 21.

Latin America.” David Whipple, a former CIA counterterrorism expert, said car bombs were not difficult to make. “Nobody has cornered the market on that technique,” he said. “Everybody uses it. The risk to the perpetrator is low, and all you need is explosives, a detonator and a timing device.”¹⁴¹ The popularity of the car bomb tactic may have been only a threat indicator, but when seen in conjunction with the weaknesses in physical security at the World Trade Center, particularly the parking areas, it became a warning indicator that should have drawn the attention of the Port Authority, NYPD, and the FBI.

2.4.2.3. When: A Date with History – The Liberation of Kuwait As suggested by its unclassified annual reports, the FBI was keenly aware of the potential threat of Iraqi-sponsored terrorism in the years following the Persian Gulf War. February 26th marked the liberation of Kuwait, and terrorism watchers should have been alert to the possibility of a “commemorative” terrorist attack by Iraqi agents or their sympathizers. Beyond that single date, awareness should have been heightened for other reasons. Saddam Hussein chafed under the UN weapons inspection regime and the “no-fly zone” imposed over much of his country. Iraqi anti-aircraft batteries periodically attempted to engage American and British warplanes enforcing the no-fly zone. Following the electoral defeat of President George Bush, Iraq used somewhat softer rhetoric with the incoming Clinton administration; but it continued to harass allied fighters, and on January 17, 1993, President Bush ordered a retaliatory strike against Baghdad. Even if Iraq was not directly connected to the first World Trade Center bombing, the intelligence community

¹⁴¹ Bill Gertz, “Calls may key probe; FBI lab to trace origins of callers,” *The Washington Times*, February 28, 1993, p. A1.

should have been more aware of the possibilities brought on by tension over the no-fly zone, the ongoing conflict over arms inspections, and Saddam's lingering rage at his 1991 defeat.

2.4.2.4. Who: Individuals – A Story of Missed Opportunities Aside from the documents found in Sayyed Nosair's apartment, the Bureau missed several other opportunities to capitalize on the arrest of Meir Kahane's killer. He appeared to have connections to two known terrorist organizations – Abu Nidal and Gama'a al-Islamiya. The murder of Kahane occurred two days after the United States extradited Mahmud Atta of Abu Nidal to Israel; Nosair's hit list (recovered in his apartment) included two of the judges involved in Atta's extradition. And representatives of Abu Nidal offered to post Nosair's bail.¹⁴² By February of 1992, JTTF investigators were certain Nosair was connected to Gama'a, the Egyptian terrorist group.¹⁴³ Clearly Nosair was part of a cell, not a lone gunman. Additional investigation was warranted, not as a criminal investigation but as a matter of national security.

The FBI did uncover some of the individuals associated with Nosair. They had photographed him in 1989 with three other members of the World Trade Center plot at a gun range in Calverton, Long Island – Mohammad Salameh, Nidal Ayyad, and Mahmud Abouhalima. Ayyad maintained a low profile, working as a chemical engineer in New Jersey, and living with his wife and mother. Law enforcement would have had little reason to investigate him further except for his apparent connection to Nosair. Salameh and Abouhalima attracted more attention.

Salameh had entered the United States on a tourist visa in 1988 and overstayed by five years. It was later reported that he had been present at Kahane's assassination, either in the hotel

¹⁴² Mylroie, pp. 21-22.

¹⁴³ According to the investigators, who were interviewed by Lance; p. 65.

or nearby.¹⁴⁴ He visited Nosair in jail and protested outside his trial, so the FBI and New Jersey state police were aware of their relationship.¹⁴⁵ Salameh also had an interesting family relationship that U.S. intelligence apparently was unaware of – his uncle was Qadri Abu Bakr, a leading figure in the Palestine Liberation Organization (PLO) responsible for coordinating funding from Iraq. He lived in Baghdad for many years, and in the year prior to the bombing, Salameh made 46 calls to him from the United States.¹⁴⁶ Apparently a FISA wiretap request was never made for Salameh, but there were grounds to request one, even if his connections to the PLO were unknown.

Mahmud Abouhalima was familiar to the authorities. The big red-headed Egyptian entered the U.S. in 1985 with his German wife after failing to obtain asylum in Germany; he fraudulently obtained permanent residency status in the United States.¹⁴⁷ Before the bombing, he had been under suspicion in the Kahane assassination as the driver of the intended getaway car (Nosair was caught after he jumped in the wrong taxicab fleeing the scene of the assassination and was shot by an off-duty postal officer). Abouhalima was also under suspicion in the February 1991 murder of Mustafa Shalabi, director of the Al-Kifah Refugee Center in New York City and a rival of Sheikh Rahman. Shalabi's body was found in his apartment grasping two curly red hairs, and Abouhalima identified the body to police and claimed to be his brother; there were no signs of forced entry.¹⁴⁸ Finally, though he was not an official suspect in the murder cases, he was a suspect in a purported plot to assassinate United Nations Secretary General Boutros

¹⁴⁴ Peg Tyre and David Kocieniewski, "Plot's Goal: Free Nosair; Sources: More blasts planned," *Newsday*, July 23, 1993, p. 5

¹⁴⁵ See Dwyer, p. 91, and Riebling, p. 435.

¹⁴⁶ Reeve, pp. 246-248.

¹⁴⁷ Tyre and Kocieniewski, p. 5.

¹⁴⁸ Lance, pp. 49-51.

Boutros-Ghali, yet the FBI could not or would not uncover enough information to investigate him further.¹⁴⁹

The FBI's failure to pursue the investigation of Abouhalima (and Salameh) more aggressively is inexplicable. They had probable cause for search warrants and wiretaps – the men were connected by the Calverton photos and phone records, and they had been arrested at Nosair's apartment when the evidentiary raid was conducted (so they had access to the bomb-making manuals, maps, etc.). In fact the Bureau had enough evidence to obtain a search warrant for Abouhalima's apartment in 1991. Salameh had incriminated himself by asking a reliable FBI informant for help with planning bombings, obtaining detonators, and killing Egyptian President Hosni Mubarak. According to the Supreme Court in *Rovario v. the United States* in 1957, information from a "reliable informant" was sufficient grounds to obtain search warrants, wire taps, or even arrest warrants.¹⁵⁰ A wiretap almost certainly would have turned up new information, because the two men were in almost daily contact with Ramzi Yousef at the location where he was building the bomb.

Perhaps the Bureau did not attempt to obtain a FISA wiretap on Abouhalima because at times they could not even locate him. Lou Napoli, an NYPD detective who worked with the FBI at the JTTF, suggests that the Bureau could not locate him because he had moved over the river to New Jersey, crossing the jurisdictional boundary between the New York Task Force and the Newark FBI office. His argument is sharply rejected by an FBI agent in New York who worked a number of cases across state lines. If it was not a problem of jurisdiction or technology, then supervision may be partly to blame for failing to pursue Abouhalima. Carson Dunbar, the New York ASAC who had the authority to deploy surveillance resources on Abouhalima, was not

¹⁴⁹ Dwyer, pp. 25, 31, 151-152, 170.

¹⁵⁰ Lance, pp. 59-60, 106-108.

supportive, and previously had terminated other surveillances related to the group from the Calverton gun range.¹⁵¹

Along with the men photographed with Nosair were others who should have aroused suspicion. Another one of Nosair's jailhouse visitors was his cousin Ibrahim El-Gabrownny, who confided to the FBI's informant Emad Salem that Nosair ordered him to find a way to get him out of jail, including terrorist attacks. It appears that springing Nosair from jail was indeed part of the motivation for the World Trade Center attack, at least in the early stages of planning. El-Gabrownny was arrested after the bombing and charged with possession of phony Nicaraguan passports bearing the pictures of Nosair and his family.¹⁵² He was later acquitted of charges that he participated in the plot to blow up other New York City landmarks, but was convicted of involvement in the larger conspiracy involving the Sheikh.

Perhaps the most important figure connected to Nosair was Sheikh Omar Abdel Rahman, the inspirational leader – though not the operational mastermind – of the terrorist conspiracy. The blind Sheikh, leader of a mosque that was the center of Islamic fundamentalism in Jersey City, New Jersey, had entered the U.S. in 1990 despite his leading role in Gama'a al-Islamiya, the violent and radical Muslim movement opposed to secular rule in Egypt. Abdel Rahman – as well as Osama Bin Laden¹⁵³ and many others – helped pay the legal bills for Nosair who employed celebrity defender William Kunstler as his attorney, and provided financial support to Nosair's family. Nosair was also connected to the Sheikh through Abouhalima, who used El-Gabrownny's address as a mail drop and was the Sheikh's driver and personal aide for a time.

¹⁵¹ Idem., pp. 113-114.

¹⁵² Tyre and Kocieniewski, p. 5.

¹⁵³ Lance, pp. 44-45. Bin Laden contributed \$20,000 to Nosair's defense through Nosair's cousin El-Gabrownny.

Although the Sheikh was later convicted (in 1995) of involvement in a wide-spread conspiracy to commit terrorism in the United States, in the months following the WTC bombing there was significant disagreement among investigators, experts, and community leaders over the role that he played in the WTC conspiracy. According to some, he was solely focused on bringing about an Islamic revolution in Egypt, took a moderate position on Israel, and would have had little interest in attacking the country that had become his home in exile. According to others, he disagreed strongly with other members of the radical Islamic community about leadership, fundraising, and support for terrorist movements in Egypt and the mujahedin in Afghanistan. Purportedly, some members of the WTC bombing conspiracy had separated from the Sheikh because of these disputes and his focus on Egypt. However, others argued that the Sheikh's position as spiritual leader of Gama'a and of the mosque in Jersey City put him in a position to bless the plans for the bombing.¹⁵⁴

The Sheikh had little admiration for his host country. In a November 1992 interview with the *Independent* of Britain, Abdel Rahman warned that foreign tourists should avoid Egypt and said that his American stay was temporary. "I came to the United States only for a while, not to stay here. Yes, America is behind all these un-Islamic governments and tries to keep them strong and wants to help them defeat the Islamic movements."¹⁵⁵ U.S. support for secular Arab governments merited more than verbal opposition – indeed, he not only issued fatwas against the United States,¹⁵⁶ he advocated violence. His thoughts were outlined in a notebook owned by Nosair, pointing to the need to destroy "the enemies of Allah. And this is by means of

¹⁵⁴ See Russell Ben-Ali, David Kocieniewski, et al., "Breaking Up Is Hard to Do; Trade Center probe shifts to split in Islamic ranks," *Newsday*, May 16, 1993, p. 4.

¹⁵⁵ Robert Fisk, "Blind Sheikh Sees Mubarak's End," *The Independent (London)*, November 20, 1992, p. 14.

¹⁵⁶ Chitra Ragavan, Nancy Bentrup, et al., "Tracing Terror's Roots," *U.S. News & World Report*, February 24, 2003, pp. 28-30.

destroying exploding [sic], the structure of their civilized pillars such as the touristic infrastructure which they are proud of and their high world buildings.”¹⁵⁷ The World Trade Center buildings were visible from the windows of the New Jersey mosque.

Why didn't the Sheikh merit more attention from intelligence? Mark Riebling suggests that when the FBI learned that the Sheikh was on the CIA's terrorist watch list, they were furious; but without a criminal predicate they could not investigate the Sheikh too deeply, and the CIA did not have authority to track him inside the United States.¹⁵⁸ However, as of January 1993, the FBI suspected that Rahman was involved in three murders here in the United States – Meir Kahane, Mustafa Shalabi (a rival for control of fundraising for the Afghan mujahedin), and a man in Cleveland.¹⁵⁹ That should have been more than sufficient grounds for opening and developing an investigation.

Indeed, only weeks before the World Trade Center bombing, the FBI obtained permission from the FISA court for a wiretap of the Sheikh's phone, because they believed he might be involved in terrorist plotting. Unfortunately the wiretaps turned up nothing.¹⁶⁰ Deportation proceedings against Abdel Rahman were also under way at the same time, because he had fraudulently obtained a green card under a different name; at his exclusion hearing the Sheikh asked for political asylum and appealed his exclusion.¹⁶¹ The authorities clearly were aware of the Sheikh and the potential danger that he posed, and the deportation proceedings provided a

¹⁵⁷ Daniel Benjamin and Steven Simon, *The Age of Sacred Terror*, New York: Random House, 1992, p. 119.

¹⁵⁸ Riebling, pp. 434-436.

¹⁵⁹ Chris Hedges, "A Cry of Islamic Fury, Taped in Brooklyn for Cairo," *The New York Times*, January 7, 1993, p. A8.

¹⁶⁰ Peg Tyre, "Sheik Taped Just Before Blast; FBI, Fearing Terrorism, Tapped Phone, Got No Clue," *Newsday*, October 17, 1994, p. A8.

¹⁶¹ Lynne Duke, "Trail of Tumult on U.S. Soil; Sheik Abdel Rahman Fed Islamic Ferment," *The Washington Post*, July 11, 1993, p. A1.

“cover” for the U.S. to expel Rahman without alienating Muslims. What never became clear was the plot to bomb the World Trade Center.

The Masterminds

Two key individuals should have drawn further intelligence and law enforcement scrutiny, Ramzi Yousef and Ahmad Ajaj, the masterminds of the plot. Mylroie argues that Yousef – known within the terror cell as “Rashed the Iraqi” – was directly connected to Iraqi intelligence. Yousef is from Baluchistan, a political/ethnic region straddling the border of Iran and Pakistan, but under only nominal control by either country. It is also a strong recruitment area for Iraqi intelligence.¹⁶² When Yousef arrived in New York, the INS would have had no reason to suspect he was a Baluch and therefore of additional interest. But Mylroie suggests that passports should have been scrutinized much more carefully in the years following the Persian Gulf War, because Iraqi intelligence had stolen or seized hundreds of passports when Iraq occupied Kuwait in 1990-1991.¹⁶³ And Yousef’s entry into the United States was suspicious in its own right.

Yousef left Pakistan for New York on August 31, 1992, using a British passport in the name of Azan Muhammad. When he failed to present a visa at JFK Airport in New York, he was directed to the secondary screening area. There he abandoned his British identity, presented an Iraqi passport in the name Ramzi Yousef, and claimed political asylum. He was arrested for entering the country without a visa, but there was no room at the INS detention center at the time, so he was freed on his own recognizance. He was ordered to appear before an INS judge in December, but not surprisingly he never showed up.¹⁶⁴ The lack of space at the detention center

¹⁶² Mylroie, pp. 75-76.

¹⁶³ Mylroie, pp.56, 61-64.

¹⁶⁴ Reeve, p. 140.

was a policy failure thanks to both the executive and legislative branches, but the real failure was an enforcement failure. For national security reasons, the INS should have tracked down Yousef when he failed to appear for his hearing, like all illegal aliens, particularly those from countries whose citizens may pose a risk to the United States.

Interestingly, there is a chance that the INS might have caught Yousef earlier. In October of 1994 what began as a Florida legal case between two international businesses turned out to be a case of smuggling with Libya. A man named Ramzi Yousef was named as a facilitator in the dealings as a representative of the Iraqi National Oil Company. It appears that he may have visited the United States several years earlier and lived in Houston for a while, using a false passport.¹⁶⁵ There are a number of connections among several terrorist conspirators in Houston, including Wadih el-Hage, who was convicted of planning the East African Embassy bombings in 1998. It is not certain that this Yousef is the same person, and Ramzi Yousef is likely not his true name, but if so then it would represent another failure by the INS to identify illegal immigration and prohibit Yousef's return to the United States.

The INS did stop another conspirator, Ahmad Ajaj, who was traveling with Yousef into the United States. Ajaj initially entered the U.S. in September 1991, claiming political asylum, but he never showed up for his hearing. He fled the country under an assumed name in April 1992 and went to the terrorist training camps in Afghanistan to receive training in explosives. There he met and began to plan with Yousef. He returned to the U.S. with Yousef on September 1, 1992, traveling together but sitting separately in first class. His Swedish passport was clearly falsified, and he was directed to the secondary screening area like Yousef (the fake was so bad it seems that Ajaj may have been a diversion for Yousef). When inspectors checked his bags, they

¹⁶⁵ Idem., p. 122.

discovered bomb-making manuals, handwritten notebooks on making explosives, anti-American and anti-Israeli materials, and instructions regarding false identities. He was held as a security threat, and eventually charged with passport fraud and sentenced to six months in jail.

Ajaj managed to stay in touch with Yousef by telephone through a friend in Dallas, and when the Court ordered the Government to return Ajaj's personal belongings (including all the bomb-making manuals), Yousef sent someone else to collect the books from Ajaj's attorney.¹⁶⁶ Yousef used the manuals to complete the complicated chemical bomb used in the attack. The government had successfully caught one of the key ringleaders, and then handed the bomb-making instructions to his co-conspirator.

The Other Iraqi

There is one other character in the bombing plot who remains somewhat of a mystery. Abdel Rahman Yasin was an American-born Iraqi who was a student at City College in New York, and became involved in planning with Ramzi Yousef early on. Yasin shared an apartment with Salameh, and gave driving lessons to his roommate, whose bad driving had put Yousef in the hospital temporarily; Salameh drove the Ryder van into the World Trade Center parking garage.

When FBI agents from Newark raided Salameh's apartment after the bombing, they found Yasin, and he persuaded them that he knew nothing of the bombing plot, although he could lead them to the Pamrapo Avenue apartment where the bomb was built. He was considered a cooperating witness and allowed to go. The next day Yasin flew to Amman and then on to Baghdad, where he reportedly worked for Saddam Hussein's government. Carson Dunbar, the

¹⁶⁶ Testimony of J. Gilmore Childers and Henry J. DePippo before the Senate Judiciary Committee, Subcommittee on Technology, Terrorism, and Government Information, February 24, 1998. Childers and DePippo were prosecutors in the case against the WTC bombers.

New York ASAC, later insisted that the FBI did not have probable cause to keep him in custody. Apparently the fact that Yasin was Salameh's roommate, admitted to teaching Salameh how to drive, and was immediately able to locate the bomb factory were not considered probable cause.¹⁶⁷

It is unclear what exactly Yasin's role was in the plot, although he was involved in planning with Yousef. He was one of only three of the terrorists with a plan to flee the country immediately (he had his ticket purchased already, unlike Salameh) – so he was not likely a “stooge” to be left behind. But JTTF investigators believe Yasin's flight to Iraq and the phone calls from Salameh to his uncle in Iraq are the only real evidence of any involvement by Iraq. The remainder of the evidence points to the large group of Egyptians around the Sheikh as the actuators,¹⁶⁸ while the planning and bomb-building were done by Yousef and Yasin.

2.4.3. Missed Opportunities

No longer a strategic concern, terrorism became a lower priority for intelligence and law enforcement activities at the operational level. The FBI intermittently monitored the Sheikh and his followers, but supervisors were reluctant to pursue investigations of them. Agents focused primarily on the Egyptians in the extremist Muslim communities in New York and New Jersey, and as it turned out, they were mostly peripheral players in the bombing plot; investigators later remarked that the focus on Egyptians might have been too narrow. In early 1992 the FBI field offices in New York and New Jersey conducted a preliminary inquiry into the extremists, but the inquiry did not allow wiretaps or other more aggressive investigative techniques. Supervisors

¹⁶⁷ Lance, pp. 101, 112, 141-142

¹⁶⁸ Lance, pp. 202-203.

turned down requests to move from an inquiry to a full investigation, on the grounds that “probable cause” did not exist.¹⁶⁹ In light of the information that the FBI’s informant Emad Salem provided – regarding motive, means, and methods of intended terrorist attacks – supervisors should have reconsidered the decision and given the JTTF the authority to pursue the individual plot members.

There were abundant and clear signals that a terrorist plot was unfolding in the New York-New Jersey area. One successful assassination and several assassination plots, paramilitary training, purchase of explosives, direct links to terrorist organizations, asylum applicants arrested with bomb manuals, the list goes on and on. But in the mind of the supervisors, what was happening with the Sheikh and his followers was just more noise, not signals of impending danger.

2.5. ANALYTICAL CHALLENGES

2.5.1. Failures within the Intelligence Cycle

The intelligence cycle is fundamental not just to the effective operation of the intelligence community; the rigorous and scientific process of the intelligence cycle is what underlies all good research and analysis. The five stages of the cycle – planning, collection, collation, analysis, and dissemination – constitute the process by which analysts most effectively generate intelligence that is useful to policy makers. If a breakdown occurs at any stage of the process, it must be recognized and resolved quickly; failure to do so can have insidious effects throughout the entire process, corrupting the final intelligence product and affecting policy making. Failures

¹⁶⁹ Mylroie, pp. 90-91.

at several of the earliest stages of the intelligence cycle contributed to the larger failure at the World Trade Center.

The first step in the cycle is threat assessment and intelligence planning. We have already seen that the threat environment is shaped by cultural biases, policy makers' attitudes, and perceptions of threats. With the end of the Cold War, the nature of threats and priorities for intelligence became different. The CIA did not know what to do with its experts on nuclear war, the Soviet agricultural system, and the Kremlin, but it needed to keep them employed researching something. Resources were reallocated away from traditional security threats like weapons proliferation and terrorism because that was what the "customer" wanted. This combination of uncertainty, changing focus, and bias created a situation where the threat of terrorist strikes in the United States was not a significant part of the national threat assessment; if it was, then the resources of the law enforcement and intelligence communities would have been focused on it.

Developing intelligence collection plans against terrorist threats is difficult because of the nature of terrorist groups, especially those operating within ethnic and religious communities. It was easy for the WTC plotters to hide within the large and diverse Muslim community in the United States, sharing common language, cultural traditions, and physical appearances with their neighbors. Many immigrants from the Middle East and North Africa were devout Muslims, but only a small minority seemed to support terrorism. The First Amendment poses some real challenges to any effort to conduct surveillance against religious and political groups. The intelligence community had come under a lot of criticism for tracking both kinds of groups in the 1960's and 1970's. Intense scrutiny of domestic groups, no matter the potential security threat, would have drawn howls of outrage against the law enforcement and intelligence community.

Despite free speech and privacy concerns, the radical elements within the Muslim community in the U.S., particularly the circle around the Blind Sheikh, should have been seen as a threat, and plans should have been prepared for collecting intelligence. As the arrests of several Americans fighting with al-Qa'ida after 9-11 made clear, it was not impossible to place human intelligence assets inside foreign terrorist organizations. In fact, the FBI was successful at placing informants inside the Sheikh's mosque and his inner circle; they just did not manage the informants well. Because the FBI never made a determination on criminal predicate, the terrorist cell appears to have never been the subject of a targeted intelligence collection plan.

The next two stages of the intelligence cycle are the collection and collation of information. The first step in collection is to determine the requirements – what type of evidence is needed to solve the puzzle at hand (which has emerged from the threat assessment). Ideally intelligence planners should determine the collection requirements, considering what intelligence consumers need and want to see, while bearing in mind what collection tools they have at their disposal. The FBI faced a number of obstacles in domestic security and counterintelligence investigations from heavy-handed legislative oversight, strict Justice Department guidelines, and judicial rulings, as well as self-imposed limits stemming from a reluctance to fight any of these other obstacles.

Many of these restrictions were especially problematic for conducting human intelligence collection, a tool that might have yielded the kind of information about individuals and their intentions that is crucial in stopping terrorist incidents. Where useful information about the bomb plotters was collected from informants like Emad Salem, there were always questions about the loyalty and reliability of such individuals. Unfortunately, the FBI's focus on using informants for courtroom testimony (even though they could have used his information for

intelligence purposes) inhibited the Bureau from fully developing Salem as a source just as the conspiracy grew to include the master bomb-maker Ramzi Yousef.

There were several other efforts to collect information on the Sheikh and his followers, but each time the early inquiries seem to have failed to provide the criminal predicate required to develop it into a full investigation using more aggressive, technical collection techniques. Those techniques, employed after the bombing, enabled law enforcement to foil a plot to blow up other New York City landmarks and to prosecute the Sheikh for his role in that plot. Technical means were not employed ahead of time because supervisors in Washington would not give field agents the go-ahead to dig deeper. The FBI did not fail to collect warning and threat indicators; FBI supervisors did not act on the information collected.

Failure can also occur at the final stages of the intelligence cycle – analysis and dissemination. There are many kinds of analytical pathologies that can contribute to failure, and in the World Trade Center bombing, there were at least two kinds of analytical mistakes. First, intelligence analysts saw what they expected to see with Sheikh Abdel Rahman. Members of the IRA and Hezbollah, among others, had often visited the United States and raised funds for their terrorist campaigns, but had not conducted operations here; the Sheikh was known to be involved in raising funds and finding volunteers for the Afghan mujahedin. Information about the Sheikh's calls for violence, his connection to the Meir Kahane murder, and periodic reports of explosives purchases by his supporters did not fit with what analysts had come to expect. Even after the bombing, some experts suggested that the Sheikh was only a harmless religious leader. It would have taken far more unambiguous evidence of the bomb plot to change those preconceptions.

Second, the problem of selective perception was seen in the State Department's annual reports on terrorism. In order to avoid aggravating certain friends and allies, State did not list "internal" conflicts as terrorism – so terrorist campaigns in Ireland and Spain, for example, were not included. This dramatically underreported the problem of terrorism, including the high volume of car bomb attacks in both countries, and contributed to the conventional wisdom that terrorism was a declining threat.

Beyond these perceptual issues, it is difficult to assess what other kinds of analytical mistakes or biases may have been involved – data was collected through several different methods, but the investigations went no further, so there was nothing to analyze. The breakdown at the earliest stages of the intelligence cycle, in threat assessment and intelligence planning, meant that collectors and analysts had relatively little opportunity to contribute to the overall failure. The key mistake within the law enforcement and intelligence community, however, was the failure to investigate fully the individuals connected to El Sayyed Nosair who were involved in the assassination of Meir Kahane.

There were also failures in intelligence dissemination. Warning indicators about the capabilities and intentions of the Sheikh and his followers had been collected by the State Department and the CIA, but they failed to share the information with the FBI and the INS. The FBI-JTTF failed to disseminate any warnings or bulletins about the individuals they were interested in, including Salameh and Abouhalima's brother, both of whom were stopped by local law enforcement within weeks or even days of the bombing.¹⁷⁰

¹⁷⁰ Interview with Herb Williams, New Jersey State Police.

2.6. THE FIRST AVOIDABLE SURPRISE?

It is possible to argue that the surprise was unavoidable because the intelligence failure was unforeseeable. The conspirators did an excellent job of avoiding detection. They compartmentalized the operation, with some plotters being kept unaware of others until the last minute, although it is unclear whether this was by design or by accident – Yousef certainly set up some of the conspirators to take the fall, but he also had to call in Eyad Ismoil at the last minute as a driver because of Salameh's driving problems. They changed locations and phones frequently, and made only local phone calls to each other so they could not be tracked.¹⁷¹ They lived in a Muslim community, where they fit in with the local population, speaking the same language, attending the same mosque, living among friends. They had little external funding for the plot, which meant that there were not a lot of wire transfers or other financial transactions to trace. Ayyad used the cover of being an employee of a legitimate chemical company to buy chemicals and hydrogen gas. Where the group had been somewhat slipshod on operational security when it was merely a pipe-bomb plot (visiting Nosair in jail, for example), it became considerably more careful when Ramzi Yousef joined.

The intelligence failure may also have been inevitable because constraints on the FBI kept it from pursuing the case further through wiretaps or more aggressive use of informants. The requirement of a criminal predicate, combined with self-imposed caution because of oversight concerns, prohibited the Bureau from utilizing those techniques that might have led to information about the bombing plot. Likewise, limits on the CIA's jurisdiction and its surveillance techniques kept them from continuing to track Rahman once he had entered the

¹⁷¹ Mylroie, pp. 91-92.

United States. In an environment where the ongoing turf battles between the agencies were unresolved, it is unlikely that intelligence and law enforcement could have gotten their act together enough to share crucial information in this case.

Yet the arguments that the failure was foreseeable, and therefore avoidable, are also strong. The intelligence community was aware that terrorism was still a threat, even in the confused threat environment of the post-Cold War world, but failed to predict or prevent this attack. Each year the community continued to track and report on terrorist organizations, incidents, and methods, including car bombings. Middle East experts were well-informed about anti-Western sentiment among Muslim radicals and their calls for violence. Law enforcement and intelligence authorities received terrorist threats against U.S. cities and landmarks on a regular basis. Given all this, the intelligence community should have been more aggressive in communicating its concerns and warnings to executive and legislative branch leaders, although they had already had plenty of opportunities to implement better policies.

Immigration policy could have been fixed long before 1992-1993, and the terrorists kept out of the country. Congress should have continued the INS policy of refusing visas to individuals with known connections to terrorist groups, regardless of pressure to allow IRA supporters into the country. It also should have properly funded immigration programs, and corrected the deficiencies in immigration enforcement. The State Department, INS, FBI, and CIA should have been coordinating watch lists and visa information all along. The FAA and FBI should have screened airline passengers for possible connections to terrorist groups and nabbed Yousef when he arrived in 1992. The INS should have had adequate room at its detention facilities to hold suspicious individuals like Yousef; it should have found and removed him immediately when he failed to show up for his detention hearing. It should have denied permanent residency status to

Abouhalima, and it should have located and deported Salameh, who overstayed his tourist visa by five years. There were numerous opportunities to detain and deport members of the conspiracy, but a failed immigration system let them go free.

Once the Sheikh was in the country, law enforcement resources should have been focused more directly on the Sheikh and his closest advisors. The State Department had described him as the spiritual leader of a terrorist group. When the FBI discovered that the Sheikh was assisting with expenses for El Sayyed Nosair, they should have begun looking for a broader conspiracy. Given the situation with UN weapons inspections in Iraq and Saddam's previous threats, intelligence should have been on the alert for Iraqi individuals visiting the U.S., including Yousef, who traveled on an Iraqi passport. The Bureau should have made better use of its informant Emad Salem, and supervisors should have approved additional investigation into the Sheikh's group. Agents also should have followed up further when they heard from several sources that members of the Muslim community were asking about explosives and bomb ingredients. Even after immigration failed, the FBI should have aggressively investigated the Sheikh and his followers on the grounds of national security.

Finally, security at the World Trade Center should have been much tighter. Clearly the Port Authority had been made aware of the danger posed by unsecured parking areas in the complex, and failed to take action. Even some basic security precautions – barricades, cameras, restricted areas, random foot patrols – should have been implemented on a permanent basis. Visible security measures might have warned the terrorists that the target was too difficult to attack. Certainly they would have looked for a secondary target in New York City, but the additional delays in implementing the attack at another location would have provided investigators with more time to discover the plot.

2.7. CONCLUSION

There was a whole series of policy and intelligence failures contributing to the 1993 bombing of the World Trade Center: to anticipate attacks on U.S. territory; to pursue potential terrorist conspiracies; to adequately secure important landmarks and deter terrorists; to sustain and enforce immigration policy; and to provide appropriate and balanced oversight and guidance to the intelligence and law enforcement community.¹⁷² Among these are two failures that contributed most significantly to the first World Trade Center bombing. First, the failure to assess appropriately the threat of terrorist attack in the United States meant that agencies did not make sufficient collection efforts, and that physical security at landmarks and federal facilities was not enhanced. Restrictions on collection were influential, but not decisive in this case. Second, the legislative and executive branches did not take seriously enough the national security threat created by their legislative loopholes and by poor immigration enforcement. The INS and related agencies (such as Border Patrol, Customs, and the Coast Guard) were persistently underfunded and under-staffed, yet expectations of these agencies were very low; they were periodically criticized for their failures to enforce the law, but little was done to provide oversight or funding appropriate to the size and importance of the task.

The failure of the government to prevent the attack was complete. The first World Trade Center bombing may not have been foreseeable by intelligence analysts, but it was preventable. Despite a compartmentalized operation and restrictions on investigators, there were opportunities to interdict the plotters before the plan reached its fruition. Proper immigration enforcement and facility security would have thwarted the plot. The terrorists who conducted the first attack

¹⁷² All of these effectively pre-date the Clinton Administration.

against the World Trade Center complex in New York City flew under the radar of intelligence, evaded immigration enforcement, and vanished into the ethnic communities of New Jersey to plan an attack intended to kill thousands of people by toppling one tower into the other. Their plan was ultimately fulfilled eight years later by another set of terrorists who exploited the same weaknesses in America's intelligence, law enforcement, and immigration systems.

3. April 19, 1995: OKLAHOMA CITY

3.1. INTRODUCTION

On April 19, 1995, at 9:02 a.m. CST, homegrown terrorism struck the American heartland. A yellow Ryder truck loaded with more than two tons of explosives blew up in front of the Alfred P. Murrah Federal Building in Oklahoma City, killing 168 men, women, and children. The nation peered through television cameras into the gaping maw left in the face of the office building, and watched with diminishing hope as days of constant rain slowed the search for survivors in the shifting rubble. The entire event was encapsulated in a widely circulated photograph of a firefighter cradling a little girl, limp as a rag doll, as he hurried off in search of medical aid.

A great outpouring of civic and community assistance from around the country followed the bombing. Over the following years the city, the survivors, and their families tried to move on. An eerily beautiful memorial marks the location of the now-vanished Murrah Building, providing residents and visitors alike with an opportunity to remember and grieve. But the nation was shaken to its roots by the horror of the bombing – even more by the idea that such a deed was carried out by “one of us.”

A decorated military veteran, drifter, member of the American militia movement, and to all appearances the “kid next door,” Timothy McVeigh, was convicted of planning and carrying out the bombing. He was executed, unrepentant, in June 2001 after abandoning any appeals. His

accomplice, Terry Nichols, underemployed and a fellow militia “patriot,” was convicted in 1998 on federal conspiracy charges and given a life term in prison. In 2004 he was tried in Oklahoma state court for the deaths of the 161 victims who were not federal agents, and was found guilty but was not given the death penalty. But were these two men capable of carrying out – alone – the worst terrorist attack in U.S. history up to that date?

Like the Kennedy assassination, the Oklahoma City bombing is surrounded by conspiracy theories. The government did it to make the militias look bad. Bomb squads were told to leave the area before the bomb went off. Another suspect, the infamous John Doe #2, was an Iraqi agent who was never questioned by the FBI. A leg found in the rubble did not belong to any of the 168 known victims, so must have belonged to another bomber. The Justice Department received a telephone call warning of the incident half an hour before it happened. Agents of the ATF were told to stay home from work that day. And on and on...

Many of the conspiracy theories are easily disproved, while others generate questions that have not been fully answered by any of the ensuing investigations or trials. In fact, there are at least four dominant views of what happened on April 19, 1995. First is the official government view, as represented by prosecutorial strategy in the McVeigh and Nichols trials and by all subsequent Justice Department statements, that the two men acted alone. Second is the foreign terrorist sponsorship view, articulated most clearly by reporter Jayna Davis, holding that a cell of former Iraqi soldiers in the Oklahoma City area assisted McVeigh in carrying out the attack. Third is the domestic terrorism theory, that McVeigh was aided by members of a white supremacist robbery gang known as the Aryan Republican Army. Fourth is the idea that somehow the government knew in advance about the attack (making it a conspiracy) or indeed

prompted the bombing intentionally to discredit the militias or by accident through the misguided use of agent provocateurs inside the militia movement.

Each of these theories will be discussed at more length, but it is important to begin the analysis of the Oklahoma City bombing by stating this author's assessment of the four views. The idea that the government would instigate the bombing on purpose is not even worthy of consideration. It also strains belief that hundreds of government employees have conspired successfully for more than ten years to cover up the government's involvement or foreknowledge of the event. There is no evidence to support either of these related theses.

The government's case against McVeigh and Nichols, though circumstantial,¹⁷³ was proved beyond a reasonable doubt and resulted in the convictions of both men. Yet the initial grand jury filing cited "others unknown" who may have assisted the two, and the government has failed to answer adequately the lingering questions about who else may have been involved. Both of the other two main views – of involvement by foreign terrorists or a larger white supremacist group – are supported by reasonable, credible, but again circumstantial evidence. As theories, both of them do a better job of explaining the bombing than does the government's "lone wolf plus one" theory. But the government's case against McVeigh and Nichols was provable, whereas the others are not. So this analysis starts from the assumption that while McVeigh and Nichols were guilty as charged – and the government should have been aware enough of the threat posed by militant white supremacists like these two to predict or prevent the bombing – others *may* have been involved.

¹⁷³ Numerous eye witnesses reported seeing McVeigh in and around the Ryder truck with the bomb inside on the morning of April 19, but the government did not call any of them to testify at his trial. This is perhaps because each of those witnesses also claimed to have seen McVeigh with anywhere from one to five other men, none of whom was Nichols. Presenting the eye witness testimony would have implicated others unknown in the plot. McVeigh's defense attorney, Stephen Jones, would not call the witnesses because their evidence would not exculpate McVeigh.

3.1.1. What was the nature of the surprise?

Despite the 1993 Twin Towers attack, the bombing in Oklahoma City surprised a great many people, although to varying degrees. Analysts outside of government, and state and local officials (particularly in the Midwest and upper Northwest where the militias were active) were not terribly surprised by the “new” behavior of anti-government activists. They had seen an attack like this coming for some time. However, the level of technical competence (i.e., the destructive power) of the bombers was a surprise.

Policy makers in Washington were greatly surprised, because they failed to understand the nature and threat of the militia movement and the kind of violence it espoused. Observers of hate groups like the militias had been warning the Federal government for some time that they presented an imminent threat. Although the White House and the Justice Department followed polls closely, they failed to comprehend and appreciate public perceptions of the government. They did not understand the seething anger caused by government actions at Ruby Ridge and Waco, the deep sentiment of gun owners in response to the passage of the Brady Bill, and the resentment of various sectors of society against things like NAFTA, immigration, environmentalism, and over-reaching government. Oklahoma City was both a behavioral and a technical surprise for Washington.

The surprise of the bombing was exacerbated by several specific failures that kept the government from intervening in time to prevent the incident – failures to collect and share information, to learn from prior incidents, to observe and understand the implications of April 19th as a momentous date for the militia movement, and to adequately protect federal buildings

from terrorist attack. One might argue that there was also a failure to get to the bottom of it afterwards – a justice failure.

The bombing was an important failure for the government because of its enormous impact. It was then the most destructive bombing in U.S. history – 168 people died in the attack, and one emergency worker was killed during the search by falling rubble. Federal funding for counterterrorism activities increased dramatically, security at federal facilities nationwide was beefed up, and money was poured into training and equipment for “first responders” to mass casualty incidents. There was a large public outcry after the incident, in part an agonized national self-appraisal that did not want to believe that such a horror was instigated by Americans against other Americans. This feeling was compounded by the confusion created by early suggestions made by government officials and by terrorism experts that the bombing was most likely caused by foreign terrorists. A rash of conspiracy theories developed that has not only refused to disappear, but has fed into the paranoia of anti-government activists. Finally, there were broader societal implications, as well – among them, greater support for the death penalty even among its opponents, and a general sense that America was no longer invulnerable or impervious to attack.

Timothy McVeigh and Terry Nichols carried out the bombing of the Murrah building in Oklahoma City, and the government was unable to stop them. Policy makers failed, the intelligence and law enforcement community failed, and the justice system failed insofar as it did not adequately answer some of the most important questions about the bombing plot.

3.2. LEADERSHIP FAILURES

3.2.1. Psychology, Perception, and the Threat Environment

President Clinton believed that the first election following the end of the Cold War gave him a mandate to focus on domestic social issues; with the end of nuclear superpower rivalry, security issues would sort themselves out. The White House cut the military and intelligence community budgets and personnel, and consulted the Pentagon and CIA less frequently than most previous administrations. American interests could be better advanced with diplomacy and international agreements.

Domestic terrorism was not perceived to be a likely threat, despite the many indicators of a dangerous grassroots movement. There are at least three possible reasons for this. First, American society was largely unaware of the militias and believed terrorism to be a distant threat, and it is likely that White House perceptions of the threat environment were shaped in part by public views. Indeed, in an administration which closely tracked public opinion polls, it is likely that broad public concern over domestic security and terrorism would have prompted more attention to the threat. But the job of the nation's Chief Executive is to be aware of new threats, to lead and educate the public, not to follow public opinion. The President should have directed law enforcement and intelligence to scan more broadly for any threats to domestic security, and should have done more to protect federal installations and national landmarks against terrorism.

Second, the Clinton Administration had other priorities, like health care reform and battling the new Republican House majority following the 1994 mid-term elections, which influenced its perception of the threat. Jervis suggests, "People perceive incoming information in terms of the problems they are dealing with and what is on their minds when the information is received."

This can lead decision-makers to ignore information that is irrelevant to their immediate concerns even though the new information merits serious attention.¹⁷⁴ To be fair, actors who refuse to change their beliefs when some contradictory evidence appears are not necessarily blind or exhibiting cognitive distortions; fitting new information into pre-existing beliefs is not irrational but a normal and efficient way of dealing with new information. However, “the failure to look for evidence that is clearly available and significant constitutes an irrational way of processing information.”¹⁷⁵ There was clear and abundant evidence of dangerous attitudes and activities within the Patriot movement, and decision-makers throughout the Executive Branch failed to look for it, in part because they already had a long list of priorities.

Finally, the Clinton Administration either failed to perceive or consciously ignored the effects of a number of important actions and policy initiatives. The tragic bungling at Ruby Ridge and Waco was never understood, or apologized for, by the White House.¹⁷⁶ Such aggressive federal law enforcement activities fed right into the fears of the Patriots. New policy efforts that disproportionately affected rural and Western regions, particularly in environmental regulation and gun control, were implemented without adequate recognition of possible public reaction. These three failures by the White House were mutually reinforcing, and contributed directly to the overall failure to predict or prevent the bombing at Oklahoma City.

¹⁷⁴ Robert Jervis, *Perception and Misperception in International Politics* (Princeton: Princeton University Press, 1976), pp. 215, 204.

¹⁷⁵ *Idem.*, pp. 143, 172-173.

¹⁷⁶ McVeigh’s anger at the Federal government’s actions at Ruby Ridge and Waco was well publicized. But Nichols never appeared publicly to share quite the same level of resentment. Years later it was reported that Nichols called the office of U.S. Senator Nancy Kassebaum (Kansas) two days before the bombing to complain about Waco. “United States: Bomber Ranted Over Waco,” *Ottawa Citizen*, May 6, 2003, p. A14.

3.2.1.1. The Perceived Threat Environment During the early 1990's the primary threat of terrorism seemed to come from the radical Islamic world. Saddam Hussein had threatened in 1990-91 to take the war in the Persian Gulf to the homelands of the Allies, and Western security services were active in preventing terrorist attacks during the war. Though President Hafez Assad of Syria and Moammar Qaddafi of Libya had perhaps tempered their open support for terrorists by this time, Iran still held a hard line against the West and Egyptian radicals were targeting Western tourists. The World Trade Center bombing in 1993 and the arrest of militant Muslims as the likely suspects reinforced the perception that the main threat was from Islam, although Osama Bin Laden was not yet on the American radar screen.

Religious extremism was only considered threatening as it related to Islam, not to cults like Aum Shinrikyo or to the Christian Identity movement. Even the mass murder-suicide of followers of the Heaven's Gate cult failed to attract more than fleeting attention in 1994, since its actions were directed inward. Only in the aftermath of the February 1995 Tokyo subway sarin gas attack by Aum Shinrikyo did the public really become aware of such extremist religious cults. Ignorance of religious extremists was not only an American tendency; Swiss authorities did nothing to check Heaven's Gate, and the Japanese and Russian governments were overly cautious not to antagonize Aum Shinrikyo in the years leading up to the gas attack.

Terrorism from fringe and criminal groups was not expected, either. Groups like the Weather Underground had been inactive for many years, and the remaining fringe activists seemed to be lone wolves like the Unabomber, Ted Kaczynski. Terrorist acts by left-wing groups such as the Earth Liberation Front (ELF) and Animal Liberation Front (ALF) were generally small-scale and caused primarily property destruction. Terror tactics were being used by criminal organizations, including not only the Colombian drug lords but also Russian

organized crime, both of whom were operating in the U.S. at the time. As terrorist groups turned to illegal activities for funding, much was written about a new breed of so-called “narco-terrorists” who would sell drugs to fund their terror campaigns. Yet those groups did not appear to be operating inside the United States, although it has since been learned that the Tamil Tigers sold drugs and raised money in the U.S. to fund their insurgency in Sri Lanka, and a criminal group in North Carolina trafficked in cigarettes to raise money for Hezbollah.

The definition of the terrorist threat as an Islamic one fit with the needs and priorities of US government agencies. The FBI was constrained from monitoring Americans, but it could track foreign nationals. The CIA was in search of a mission with the end of the Cold War, and terrorism was a popular replacement target. As the US military pulled back from many of its overseas bases in the early 1990’s, the most visible concentration of American forces was in the Persian Gulf, and force protection against Islamic terrorism became a major issue for the Pentagon. Congress was willing to spend money on intelligence activities against foreign terrorism – a reward of \$1 million was offered for the arrest of Mir Amal Kazi, who shot CIA employees outside the agency’s headquarters in Langley, Virginia in 1993 – but it would not support intelligence efforts against the American public. Where law enforcement and intelligence had been given limited jurisdiction over domestic terrorism, it was given no incentive by Congress to operate in that area. Domestic security simply was not a focus.

Thus government’s attitude toward the threat was dichotomous. On the one hand, the federal government applied resources to uncovering and countering Islamic threats, while on the other, it was almost completely ignorant of domestic threats. Only academics, observers of hate groups, and a handful of scattered law enforcement officials seemed to be aware of the potential threat posed by the political-religious Patriot movement. The Patriots were not defined as a

threat, and thus information about them was not collected or analyzed, and appropriate precautions were not taken to reduce the threat they posed.

3.2.2. Failures of Public Policy Leadership

Ineffective leadership, bad policy decisions, and poor policy planning in a variety of areas influenced what happened at Oklahoma City. Some broad federal policy areas had significant effects – security of installations, oversight of the intelligence community, and farm support. Other policy problems resulted from specific decisions – at Waco and Ruby Ridge, and the recent passage of gun control legislation.¹⁷⁷ Taken separately, it is difficult to evaluate each one's connection to the bombing, but taken as a whole, it is clear that Federal policies did influence the likelihood of such an attack taking place.

3.2.2.1. Broad Federal Policy Areas The first of the general policy areas involved physical security at federal facilities. The Justice Department and the GSA did not provide adequate security at the Murrah Federal Building; thankfully, the poor security was never tested at other federal facilities. In the wake of the World Trade Center bombing in 1993, security had been heightened at many federal facilities to protect them from terrorist attack. Reportedly federal agencies had been on heightened alert status in early 1995 because of threats received from Islamic militants reacting to the arrest of the WTC bombing suspects. Despite the many precautions taken, however, the Murrah building had only one security guard on duty the day of

¹⁷⁷ This discussion assumes, as stated above, that McVeigh and Nichols were guilty as the government claimed, but that it is possible that other militia members or white supremacists may have been involved. The argument that Iraq was behind the bombing is discussed below, but the failures of public policy leadership in regards to Iraq are already discussed in the chapter on the first World Trade Center bombing.

the attack.¹⁷⁸ This was due largely to a mistake in the security classification of the building; the General Services Administration rated it a level-3 facility when it should have been a level-4 because of its size, the number of federal employees present, and the law enforcement agencies housed there. A correct classification would have required physical security measures that might have limited the death toll and made the building a less attractive target.¹⁷⁹ McVeigh was allowed to park the rental truck directly in front of the building and walk away unquestioned. So while the Federal government had increased security at a number of sites, especially in Washington, D.C., it was not a priority; the government did not send a clear message out to its field locations or provide much in the way of additional funding for security.

Second, the executive and legislative branches share responsibility for failing to allow the FBI freedom to investigate domestic groups. Congress had not stepped back in after the Pike and Church Committee investigations in the 1970's to review FBI surveillance policies, or to reassess the types of threats the FBI was permitted to address. Additionally, the public's justifiable concerns about privacy and civil liberties were allowed to handcuff the intelligence community's ability to collect information on domestic threats to the public's security. The FBI declined to request the additional authority and operational flexibility it needed to go after domestic terrorism, and Congress did nothing to help it. However, one might also reasonably argue that even without those restrictions, the FBI might not have investigated the militias too deeply given their connections to parts of the conservative movement in Congress – and even if

¹⁷⁸ Mark Hamm, *Apocalypse in Oklahoma: Waco and Ruby Ridge Revenged* (Boston: Northeastern University Press, Boston, 1997), p. 41.

¹⁷⁹ Diana Baldwin, "Murrah Building's Security Rating Too Low, Report Shows," *The Daily Oklahoman*, March 5, 1999, p. 1.

the FBI had investigated them, there is no guarantee that they would have located McVeigh and Nichols and interrupted their plot.¹⁸⁰

The third general failure was insufficient threat analysis on the part of the National Security Council and the Justice Department, which did not define the threat of domestic terrorism, and thus make plans for analyzing the problem and preventing its occurrence. This was due in part to the general cultural bias in the United States that assumed that the only terrorist threat came from the Middle East. But the job of senior policy makers in both organizations is to provide tasking to the intelligence community – to prescribe what the objects of intelligence collection should be, based on the perceived threats. Congress also bears blame for its poor oversight, both in terms of guidance and in failing to reconsider the restrictions imposed on the FBI.

Finally, the impacts of Federal farm policies on rural America – from disillusionment to violence to organized opposition – were significant (they are discussed at greater length below). There are plenty of parties to share the blame for what happened, including the Federal government, Congress, state agencies, banks, and corporations. Two types of government policy failure seem evident. First, both the Carter and Reagan administrations made decisions about farm policy that had unforeseen consequences for farmers. And second, the President and Congress, elected to serve the needs of their constituents, failed to understand the resulting problems or take appropriate steps to relieve farmers from debt or restore their trust in government. These broad policy failures helped set the stage for what happened at Oklahoma City. But there were also several very specific failures on the part of the Federal government

¹⁸⁰ The argument that the FBI would have backed off from investigating the militias because they had sympathizers in Congress (most of whom were not in positions of authority within committees) seems less plausible than the suggestion that the FBI might not have found McVeigh and Nichols no matter how they investigated.

that had a direct bearing on the rise of the Patriot movement and indeed on the actual events of April 19.

3.2.2.2. Waco and Ruby Ridge First, there were the horrendous decisions made in earlier conflicts with the far right wing in America – particularly at Ruby Ridge in 1992 and at Waco in 1993. Both of these incidents, and the poor decision making and negligent oversight that contributed to them, have been described in detail by a variety of authors. The decisions leading to a tragic loss of life on both occasions contributed directly to the growth of anti-government sentiment throughout the country, and in the case of Waco, inspired Timothy McVeigh to take revenge. A key commonality between the incidents was the inability of Attorney General Janet Reno and President Bill Clinton to understand the public outrage at their decisions or to express the sense of responsibility and remorse that might have allayed the fears of the anti-government movement.¹⁸¹ Thus there were two types of policy failures – first, bad decisions by the President and Attorney General, and second, failure to acknowledge that serious mistakes were made and to understand the consequences.

3.2.2.3. Gun Control More importantly, the Clinton administration’s policies on gun control directly influenced the rise of the Patriot movement. Policy advisors failed to take into consideration, minimized, or disregarded the views of gun owners and their likely reaction to additional restrictions. Given the long-running battle between the National Rifle Association and the Democratic Party, President Clinton’s reputation as a policy “wonk,” and the White House’s

¹⁸¹ Interview with Bob Ricks, FBI Special Agent in Charge in Oklahoma City at the time and who had been present at Waco.

penchant for polling, it is hard to believe that they were completely unaware of the views of gun control opponents. Either the process for policy analysis was flawed, or the White House made a political determination to go ahead with new restrictions despite opposition.

The introduction of the “Brady Bill” in 1994 to impose new restrictions on gun ownership generated opposition immediately, and its passage was greeted with great dismay by conservatives, rural land owners, and gun enthusiasts. Ken Toole, president of the Montana Human Rights Network, said later, “With the Brady Bill it was like someone poured jet fuel on the movement. Overnight we saw all this militia stuff bleed right out of the white supremacists who had been pushing the idea for years and engulf entire communities.”¹⁸² Rhetoric from right-wing groups was heated. A new ban on certain types of “assault weapons” in September 1994 was the final straw – Timothy McVeigh told reporters Lou Michel and Dan Herbeck that the new gun laws were what helped him decide to take violent, symbolic action against the government.¹⁸³

It is impossible to lay the blame for the Oklahoma City bombing at the feet of any single policy decision or policy maker. Yet there were at least two major failures by the White House – to perceive the threat of domestic terrorism, and to understand the impact of its domestic policies. The Executive branch is responsible for policy coordination and implementation, and in this case, the Clinton Administration failed to implement new policies with a complete understanding of their interaction with existing policies and their lingering influences. In places where Federal farm policy had destroyed individuals and communities, where distrust of government was dramatically heightened as a result of Ruby Ridge and Waco, the perception

¹⁸² Quoted in Richard Abanes, *End-Time Visions: The Road to Armageddon* (New York: Four Walls Eight Windows, 1998), p. 132.

¹⁸³ Lou Michel and Dan Herbeck, *American Terrorist: Timothy McVeigh and the Tragedy at Oklahoma City* (New York: Avon Books, 2002), pp. 189-193.

that the government might step in and take away an individual's weapon, indeed his right to self-defense, was the catalyst not only for political organization but for calls to action – and for the planning and execution of violence.

3.3. ORGANIZATIONAL OBSTACLES

The intelligence and law enforcement community failed to comprehend the general threat from the Patriot movement due to several organizational obstacles. First, privacy rights and concern for institutional self-preservation contributed to the failure. Second, attitudes and culture within the law enforcement and intelligence community put blinders on collectors and analysts. Third, it is possible that poor interagency coordination may have played a role in this case.

3.3.1. The First Amendment and Domestic Surveillance

The usual defense for the failure of domestic intelligence efforts is the First Amendment. The FBI stated publicly a month before the Oklahoma City bombing that it could not focus on militias because of free speech and privacy concerns.¹⁸⁴ The Bureau has tended to blame Congress for this. Congressional oversight of the intelligence community is important and generally beneficial, but overzealous and politicized oversight had created a situation where useful and important information about potential threats to domestic security, like the Patriot movement, could not be collected. One of the most critical effects of the Church and Pike Committees was the almost complete cessation of any intelligence gathering against individuals

¹⁸⁴ The spokesman for the FBI's San Francisco field office told a reporter, "That's what we call free speech." Bill Wallace, "A Call to Arms," *San Francisco Chronicle*, March 12, 1995, p. 1/Z1.

who were U.S. citizens. Not only was the FBI severely restricted in its ability to collect information, but also other agencies like the NSA, IRS, and the Post Office were forced to abdicate any responsibility for domestic security.¹⁸⁵

The Justice Department perhaps overreacted to Church and Pike; additional restrictions on domestic intelligence efforts were imposed in several sets of Attorney General Guidelines. The Bureau felt that it was handcuffed in this area, and it was reluctant to bring added scrutiny to its operations. There was a strong element of self-preservation in the FBI's lack of interest in domestic threats. It was safer not to get involved in surveillance of domestic groups.¹⁸⁶

But there were agencies which could take action. In the years preceding the Oklahoma City bombing, various federal and state agencies had investigated members of the Patriot movement for mail and wire fraud, tax fraud, financial crimes and money laundering, illegal weapon purchases, bank robbery, and other crimes. The Bureau of Alcohol, Tobacco, and Firearms (ATF) tracked gun shows and moved against some groups that stockpiled weapons, but their focus seems to have been on arrests and seizures rather than on putting together a strategic overview of the militias. Certainly the CIA was prohibited by law from gathering information on U.S. citizens at home, although as the militias came to be more closely associated with neo-Nazi groups from abroad, the INS and the CIA became more actively involved in tracking their movements.

It is not that these agencies, and the FBI, were completely unaware of the militia movement. But the agencies were unable to share intelligence on suspect individuals, did not have the authority to open broader investigations into potentially dangerous groups, and could not

¹⁸⁵ Please see Appendix for more on the history of how Congress and the courts affected FBI investigations.

¹⁸⁶ Stern argues that the FBI also may have been afraid of appearing to retaliate for the bad press it received over Ruby Ridge and Waco; p.233. Yet it is possible that the FBI saw both events as terrible accidents, genuine tragedies – but not events for which it bore responsibility or which might be seen as *casus belli* for the Patriot movement.

introduce undercover operatives into the groups to gather human intelligence. The rights of free association and free speech trumped others' basic rights to life and liberty.

3.3.2. Law Enforcement Culture and Attitudes

Attitudes within law enforcement which might have contributed to its deafness to the militias are somewhat harder to gauge. Many small police forces were badly outnumbered and outgunned by the militias and could not risk confrontation, but in some places, local and county officers were sympathetic with or were even members of the local militias. Stern argues that the government's apparent laxity may have been partly due to racism in the FBI, which he suggests would certainly have cracked down on thousands of African-Americans arming themselves and preaching war.¹⁸⁷ The FBI has not always been colorblind, but it is unlikely that the focus of the entire organization could be turned away from a genuine threat based solely on racist sentiments.

Another possibility is that the intelligence community heard the warnings but dismissed them. Perhaps the warnings of the ADL were perceived as only "interest group politics" on behalf of the Jewish community. Perhaps the occasional controversy over the Southern Poverty Law Center's involvement in civil rights cases kept the government from lending credence to its reports. The culture of the intelligence community tends to dismiss information from anyone other than its own "designated" outside experts. Certainly the media did little to help – a San Francisco Chronicle reporter wrote in March 1995 that "although watchdog groups that track extremist organizations suggest the militia movement is linked to dangerous right-wing ideologues, they offer little supporting evidence."¹⁸⁸

¹⁸⁷ Stern, pp. 232 and 235.

¹⁸⁸ Wallace, op cit.

So while there may have been scattered closet sympathy for the Patriot movement among a handful of local law enforcement officials, there is no evidence to conclude that their attitudes contributed in any meaningful way to what happened on April 19, 1995. Law enforcement keeps a keen eye out for any and all lawbreakers, and anti-government sentiments would have to have run deep among government employees to misdirect their attention away from the militias.

3.3.3. Law Enforcement Coordination

There has been ongoing suspicion since right after the bombing that the Oklahoma City bombers were aided by radicals at a compound in eastern Oklahoma known as Elohim City. McVeigh stayed in a hotel near there, and was given a speeding ticket near the compound in the year before the bombing; he also attempted to call the compound just weeks before the bombing. No evidence has been found so far to connect Nichols with Elohim City. If one assumes, however, that the compound was connected to McVeigh and Nichols in ways that have not yet been made public, there might have been a failure of coordination, cooperation, and information sharing among federal agencies.

When McVeigh called the compound, he asked to speak to “Andy,” probably Andreas Strassmeier, a German who was the security specialist and weapons trainer for Elohim City. Conspiracy theorists assert that he was working on behalf of the CIA to get inside the international neo-Nazi movement.¹⁸⁹ If he was, federal law enforcement agencies certainly were not made aware of it. The FBI did request a meeting with the ATF about its investigation into Elohim City, and it appears that Bob Ricks, the FBI Special Agent in Charge (SAC) in

¹⁸⁹ Indeed, Strassmeier seems to be an unusual case. He was allowed to leave the United States without questioning, even though he had overstayed his visa. He had received special forces and intelligence training in Germany. And his father is Gunther Strassmeier, secretary of state under Helmut Kohl and the “architect of German reunification.”

Oklahoma City asked the ATF to call off a raid it had planned on the compound in order to avoid another Waco-type incident. However, unless policy makers had defined the Patriots as a threat, the activities going on at Elohim City (and at other similar compounds) would not have been seen as warning indicators of likely action. So, based on the information available to the public, it is difficult to argue that a failure of coordination among law enforcement and intelligence agencies regarding the Patriot compound in eastern Oklahoma contributed in any significant way to the events of April 19, 1995.

So of the possible organizational obstacles in this case – limits on domestic surveillance, law enforcement attitudes, or interagency coordination – only one seems to have made a discernable difference. The FBI's self-imposed restrictions based on an overreaction to the Pike and Church Committees and on narrow interpretations of the Attorney General's Guidelines were the cause of its double failure: first, to comprehend the nature of the threat from the Patriot movement, and as a result, to watch for the warning indicators that might have helped avert the tragedy at Oklahoma City.

3.4. THREAT AND WARNING INFORMATION

Significant threat indicators at the time should have led law enforcement and intelligence to predict or prevent an event like the Oklahoma City bombing. A significant portion of the ongoing debate over Oklahoma City concerns potential warning indicators. This section briefly reviews the threat indicators, then turns to the relatively sparse warning indicators – specific signs of the who, what, when, where, and how of the actual attack.

3.4.1. Threat Indicators

The failure at Oklahoma City was in part a failure to recognize and understand a number of important and visible indicators about the threat posed by the militia movement in the United States in the late 1980's to mid-1990's. The farm crisis of the 80's and the recession of the early 90's hurt millions of people, and many feared the effects of NAFTA on employment and immigration. The end of the Cold War left America looking for an external threat, searching for a "public enemy #1" against which the nation could unite. A new political balance in Washington threatened the gains made by conservatives over twelve years. More importantly, the federal government had lost its credibility with the rural community. What in the world was happening? The disenchanted and the disenfranchised of America were looking for answers, and they found them in hate groups and religious sects. Inspired by those answers, they turned to survivalism, illegal activities, and violence.

The trends were there to be seen. Anti-discrimination groups like the Anti-Defamation League (ADL) and the Southern Poverty Law Center (SPLC), tracking the publications and meetings of the far-right, warned of increasing activity by hate groups. Other non-profits like PrairieFire Rural Action attempted to publicize the plight of the American farmer, to provide psychological counseling and career guidance, and to mobilize rural communities against hate groups. News stories described the murder of several bank officers by disgruntled farmers, and there was a rash of beatings, robberies, murders, and suicides in rural areas. Anti-government activists throughout the Midwest harassed and threatened public officials, filed liens against them, and created their own "common law" courts. Hoping to spread their unique message, militia leaders allowed themselves to be interviewed by the media, and in late 1994 and early

1995 there were a number of lengthy news stories in major outlets describing the militias and their agendas.¹⁹⁰

It seems clear in hindsight that the militias were a significant threat, and that the government (federal, state, and local) failed to recognize it. Recognition should have led to strong enforcement, aggressive intelligence collection, and preventive measures. A closer examination of the origins of the militia movement is necessary in order to determine what the government could have or should have known about the militias and the threat they posed to domestic peace and order.

3.4.1.1. The Threat from the Far Right The farm crisis of the Eighties led to widespread anger, disillusionment with government, frustration over debt, and increases in mental health problems and violence in many rural communities. With the advent of new farming technologies in the 1970's, many farmers went into debt to buy machinery and other essentials for increased production. But the promise was not to be fulfilled. Price controls meant to curb inflation cut livestock values, and foreign grain importers became grain exporters. The Carter Administration decided to embargo grain sales to the Soviet Union, and the market bottomed out. Farmers were left with enormous debt burdens and no way to pay them off; the banks moved in. During the 1980's, nearly a million farmers went bankrupt.¹⁹¹ Farm families moved to the cities in search of employment, farmers' wives worked off the farm, and rural communities and their values were torn apart.

¹⁹⁰ These outlets included CNN, NPR, *Chicago Tribune*, *Time*, *Los Angeles Times*, *USA Today*, *Washington Times*, *Pittsburgh Post-Gazette*, *New York Times*, *Sacramento Bee*, *San Francisco Chronicle*, and the *Christian Science Monitor*.

¹⁹¹ Vincent Coppola, *Dragons of God: A Journey Through Far-Right America*, (Atlanta: Longstreet Press, 1996), pp. 66-68.

How did the farm crisis move individuals from thought to action, from words to violence? Investigative reporter Joel Dyer spent much of the early 90's researching how the stress of the rural crisis was transformed into violence and abuse. He found that farmers felt that they lost their personal identity when they lost their farms. Their anger and loss of identity could be turned inward (suicide) or outward (violence and anti-government activity). The suicide rate among farmers in Oklahoma in 1989 was three times the rate among the general population, and there were similar findings elsewhere. Domestic abuse among farm families, including assault and murder, increased dramatically. Where land and self and hope were lost, there were no constraints on violence.¹⁹²

In the search for some kind of underlying explanation for what had happened to the rural American dream, many people discovered answers among conspiracy-peddlers and anti-government radicals. Although they initially shunned racist and anti-Semitic messengers,¹⁹³ by the beginning of the 1990's, they had become more receptive to blatant racists and religious sects. They "learned" that Jews were behind the greed of the banking sector, the only lawful authority under the Constitution was the county sheriff, and whites were the true descendants of the original twelve tribes of Israel. Newsletters, shortwave radio broadcasts, and self-published books provided the detailed explanations and "proof" needed to convince the searching soul.

They also found more than just empty words, they organized. A leader in the Aryan Resistance movement, Louis Beam, had written a series of essays in his newsletter, *The Seditonist*, on the concept of "leaderless resistance" – a strategy where small groups of men

¹⁹² Joel Dyer, *Harvest of Rage: Why Oklahoma City Is Only the Beginning* (Boulder, CO: Westview Press, 1998), pp. 25, 30-33.

¹⁹³ Morris Dees, *Gathering Storm: America's Militia Threat* (New York: Harper Perennial, 1996), p. 3.

would form autonomous underground cells that could operate independently and efficiently against the government. In the February 1992 issue Beam explained his motivation:

In the hope that, somehow, America can still produce the brave sons and daughters necessary to fight off ever increasing persecution and oppression, this essay is offered.... The passage of time will make it clear to even the more slow among us that the government is the foremost threat to the life, and liberty of the folk.... It is the duty of every patriot to make the tyrant's life miserable....

He went on to describe the tactics of leaderless resistance:

The pyramid is not only useless, but extremely dangerous for the participants when it is utilized in a resistance movement against state tyranny... What method is left for those resisting state tyranny? The "Phantom Cell" mode of organization... A system of organization that is based upon the cell organization, but does not have any central control or direction... all individuals and groups operate independently of each other.... Patriots are required therefore, to make a conscious decision to either aid the government in its illegal spying, by continuing with old methods of organization and resistance, or to make the enemy's [sic] job more difficult by implementing effective countermeasures.¹⁹⁴

Beam expanded on the idea at an Estes Park, Colorado rally of racist groups in October 1992; the rally's published "Special Report" reprinted the entire text of his article.¹⁹⁵ Beam's strategy would be embodied in the organization of many militia groups over the next several years.

The Patriots organized, and they acted. Individuals could solve their debt problems by paying a small fee to learn how to write checks against a billion-dollar "lien" filed against the Federal Reserve because it had no constitutional authority to collect taxes.¹⁹⁶ One group, Family Farm Preservation, helped distribute worthless certified money orders and bogus certified bankers' checks amounting to more than \$185 million.¹⁹⁷ Books and seminars were available to

¹⁹⁴ Louis Beam, *The Seditious: A Quarterly Journal of Seditious Thought*, Issue 12, February 1992.

¹⁹⁵ Stern, pp. 35-37; also Dees, p. 66.

¹⁹⁶ See Stern, pp., 77, 90-91.

¹⁹⁷ Letter from Robert G. Baumann, Postal Inspection Service, to Joe Roy of the SPLC Intelligence Project, dated April 30, 1997.

help set up “common law” courts based on convoluted interpretations of English common law and the Constitution; self-appointed judges ruled the courts, filing paperwork against government officials, “convicting” them, and urging their arrest. Some individuals (Terry Nichols among them) tried to revoke their U.S. citizenship,¹⁹⁸ declaring themselves “sovereign individuals,” refusing to pay taxes, and driving without a license or vehicle tags. Believing that the federal government would one day arrest any citizen with a gun, many prepared for war, buying guns, ammunition, and dry goods. Most importantly, they found like-minded groups of fellow travelers in religious sects like the Christian Identity movement, in hate groups like the Ku Klux Klan, and in political groups on the edge – like the John Birch Society and the U.S. Taxpayers Party.

The frustration and anger caused by the farm crisis that led individuals toward the fringe would be exacerbated by several events of the early 1990’s. Unemployment was relatively high, news about layoffs made the headlines every day, and it appeared that implementation of the North American Free Trade Area (NAFTA) would send many manufacturing jobs out of the country. Despite the renewed national pride discovered during the Persian Gulf War, the fall of the Soviet Union left America in search of its identity. President George Bush’s public suggestion that the end of the Cold War created an opportunity for a “New World Order” was immediately associated with grand conspiracy theories (involving the Illuminati, Freemasons, or Jews, right out of a Robert Ludlum novel) by those who wanted to believe that one-world government was right around the corner. Popular campaign phrases aside, the election of 1992 was about far more than just “the economy, stupid.”

¹⁹⁸ Letter from Terry Nichols to the Michigan Department of Natural Resources, April 2, 1992. He wrote, “I am stating that I no longer am a citizen of the corrupt political corporate State of Michigan and the United States of America.” In a letter to the IRS Service Center in Dallas, TX, dated April 1994, Nichols claimed to be “a ‘natural born free citizen’ of the United States of America, and thus... not subject to withholding [tax] as claimed.”

In 1993, after twelve years of conservative leadership, a new Democratic administration in Washington pushed forward with a new agenda. On his first day in office, President Bill Clinton changed official military policy on homosexuals, a controversial move that did not go over well with the American heartland. Parts of the President's agenda had only limited direct impact on anti-government activists (though they seized on them just the same), such as the implementation of NAFTA and the First Lady Hillary Clinton's plan to reorganize and "socialize" the nation's health care system. However, other parts of the Democratic agenda confronted the activists directly: new gun control legislation was signed into law, and Washington imposed a variety of new environmental and land use restrictions that hit rural areas of the Midwest and West the hardest. The resulting distrust was amplified by revelations of over-aggressive actions by the IRS, and by the famous law enforcement disasters at Ruby Ridge, Idaho and Waco, Texas. Throughout it all, official Washington seems to have been blissfully unaware that anything was wrong. Certainly there were individuals inside the government who were concerned, but their voices do not seem to have been heard.

The public became at least dimly aware of the tide of discontent from the far right. Major news organizations like CNN and the New York Times profiled individual "patriots" and described the new groups they founded, calling themselves "militias." Militia leaders appeared on the Phil Donahue show. Anti-discrimination groups like the ADL and SPLC warned of increasing activity by hate groups, from recruitment to fundraising to violence. The events at Ruby Ridge and Waco provided a public platform for anti-government views.

Law enforcement did not suffer from a lack of experience with violence by hate groups and anti-government activists. It had faced serious armed confrontations with groups like the Black Panthers, The Weathermen, and The Order, and it had raided racist compounds like that of the

Covenant, Sword and Arm of the Lord (CSA). It had also dealt with individuals like Gordon Kahl and Richard Wayne Snell, who murdered law enforcement officers in separate incidents. Snell and James Ellison of the CSA were involved in an aborted attempt in 1983 to bomb the Murrah Building. In the mid-1980's, authorities in Operation Clean Sweep had gone after the Aryan Nations and other neo-Nazi groups, and it became apparent that plans had been made to bomb federal buildings in Minneapolis, New Orleans, Kansas City, and St. Louis.¹⁹⁹ Five white supremacists pleaded guilty in 1988 to bombing the federal building in Coeur d'Alene, Idaho. Puerto Rican revolutionaries had engaged in a lengthy campaign of violence against targets in Puerto Rico, New York, and Washington. There were many other cases of both small-scale and large-scale violence by government opponents and hate groups.

Sparked by the farm crisis, gun control, and tragic government mistakes at Ruby Ridge and Waco, with racist rhetoric acting as an accelerant, the Patriot movement grew like a genuine prairie fire. Often one can see and smell the smoke from a prairie fire long before the flames arrive, and there was plenty of smoke to be seen from the militias. Law enforcement, which has habitually been reactive rather than proactive, seemed to believe that it could ignore the smoke and wait for the fire to appear. Much of the general information it collected on militias was not “actionable” – it did not seem to provide enough concrete evidence or even probable cause to take action. Human rights and anti-racist groups would disagree with that assessment. There were significant threat indicators – the militias were engaged in illegal activities, were heavily armed, were actively committing violent acts, and were involved in plans to commit even greater violence. Yet by and large, law enforcement did not perceive the militias to be a threat, and so it did not gather intelligence or conduct operations against the militias.

¹⁹⁹ Dees, p. 43.

3.4.2. Specific Warning Indicators

If the government should have been aware of the violent threat posed by the militia movement, it also should have been watching for indicators of the when-and-where of militia-sponsored violence. Intelligence should have been collected, analyzed, and shared throughout the law enforcement and intelligence community. Critics suggest that the government should have been aware of some specific warning indicators about militia violence, but failed to understand or share the information. Conspiracy theorists believe that the government *was* aware of the militia threat and even knew details beforehand about the Oklahoma City bombing. The two sets of claims need to be evaluated further, first the critics, then the conspiracy theorists.

The SPLC Intelligence Project cites examples of a number of major trends and serious incidents among right-wing groups in the 18 months prior to Oklahoma City. In January 1994, white supremacist John Trochmann founded the Militia of Montana (MOM), which was followed by the Michigan Militia in April. Militias sprang up in at least twenty states that year, and by fall the Michigan Militia alone claimed 10,000 members²⁰⁰ – perhaps an accurate count for the entire movement at the time, but a significant number nonetheless.

Public meetings quickly became an important means of spreading the word. In March, 800 people gathered to hear Trochmann speak in Kalispell, Montana. In a May speech an anti-abortion activist proclaimed that churches should form their own militias. More than 1,500 people gathered in October 1994 to learn how to form their own militias at “Operation Freedom”

²⁰⁰ Stern, p. 97. Certainly the number is a self-proclaimed exaggeration, but there were dozens of groups.

in Lakeland, Florida.²⁰¹ And in February 1995, Mark Koernke preached to over 1,000 people in Meadville, Pennsylvania about how to fight the “New World Order.”²⁰²

Although militia literature advocated the bombing of federal buildings and killing government officials, among other things, the Patriot groups were not merely talking. In January of 1994, a California government official who refused to vacate an IRS lien was beaten and stabbed by Patriot “common law” proponents. In June a common-law supporter was recorded discussing plans to smuggle marijuana through Cuba to finance Patriot activities. Two Patriot supporters were arrested in August for making ricin, a deadly biological toxin.²⁰³ In December, militia supporters sent death threats to a judge in Montana, the state attorney general, the state wildlife department, and the IRS. Two months later, several men were arrested apparently intending to kidnap, try, and hang a District Court judge.²⁰⁴ Militia members were apprehended before they could carry off a robbery of the National Guard Armory in Pulaski, Virginia. News of these Patriot activities was splashed across the pages of newspapers around the country and featured in news broadcasts.

Watchdog groups like the Southern Poverty Law Center (SPLC), Anti-Defamation League, and the American Jewish Committee broadly publicized the activities of the Patriots and other hate groups. Morris Dees, director of the SPLC, wrote a letter to Attorney General Janet Reno in October of 1994 warning:

I urge you to alert all federal law enforcement authorities to the growing danger posed by unauthorized militias that have recently sprung up in at least eighteen states.... We have substantial evidence that white supremacists are infiltrating the leadership of these organizations. In our view, this mixture of armed groups and

²⁰¹ Southern Poverty Law Center, *Intelligence Report*, Summer 2001, p. 17.

²⁰² Dennis Roddy, “Ears to the Ground: Armed Militias Spring Up to Resist One-World Takeover,” *Pittsburgh Post-Gazette*, February 21, 1995, p. 1A.

²⁰³ SPLC, *op cit*.

²⁰⁴ Stern, pp. 78-80, 90-93.

those who hate is a recipe for disaster.... Citizens have the right to form peaceful groups to protest gun legislation and to engage in target practice. But they do not have the right to possess illegal weapons, violate state paramilitary laws, or harass minorities. Based on the history of paramilitary operations conducted under the influence of white supremacists, I believe it is highly likely that illegal activity of this sort is already occurring.²⁰⁵

Dees' letter was admittedly short on details, but he enclosed biographical sketches of white supremacists involved in the militias, and lists of militia groups receiving their help and of state militia groups without known racist affiliations. It would not have taken a lot of effort to verify the information from the SPLC. But the Justice Department apparently was not interested.

Not all of the specific warning indicators would have been clear at the time. But there were a number of signs that arguably might have alerted authorities to trouble specifically in Oklahoma City. The ADL's Kenneth Stern suggests that a movie by Michigan militia leader Mark Koernke titled "America in Peril" may have inspired McVeigh. The video posits that gun owners would one day be locked up in concentration camps after being processed through the federal prison transfer facility at Oklahoma City.²⁰⁶ Indications that McVeigh may have been a bodyguard to Koernke for a period of time now seem to be erroneous,²⁰⁷ and it would have been difficult at the time for anyone to make any connection between McVeigh, Koernke, and the video.

During the trial of Terry Nichols, information appeared from a militia informant suggesting that she had warned the government that Oklahoma City was a potential bombing target. Carol Ann Howe was an informant for the ATF, living inside the Elohim City compound with one of its leaders, Dennis Mahon. Purportedly she had warned her ATF handler after casing the Murrah

²⁰⁵ Letter from Morris Dees to Janet Reno, dated October 25, 1994.

²⁰⁶ Stern, p. 101.

²⁰⁷ SPLC, p. 19. See also the ABC News broadcast on April 25, 1995.

building with Mahon and Strassmeier. However, Howe later admitted under oath that she had not been specific about the federal building, and it was later proven that the group had gone nowhere near the federal building on its visit to the city. There are some tantalizing details in the Howe story, but nothing to suggest that the government got any specific warning information from her.

3.4.3. Possible Indicators from Others Unknown

Within days of the Oklahoma City bombing and the arrests of McVeigh and Nichols, alternative theories were beginning to circulate. In the months and years that followed, the theories found many backers, including not just crackpots and militia members but also respected journalists, academics, lawyers, Congressmen, and former government intelligence officials. The theories are important because if any of them are true even in part, they would suggest other kinds of threat and warning indicators that the intelligence community either knew or should have been aware of.

The theories about “others unknown” tend to fall into three camps: (1) other pals of McVeigh and Nichols were involved in the plot; (2) a terrorist sponsor like Saddam Hussein was behind the bombing; or (3) the U.S. government itself carried out the bombing or knew it was going to happen and conspired to cover it up. One thing in common among many of the theories is the belief that the FBI settled on McVeigh and Nichols as their main targets early on and was not interested in pursuing other possible suspects.²⁰⁸ The FBI did charge Michael Fortier and his wife with failing to report the plot, but nobody else was ever prosecuted for the crime. Yet when

²⁰⁸ A retired FBI agent who worked in the command center in the days after the bombing told a reporter in 2005, “Did they decide he [John Doe #2] didn’t exist because they couldn’t find him or decide he didn’t exist because he didn’t exist? My guess is it’s the former.” Gail Gibson, “10 Years Later, Some Seek More Answers in Bombing,” *The Baltimore Sun*, April 19, 2005, p. 3A.

McVeigh was given a polygraph test by his defense team, he passed on the questions about his own activities, but failed when asked about the involvement of others.²⁰⁹

The theory that the government knew in advance or had warning of the bombing was publicly articulated by Stephen Jones, Timothy McVeigh's defense lawyer. After McVeigh's conviction, Jones wrote a book titled *Others Unknown*, referring to language in the grand jury indictment that the bombing was carried out by McVeigh, Nichols, and "others unknown." Jones was convinced that the prosecution was involved in a conspiracy to cover up evidence, indicating that the government knew in advance about the bombing and that other individuals were involved. He suggested a number of both general warnings and specific pieces of information that he believes the government possessed:

- Israeli intelligence purportedly had warned the U.S. in broad terms about the likelihood of terrorist activity.²¹⁰ Such general suggestions are not at all uncommon, and Jones acknowledged that whatever warning there was did not name specific targets. However, even a general warning from the Israelis, known for their sharp intelligence community, likely should have attracted more concern within the U.S. government.
- The U.S. Marshals were ordered by their director on March 15, 1995, to beef up security at federal facilities in response to a *fatwah* (a decree from Islamic leaders) targeting the Marshals for their role in the arrests of suspects in the first World Trade Center bombing. It is unclear whether anything special was implemented at the Murrah building, but the fact that there was only one security guard on duty that day suggests that there was not.²¹¹
- A possible government informant or agent named Andreas Strassmeier was inciting right-wing activists at Elohim City (a compound in eastern Oklahoma) to bomb the federal building; McVeigh placed a call to Elohim City only days before the bombing, asking for "Andy."²¹² Strassmeier was connected to the neo-Nazi movement in Germany, and other than being a weapons and security specialist for the compound, it is unclear exactly what his role was at Elohim City. He left the country before he could be questioned about Oklahoma City. The FBI, INS, and ATF all deny any knowledge of Strassmeier.

²⁰⁹ According to his attorney, Stephen Jones. Reported in several places including Helen Kennedy, "Feds Ripped as OKC Blast Conspirators," *Daily News* (New York), June 6, 2001, p. 23.

²¹⁰ Stephen Jones, *Other Unknown: The Oklahoma City Bombing Case and Conspiracy* (New York: Public Affairs, 1998), p. 134.

²¹¹ *Idem.*

²¹² Jones, p. 149.

- A telephone call was received at the DOJ control center at about 9:30 a.m. Eastern time from an anonymous witness who claimed to be looking at a just-bombed Murrah Federal Building. But the bomb went off at 9:02 a.m. Central time, or 10:02 a.m. Eastern, meaning that the call must have arrived before the bomb ignited.²¹³ Was the unknown caller another bomber? The official Justice Department response was that there was an error on the timestamp of the call, and that employees there at the time may have misremembered the correct time.

Throughout McVeigh's trial, Jones was accused of trying his case in the press, and he was widely criticized for pursuing the cameras. The book seemed to critics to be more of the same, a self-serving justification of his failure to successfully deflect blame from McVeigh. Whatever his real motivations, Jones did not provide enough evidence to back up his assertions, either at trial or in the book.

One other source for suggestions about what detailed information the government might have had in advance was a special grand jury established in Oklahoma City at the request of a victim's lawyer. During the grand jury hearings, testimony was given about at least four separate potential indicators.

- First, two sheriff's deputies suggested that Oklahoma Congressman Ernest Istook had been specifically informed about the bombing in advance, a charge which Istook categorically denied and which the grand jury found to be unsupported.
- Second, one survivor's husband testified that ATF employees had been warned not to show up for work at the Federal building that day. The ATF's director acknowledged that the agency was on heightened alert; however, there were several ATF agents killed in the bombing, and one agent was photographed in the building, trapped for several hours on an upper floor.
- Third, employees of the city housing agency reportedly overheard FBI employees in the building cafeteria discussing a bomb two weeks before the incident; the testimony is highly suspect, and it seems more likely that FBI agents were discussing other agency matters.
- Finally, grand jury testimony suggested that bomb squads were seen in the area of the Murrah building on April 19th but were conspicuously absent at the moment the bomb detonated. But the bomb squad supervisor testified that their activities that morning were

²¹³ Jones, pp. 211-221.

part of normal training, and although he had been at the county courthouse three blocks away earlier in the morning, they had gone to their training facility when the explosion occurred.²¹⁴

If one believes that the government knew in advance about the bombing; it is not a long stretch from there to the idea that the government itself carried out the act. The logic: If the government knew in advance, why didn't it stop the bombing? Because it wanted the attack to happen. Why? A leader of a California militia group told the *LA Times*, "I believe that the CIA orchestrated that to justify declaring martial law to disarm the militia. If you wanted to cause a great amount of credibility problems (for the militia), the easiest way to do that is to harm children and women and innocent civilians."²¹⁵ These beliefs were supported by a rumor that demolition charges had been placed in the basement of the Murrah building, though the idea has no evidence to support it. In fact, none of the claims of government foreknowledge made by Jones or presented to the Oklahoma City grand jury can be substantiated.

3.4.3.1. Other "Others Unknown" Timothy McVeigh went to his death insisting that he, Nichols, and the Fortiers were the lone conspirators. He liked the idea of being a martyr for the cause, and adamantly refused to name anyone else who might have been involved. And for many years, Terry Nichols followed suit. But after his conviction in 2004 in state court, Nichols revealed in a letter to the grandmother of two victims that another person was involved in the plot. He named Roger Moore, an Arkansas gun dealer and friend of McVeigh's, charging that

²¹⁴ Judy Kuhlman, "Claim by Some Offends Member Of Bomb Squad Crew Had No Warning Of Blast, Grand Jury Told," *Daily Oklahoman*, November 6, 1997, p. 8. See also Diana Baldwin and Penny Owen, "Grand Jury Rejects Wider Bomb Plot Report Agrees With Prosecutors," *Daily Oklahoman*, December 31, 1998, p. 1.

²¹⁵ Josh Meyer, et al., "Militia Members' Threats, Attacks on Officials Escalate," *Los Angeles Times*, April 27, 1995, p. A1.

Moore provided McVeigh with Kinestik binary explosives (fuses and blasting caps) to use in the bombing. He also charged that Moore had helped McVeigh “scout out federal buildings in other cities” while he traveled the country’s gun show circuit.²¹⁶

Nichols’ accusations against Moore are curious, in part because he waited ten years to make them, but also because prosecutors believed that Nichols had robbed Moore of more than \$60,000 in weapons and other items in a November 1994 robbery. They suggested that Nichols and McVeigh used the proceeds of the robbery to finance the bombing, and indeed law enforcement officials found some of the goods in Nichols’ possession after the bombing. But by the time of the robbery, McVeigh and Nichols had already stolen or bought most of the materials used in the bomb; the robbery would have served little purpose to them, if they were involved.²¹⁷

Moore responded angrily to Nichols’ accusations. “What would you do if you were in solitary confinement for the rest of your life? He’s making stuff up. What he claims I did is completely false. I never had any explosives.”²¹⁸ Regarding the explosives, he told the *LA Times*, “I don’t know what it looks like or what it does. But Nichols had that stuff. He was an angry man and broke all of his life. He has denied his U.S. citizenship. He hated everybody. And he hated the government something fierce. He’s a total nut case.”²¹⁹ Whatever his motivations, Nichols is also shrewd. In early 2005 he told officials that additional explosives were still buried under his old house in Kansas, and indeed they were found right where he said they would be. This truthful recollection might lend credence to his accusations against Moore.

²¹⁶ Richard Serrano, “Oklahoma City Bomber Nichols Says a 3rd Man Took Part in Plot,” *Los Angeles Times*, May 4, 2005, p. A1. Also Richard Serrano, “Conspirator Details Allegations about Oklahoma Bombing,” *Los Angeles Times*, May 6, 2005, p. A32.

²¹⁷ Kevin Flynn, “Set the Record Straight,” *Rocky Mountain News* (Denver), May 6, 2005, p. 30A.

²¹⁸ Kevin Johnson, “FBI Discounts New Claim in Oklahoma City Blast,” *USA Today*, May 5, 2005, p. 3A.

²¹⁹ Richard Serrano, “Man Says He had no Role in Oklahoma Plot,” *Los Angeles Times*, May 5, 2005, p.A20.

Law enforcement officials did look into Moore immediately after the bombing, but dismissed him as a suspect. They indicated that Nichols' accusation would not lead them to reopen their investigation of Moore. An FBI spokesman announced, "There is absolutely no credible evidence tying anyone other than Timothy McVeigh and Terry Nichols to the (bomb) plot. We have no new information that changes that view."²²⁰ So the Arkansas gun dealer is out, but other possible co-conspirators are still being discussed in the news.

McVeigh may well have been connected to both Elohim City, the Christian Identity and Patriot compound in eastern Oklahoma, and to the Aryan Republican Army (ARA), a group of bank robbers active in the Midwest who sometimes stayed at Elohim City. There are several pieces of supporting evidence:

- McVeigh got a speeding ticket four miles from the compound, and had stayed in a hotel near there previously.
- McVeigh was seen at the compound with Dennis Mahon, possibly using the name "Tim Tuttle," an alias he used numerous places.
- McVeigh called Elohim City on April 5, asking for "Andy" and purportedly looking for additional help with the bombing.
- There are at least four instances between 1993 and April 1995 when McVeigh was in the same small town on the same day as members of the ARA. Mark Hamm suspects that McVeigh, who had worked as a guard for an armored car company in New York, may have helped carry out the bank robberies. McVeigh does seem to have had some source of cash beyond selling weapons at gun shows; he had money to crisscross the country, staying in motels, buying explosives, and sending money to his sister in Buffalo.
- After he was arrested, ARA leader Bill Guthrie told the FBI that one of the gang members was "Tim."²²¹
- Another gang member told reporters in January 1997 that Kevin McCarthy, one of the gang members, "took out the Murrah Building."²²²
- The alibi provided by three gang members (Brescia, Stedeford, and McCarthy) for the period around April 19, 1995, later proved to be unsupportable; they were all in and around Oklahoma at the time.

²²⁰ Johnson, op cit.

²²¹ Although the gang members used nicknames for each other, given that there were only six members of the robbery gang and authorities now know all the nicknames, it's unlikely that "Tim" would refer to anyone but McVeigh. Andrew Gumbel, "The Oklahoma Conspiracy," *The Independent (London)*, May 11, 2001, p. 1, 7-8

²²² "Oklahoma City Bomber Could Have Closer Links to Local Robbers," *The Morning Call* (Allentown, PA), February 27, 2004, p. A6.

Hamm believes the gang may have been in on the plot to bomb the Murrah building,²²³ but he acknowledges the problem with concrete evidence: “There’s no smoking gun here.”²²⁴

Yet at least for a time, the FBI supported the suggestion that McVeigh, the ARA, and Elohim City were connected. Days after the bombing, agents wrote in a memo that: “It is suspected that members of Elohim City were involved either directly or indirectly through conspiracy.” On April 5, 1995, the day he rented the Ryder truck, McVeigh made a call to Elohim City, to a house where members of the ARA were staying. On April 8, McVeigh was seen at a strip club in Tulsa with Strassmeier and Michael Brescia, Strassmeier’s roommate and a possible match to John Doe #2. The FBI discovered that the ARA gang members had made a video around Christmas 1994 promising a war with the federal government and predicting a “courthouse massacre.”²²⁵ The FBI compared evidence from various ARA robberies with evidence from McVeigh and Nichols, including fingerprints, surveillance videos, explosives, and a driver’s license, although apparently the investigators of the ARA case (known as BOMBROB) did not share the information with the Oklahoma City (OKBOMB) team.

Agents knew that Richard Wayne Snell, a former resident of Elohim City, had been involved in the previous plot to blow up the Murrah building in the 1980’s; Snell was scheduled to be executed on April 19, 1995. The FBI was concerned enough about the date to interview Kerry Noble, a former white supremacist from inside Elohim City; Noble indicated later that FBI agents were keenly aware of Snell’s execution date and the simultaneous return from parole of

²²³ Gibson, op cit.

²²⁴ Ralph Blumenthal, “Another Oklahoma City Bomb Trial, and Still Questions Remain,” *The New York Times*, March 16, 2004, p. A18.

²²⁵ John Solomon, “FBI ‘Short-Circuited’ Hunt for Truth in Bombing,” *The Gazette* (Montreal, Canada), February 13, 2003, p. A17.

one of the compounds key leaders, James Ellison.²²⁶ Dennis Mahon, a white supremacist who often stayed at Elohim City and who was seen once with McVeigh at Elohim City's gun range,²²⁷ later inadvertently revealed a hint to a journalist that people at the compound might have been "planning something" relating to a bombing.²²⁸

But the FBI apparently gave up on that avenue of investigation. All of the ARA gang members are now in jail, but all denied playing a role in the bombing or provided alibis, and the FBI did not give them lie detector tests. Residents at Elohim City were never questioned. The assistant U.S. attorney who prosecuted several of the ARA members said no evidence was found linking McVeigh to the robbery gang. "I can clearly tell you that McVeigh had nothing to do with these bank robberies."²²⁹ Dan Defenbaugh, the FBI supervisory special agent for the investigation, found no connection to Elohim City, although he did uncover McVeigh's links to the ARA. Although he believes McVeigh and Nichols acted alone, Defenbaugh applauded the possible reopening of the case, saying that the FBI needed "to exhaustively investigate this and let [the] public know what the results are."²³⁰ Danny Coulsen, FBI scene commander at Oklahoma City, suggested that more research needs to be done. "The close associations with Elohim City and the earlier plan to do the same Murrah building all suggest the complicity of other people."²³¹

McVeigh's defense attorney, Stephen Jones, was not permitted to present evidence at trial about Elohim City, including information from ATF informant Carol Howe, because U.S.

²²⁶ John Solomon, "Warning Signs Ignored Before 1995 Oklahoma City Bombing," *The Gazette* (Montreal, Canada), February 12, 2003, p. A1.

²²⁷ Andrew Gumbel, "The Oklahoma Conspiracy," *The Independent* (London), May 11, 2001, p. 1, 7-8.

²²⁸ Jon Ronson, "The Conspirators," *The Guardian* (London), May 5, 2001, p. 28.

²²⁹ Elliot Grossman, "Book Says McVeigh, Alburdis Man Linked," *Morning Call* (Allentown, PA), June 22, 2001, p. A1.

²³⁰ Susan Candiotti, "Sources: FBI Looking at Handling of OKC Evidence," *CNN.com*, February 27, 2004.

²³¹ Solomon, *op cit*.

District Judge Richard Matsch, the trial judge, ruled that evidence of an alternative perpetrator was “not sufficiently relevant to be admissible.” His decision was roundly criticized by a Fordham University law professor, an expert on the Federal Rules of Evidence, who suggested that the Elohim City evidence:

...would seem to be highly probative. It showed that a violent anti-government group was operating in close geographical proximity to the Murrah Building; that they had designs on bombing a federal building in either Oklahoma City or Tulsa; that one of its members had developed plans to bomb the Murrah Building; that the group had used bombs of the kind used at the Murrah Building; and that two people who matched the description of the perpetrators had arrived at Elohim City shortly after the bombing....

This is not to say that defendants should be permitted to waste the court’s time by spinning half-baked, unfounded alternative perpetrator theories at the trial. But McVeigh did not do that. He did not seek to introduce evidence of all the right-wing groups in the United States, for example. Rather, he provided concrete evidence from a *government* informant, concerning the activities of an undeniably real group that had targeted Federal buildings in Oklahoma City for bombing.²³²

If the judge had granted Jones permission to include testimony about Elohim City – even to require testimony of residents there, it certainly would have provided an opportunity to explore McVeigh’s connections to the compound, and might well have made a difference in his final sentencing.²³³ There was another opportunity to explore Elohim City, at Terry Nichols’ federal trial. But Judge Matsch, who presided over both the McVeigh and Nichols federal cases, never read the ATF reports on Carol Howe’s information on Elohim City.²³⁴ As in McVeigh’s federal case, the trial court judge in Nichols’ second trial refused to allow the defense to call a former ARA member to testify. The judge said in his decision, “As to the Midwest bank robbers, this is

²³² Daniel Capra, “Questions of Fairness in the ‘McVeigh’ Case,” *New York Law Journal*, January 8, 1999, p. 3.

²³³ In 2004, another death row inmate housed near McVeigh, David Paul Hammer, published a book in which he claimed that McVeigh acknowledged the role of ARA members in the plot. But Hammer is known as a criminal mastermind and clever manipulator; he may have been trying to stir people up by inventing McVeigh’s comments.

²³⁴ Jon Dougherty, “Judge Never Read ATF Informant File,” *WorldNetDaily.com*, June 19, 2001.

a dry hole. There is absolutely no evidence of any overt act by the bank robbers in bombing the Murrah Building, nothing at all to link the bank robbers to the crime that is being tried before this court.”²³⁵

Other possible conspirators have been suggested. The FBI initially was interested in several men (Robert Jacks, Gary Land, and Steven Colbern) who had been associated with or lived near McVeigh in Kingman, Arizona, and elsewhere, but those investigative trails led nowhere. At Nichols’ state trial, a motel owner from Kansas testified that several other men may have been staying with or looking for McVeigh during the days immediately prior to the bombing. She described a light-skinned, light-eyed male, 25-35 years old who came looking for McVeigh; she heard McVeigh talking to one or two other men in his room, including one with a “velvety” voice who was definitely not Nichols; and in the office she briefly saw another light-skinned short man with a “face like a gnome” who wore a baseball hat like the one pictured in the sketches of John Doe #2. Another witness testified to seeing five men around a Ryder truck at Geary State Lake loading white bags of powder. Nichols’ defense lawyers attempted to use such witness testimony to persuade jurors that Nichols was not really involved in the plot. Ultimately he was found guilty of all 161 murder charges, but the jury could not agree on the death penalty, in part because they were convinced that others were involved.²³⁶

The FBI was not amused by all the suggestions of additional conspirators, calling some of the theories “ludicrous and insulting.” Weldon Kennedy, the former deputy director of the FBI who led the Oklahoma City investigation, said that investigators were able to disprove as lies or

²³⁵ Elliot Grossman, “Berks Man Won’t Testify at Nichols Trial; Judge: No Evidence Mark Thomas Aided Oklahoma Bombing,” *The Morning Call* (Allentown, PA), April 23, 2004, p. A1.

²³⁶ Ralph Blumenthal, “Defense Tries to Sow Doubts that Nichols Was an Accomplice in Oklahoma City Bombing,” *The New York Times*, May 7, 2004, p. A20. See also Martin Lee, “Patriot Games: Questions about Oklahoma City Remain Unanswered,” *In These Times*, July 23, 2001, p. 5.

mistakes all of the witness accounts concerning other men being seen with McVeigh. “I can’t tell you how many thousands and thousands of man-hours went into pursuing every lead that came in on unsub number two.” When the John Doe #2 sketch was released, “half of Oklahoma City just knew and swore that they had seen those two men together before the explosion.” Kennedy added that through phone, credit card, and motel records, FBI agents tracked “98 to 99 percent” of what McVeigh and Nichols did in the fall of 1994 and spring of 1995, and they did it alone.²³⁷ But the questions will not go away, and even staid National Public Radio (NPR) continued to pursue them nearly ten years later.²³⁸

3.4.3.2. Other Iraqis Unknown The third type of alternative explanation focuses on foreign sponsors of terrorism, particularly Iraq’s Saddam Hussein. Jayna Davis, a former reporter for KFOR-TV in Oklahoma City, has spent several years pursuing the idea that the Oklahoma City bombing was planned or conducted by former Iraqi soldiers working for Saddam or for Muslim extremists. Davis has accumulated 2,000 pages of evidence, including dozens of sworn statements from witnesses, to support her assertions. In the fall of 2002, Senator Arlen Specter and Congressman Dan Burton opened separate investigations into Davis’ claims, and former CIA Director James Woolsey wrote an op-ed piece in the *Wall Street Journal* suggesting that when the whole story comes out, the nation will owe Davis a “debt of gratitude.”²³⁹ Davis’ claims got further coverage on the syndicated Glen Beck national radio show and on FOX News with Bill O’Reilly. In 2005, Congressman Dana Rohrabacher considered opening new hearings

²³⁷ Ken Dilanian, “7 Years Later, the Whiff of Conspiracy Lingers,” *The Philadelphia Inquirer*, October 27, 2002, p. C1. The FBI’s lead investigators later wrote that there more than 700 phone calls on the “Bridges” calling card, all to/from McVeigh and Nichols to family, friends, and businesses, but none to other third parties. See Jon Hersley and Larry Tongate, *Simple Truths* (Oklahoma City: Oklahoma Heritage Association, 2004), p. 250.

²³⁸ Wade Goodwyn, “Evidence of More Conspirators Involved in Bombing of the Murrah Federal Building in Oklahoma City,” *National Public Radio*, May 7, 2004 (transcript).

into the bombing. Davis' views are also supported and articulated by David Schippers, a Democrat who was the leader of the U.S. House investigation and impeachment of President Clinton, and by Larry Johnson, a former senior State Department intelligence official.

It is tempting to dismiss Davis' evidence and her motivations. Her claims have gotten attention from Congress, but that attention has brought scrutiny with it. One of the affidavits she forwarded to Congress came from a Tulsa airport police officer who claimed to have seen a secret surveillance video showing a Middle Eastern man leaving the Ryder truck outside the Murrah Building. The officer was accused of lying to Congress when it was determined that he had lied at great length about his background in law enforcement and intelligence, and no evidence of the secret video was ever found.²⁴⁰ Additionally, Davis' investigation was funded in part by Alexander Magnus, a real estate developer from Chicago who donated money to conspiracy theorists attempting to prove government involvement in the first World Trade Center bombing and the crash of TWA Flight 800.

But the evidence that Davis presents is drawn from sworn affidavits and statements by more than twenty witnesses, many of whom confirm the testimony of others. Such corroboration of testimony by multiple witnesses would be admissible in most courts. And the fact that much of the evidence is circumstantial is no different from the circumstantial cases brought against both McVeigh and Nichols. The biggest contribution that Davis makes is in providing a plausible explanation for how the two men acquired the bomb-making expertise needed to build such a massive bomb.

²³⁹ James Woolsey, "The Iraq Connection," *Wall Street Journal*, September 5, 2002, p. A26. Ultimately Senator Specter accepted the FBI's responses to his inquiries and did not pursue the matter further.

²⁴⁰ Lee Hancock, "Officer Accused of Lying in OKC Bomb Case," *Dallas Morning News*, November 14, 2002, p. 31A.

Davis' case against the Iraqis is built in large part on the mysterious John Doe #2, a sketch of a man with a dark complexion seen with McVeigh shortly before the bombing. The FBI released an all-points bulletin (APB) for two Middle Eastern men in a brown pickup truck within hours of the bombing, but retracted it within six hours – even before they discovered that McVeigh had been arrested. The FBI has since refused to acknowledge that it even sent out the APB, and consistently downplayed even the possibility that others were involved.²⁴¹

Two months after the attack, Davis broadcast a story identifying John Doe #2 as an Iraqi refugee living nearby, Hussain Hashem al-Hussaini, a man who looked remarkably similar to the police sketch. Davis found that he had no alibi for the time of the attack, and that he was part of a very unusual group of former Iraqi soldiers with questionable asylum applications working for a local property management company. Witnesses place Hussaini and McVeigh together in Oklahoma City days before the bombing, and identified him as the driver of the brown pickup truck fleeing the scene the morning of the bombing. Although the FBI warned Davis to back off on Hussaini, and never interviewed him directly about the bombing, the Bureau also provided possible confirmation of his involvement – they steadfastly refused to exonerate him and declare him a non-suspect. (The FBI was quick to exonerate a whole series of other potential John Doe #2's who they were sure were not involved.)²⁴² Hussaini sued Davis for defamation and lost, and the community of Iraqi refugees and retired soldiers living in the Oklahoma City area remains the subject of much speculation.

²⁴¹ Hersley and Tongate wrote that the first brown pickup sighting was not credible; the witness had *too good* a recollection of details, since he had no reason to focus on the truck before the bombing took place, and his later statements were inconclusive. Most of the other pickup sightings were reported months after the bombing and after the vehicle description had been on TV many times. Hersley, pp. 90-93.

²⁴² Jayna Davis, *The Third Terrorist: The Middle East Connection to the Oklahoma City Bombing* (Nashville: WND Books, 2004), pp. 77, 88, 91-99, 104-105.

One of the persistent questions in the aftermath of the bombing is how these two ex-soldiers (who were not engineers or explosives experts), who could hardly build a pipe bomb in 1994, only a few months later were able to build a 6,000 pound ammonium-fertilizer bomb with a shaped charge that could take down a building.²⁴³ Davis agrees with Stephen Jones that the men received outside help. Terry Nichols visited the Philippines perhaps twenty times, at least once at the same time as Ramzi Yousef, key plotter in the World Trade Center bombing;²⁴⁴ they even stayed in the same hotel. A former Abu Sayyaf terrorist turned police informant Edwin Angeles told police that he attended several meetings with Yousef and “the Farmer,” who he recognized as Nichols. Subsequently, Nichols demonstrated significant improvement in his bomb-making skills. He also returned from the Philippines for the last time in early 1995, clearly scared and paranoid; Davis argues that Nichols may have had a near miss when Ramzi Yousef narrowly avoided being caught (and one of his co-conspirators in the Bojinka plot was caught) by the authorities when bomb-making chemicals caught on fire in his apartment.²⁴⁵

Nichols has steadfastly maintained that his activities in the Philippines were part of his efforts to find a new wife (after his previous wife, also a Filipina, divorced him). But many of his activities did not correspond to his marriage search, and are otherwise inexplicable. He made hundreds of phone calls to the Philippines, including some to a guest house where Yousef stayed, many of the calls made with a calling card he and McVeigh thought was untraceable. His frequent travel to the islands also would have been expensive, yet he had limited means and

²⁴³ Richard Clarke wrote, “Could the al Qaeda explosives expert [Ramzi Yousef] have been introduced to the angry American who proclaimed his hatred for the American government? We do not know, despite some FBI investigation. We do know that Nichols’ bombs did not work before his Philippine stay and were deadly when he returned.” Although he doesn’t buy the theory entirely, Clarke concludes that he can’t disprove it. From *Against All Enemies: Inside America’s War on Terror* (New York: Free Press, 2004), p. 127.

²⁴⁴ The question of whether Ramzi Yousef was somehow connected to Iraqi intelligence was addressed in the first case study, and that connection is certainly assumed by Davis and Laurie Mylroie, among others.

²⁴⁵ Davis, p. 247.

unsteady employment.²⁴⁶ So was Nichols learning bomb-making techniques from Yousef? The key witness linking the two men, Edwin Angeles, has since disappeared, and stories differ as to whether he was an undercover government intelligence operative or an unreliable informant.

One other interesting but unsubstantiated tidbit of information that might confirm an Iraqi connection was published in *U.S. News & World Report* in October 2001. The magazine reported in its *Washington Whispers* column, which is based on anonymous leaks from inside government, that when he was arrested Timothy McVeigh had a list of Iraqi telephone numbers in a manila envelope.²⁴⁷ The envelope was unopened by Oklahoma state troopers, who turned it over to the FBI; the Bureau logged the evidence but has never revealed what was in the envelope.²⁴⁸

The FBI continues to insist that there was no foreign connection. The Bureau reviewed 30,000 witness statements, 43,000 tips, and a billion documents in the overall investigation, along the way checking into the possible Philippine connection, and concluded that there was “absolutely no substantiation” that McVeigh and Nichols were in contact with Abu Sayyaf and Ramzi Yousef.²⁴⁹ An Oklahoma grand jury came to the same conclusion even after hearing testimony about some of Davis’ evidence. McVeigh claimed to the end that he and Nichols acted alone, and even Michael Tigar, one of Nichols’ attorneys, saw no evidence of a connection to foreign terrorists.²⁵⁰

²⁴⁶ Davis, pp. 236-237.

²⁴⁷ “Washington Whispers,” *U.S. News & World Report*, October 29, 2001, p. 2.

²⁴⁸ Kenneth Timmerman, “Iraqi Connection to Oklahoma Bombing,” *Insight on the News*, April 15, 2002, p. 20.

²⁴⁹ According to Larry Mackey, the lead federal prosecutor in the McVeigh and Nichols trials; of course, Mackey would have little incentive to argue that anyone other than the two subjects he was prosecuting were involved. Howard Witt, “Nichols Trial Stirs Conspiracy Theories,” *Chicago Tribune*, March 1, 2004, p. 6.

²⁵⁰ Dilanian, op cit. Tigar, unlike Mackey, would have great incentive to suggest that others were involved in the plot.

There are several important shortcomings in Davis' evidence that also lead one to question foreign involvement. First, Davis provides little explanation of what the Iraqi "cell" in Oklahoma City actually *did* in relation to the bombing; McVeigh and Nichols had scouted the site, procured the explosives, and rented and drove the truck. She suggests that Hussaini may have been in the truck with McVeigh as he parked it in front of the Murrah building, and he may have helped plan escape routes and plant getaway vehicles, but he seems not to have been involved in building the bomb.²⁵¹ Davis does highlight the story of an Iranian-owned auto shop in Oklahoma City that could have been the site of the bomb's construction, placing several of Hussaini's co-workers there,²⁵² and the FBI's version of how McVeigh and Nichols built the bomb at Geary State Fishing Lake in Kansas in public view but by themselves is not without holes. But if one believes that Nichols had become a master bomb-maker thanks to Ramzi Yousef, he would not have needed the Iraqis. If McVeigh was just the "stooge" left to take the fall for the bombing,²⁵³ why did he have such a seemingly central role in preparing the bomb itself? In both the first World Trade Center attack and the African Embassy attacks, the drivers were not made a central part of the planning and building phase. In fact, McVeigh drew several detailed sketches of the bomb for his defense team that indicate first-hand knowledge of how to construct a powerful explosive device.²⁵⁴ The circumstantial evidence that a strange group of Iraqis were in the area at the time does not prove that they had a major role in the bombing.

²⁵¹ Davis, pp. 124-140.

²⁵² *Idem.*, pp. 198 ff.

²⁵³ Davis suggests that the missing license plate on McVeigh's getaway car, which caught the attention of an Oklahoma sheriff and led to McVeigh's arrest, was actually on the vehicle when it left the Journal Record alley (where McVeigh had stashed it) – but an eye witness attested that it came loose when the car hit a curb, and the plate itself was later located in an industrial park near McVeigh's escape route. Davis suggests that a rider in the vehicle with McVeigh may have removed it from the car in order to make sure that McVeigh *would* get pulled over; p. 144.

²⁵⁴ Jon Dougherty, "McVeigh Diagrams ANFO Bomb," *WorldNetDaily.com*, May 25, 2001, based on reports by J.D. Cash in the *McCurtain Daily Gazette* of Oklahoma. The sketches are available online at the WorldNetDaily website.

Second, Davis is unable to provide any detail of how Terry Nichols was able to locate Ramzi Yousef and arrange meetings with him, even persuade the terrorist to teach him how to make bombs, when the U.S. and foreign governments could not locate the notorious terrorist. And she cannot explain how or why Timothy McVeigh made contact with the Iraqi “cell” in Oklahoma City. The Iraqi men only arrived in the fall of 1994, and McVeigh would have had little time to find them, not to mention develop a plot. But perhaps they did not initiate the contacts. Davis suggests that foreign terrorist organizations were interested in recruiting “lily whites” – local “operatives who have no criminal history and no obvious ties to Middle Eastern terrorist organizations” – and that McVeigh and Nichols were the first two. Yet again this begs the question of how terrorist recruiters in Oklahoma City would have located the angry and potentially violent McVeigh and Nichols who drifted from Arizona to Michigan. The examples of other “lily whites,” John Walker Lindh and Richard Reid (the “shoe-bomber”), were self-selected – they volunteered for al-Qa’ida.²⁵⁵ It is not impossible that McVeigh and Nichols were recruited by or volunteered their way into a foreign terrorist organization, but nobody has brought forward a reasonable explanation of how.

Yet if one acknowledges the possibility that there may be something to the theories about foreign involvement, but that the evidence has not yet emerged, one might argue that the US government should have been aware of the threat of international terrorism from Iraq, other state sponsors, or Muslim extremists. Saddam Hussein had clearly threatened to bring war to the American homeland, and the evidence possibly linking him to the first World Trade Center was ignored. Tactical warning might have been available, since McVeigh may have tapped into a local support cell in Oklahoma City, just as the World Trade Center bombers did in New Jersey.

²⁵⁵ Davis, pp. 257-261. Jose Padilla, a former gang member turned terrorist and charged with planning to detonate a dirty bomb, was recruited probably while in prison in the U.S.; he is perhaps the first known “lily white.”

The evidence to support a foreign connection is weak; law enforcement and intelligence would not have seen any threat or warning signals about Oklahoma City from information gathered about Iraq or Muslim extremists in Oklahoma City unless they were much more aggressive than they typically had been in doing domestic intelligence collection.

3.4.3.3. Other Foreign Terrorists Unknown Jayna Davis reached out to Yossef Bodansky, director of the Congressional Task Force on Terrorism and Unconventional Warfare, and he confirmed the direction her investigation was going – the link to foreign terrorists was real, he believed. Bodansky cited several pieces of evidence based on intelligence gathered throughout the Middle East and from conferences of terrorist leaders:

- On February 27, 1995, the Task Force issued a warning that there would be an Iranian- or Syrian-sponsored terrorist attack in the United States, probably aimed at Washington, D.C. The attack would likely come after the Iranian New Year on March 21.
- When that attack was thwarted, or failed to materialize, the Task Force issued an updated warning that the terrorists were shifting their focus to the Midwest. Bodansky looked for cities where radical Islamist groups were already operating, and Oklahoma City had been a hotbed of Islamic radicalism for several years. The Task Force did not know for sure at the time, however, whether Oklahoma City was on the target list.²⁵⁶
- As mentioned above, Bodansky was also certain that foreign terrorists were actively recruiting “lily whites” to execute bombing attacks, in order to throw off police. Specifically, they had recruited two such men to carry out an attack on an American federal building.²⁵⁷ Bodansky had received unconfirmed intelligence reports that Muslim terrorists were actively recruiting in the U.S. military following Operation Desert Storm.²⁵⁸
- “Immediately after the bombing, in the U.S. and abroad, the same network that was collecting money for Sheikh Rahman’s legal defense sent out communications asking for donations for the legal defense fund for their ‘brothers’ involved in the Oklahoma bombing.”²⁵⁹ The Islamists clearly expected some “brothers” to be caught.

²⁵⁶ Davis, pp. 256-257.

²⁵⁷ Idem., p. 258.

²⁵⁸ Idem., p. 260.

²⁵⁹ Idem., p. 255. Note taken from a discussion between Bodansky and an intelligence analyst at the Federal Protective Service.

- Following the explosion of TWA Flight 800 after taking off from New York, the London-based Islamist newspaper *al-Quds al-Arabi*, the quasi-official voice of Bin Laden to the West, published a claim for responsibility for Oklahoma City from Islamic terrorist leaders.²⁶⁰
- Two Islamists from Oklahoma City had received training at a Hamas training program for bomb-making held in Chicago in 1993.²⁶¹
- Israeli experts who visited the blast site in Oklahoma City confirmed that it bore all the technical and methodological hallmarks of a Middle Eastern truck bombing.²⁶²

While Bodansky's evidence pointed to Iranian and Syrian terrorist groups, he elsewhere makes it clear that he believes that those groups were working closely with Sudan and with Osama Bin Laden, and at a minimum cooperating with Iraq's Saddam Hussein.²⁶³

3.4.3.4. No Warning Leaving aside the circumstantial evidence of involvement by other militia types, and the suggestive but unverifiable links to foreign terrorists, was there any concrete information about Timothy McVeigh and Terry Nichols that might have brought them to the government's attention, or that might have provided clear warning of their plans? Nichols had a number of run-ins with Michigan authorities, there were complaints about bomb testing on the Nichols' family farm in Michigan, Nichols made several strange trips to the Philippines, and explosives and blasting caps were stolen near Nichols' home in Kansas. McVeigh was heavily armed and frequented the gun show circuit, was cited for speeding on the road to Elohim City, and often stayed with friends in the drug-prone and militia-friendly Kingman, Arizona area. As Kenneth Stern notes, although McVeigh was not an active militia member, "his antigovernment, violence-laden, racist, conspiratorial, Waco-obsessed ideas mirrored those of the most committed

²⁶⁰ Davis, p. 261.

²⁶¹ Idem., pp. 266-267.

²⁶² Idem., pp. 268-270.

²⁶³ See the chapter in this study on Khobar Towers for Bodansky's argument.

militia members.”²⁶⁴ Interesting enough, but these tidbits of information were scattered across the country in different jurisdictions and were relatively unimportant taken separately. There was nobody to coordinate these disparate events into a meaningful pattern.

3.4.4. Failing to Learn

Finally, the government failed to learn from history – from recent militia activity and terrorist incidents, historic dates, and indeed from broader American history. As described in detail above, there was a growing volume of militia-sponsored violence in the 18 months preceding Oklahoma City. As seen in conspiracy publications and in Internet chatrooms frequented by militia types, the militias grew increasingly frantic during February and March 1995. MOM leader John Trochmann and several associates were arrested in late February outside a Montana courthouse apparently planning to kidnap and execute a judge. Days later the US Marshals Service warned that Oregon-based supporters of Trochmann were headed for Montana intending to protest his arrest and destroy a power station. After getting a bogus tip that the ATF would begin cracking down heavily on militia leaders by the end of March (and Trochmann’s arrest appeared to fit the pattern), the paranoia within the movement clearly was growing, and conflict – planned or accidental – seemed more and more likely.²⁶⁵

The government also failed to observe and understand the looming implications of April 19 as a momentous date for the militia movement. Within the Patriot movement, April 19 commemorates the battle of Lexington in 1775, the Nazi destruction of Warsaw in 1943, and most importantly, the final conflagration at Waco in 1993. The date had contemporary currency, as well, as racist icon Richard Wayne Snell had been scheduled for execution in Arkansas on

²⁶⁴ Stern, p. 187.

²⁶⁵ Stern, pp. 170-175.

April 19, 1995 for a 1983 murder. Former FBI counterterrorism expert Danny Coulson suggests that “anyone reading the far-right press in the spring of 1995 would recognize” the danger of turning Snell into a martyr on that date; Governor Jim Tucker of Arkansas had been petitioned for clemency by the Patriot movement, and militia members were watching the event closely.²⁶⁶

Newspaper stories in the early months of 1995 suggested the potential importance of the Waco anniversary. The *Denver Post* reported on its front page in January 23 that “[a]s for Waco, militia members see it as a tragedy perpetrated by trigger-happy feds. They see it as a massacre.”²⁶⁷ A *Chicago Sun-Times* cover story on January 30 quoted two militia leaders – “We see Waco as a centralization of power; the federal government coming into all areas of our lives,” said Norm Olson, commander of the Northern Michigan Regional Militia. “Waco was the second shot heard ‘round the world,” said Russell Smith, Dallas commander of the Texas Constitutional Militia.²⁶⁸ According to a front page story on March 19 in *The Baltimore Sun*, “[T]hey cite the 1993 federal assault on the Branch Davidian compound in Waco, Texas, as the genesis of the movement.” The story quotes an individual militia member saying that “the Waco incident” was what got him interested in the militia movement.²⁶⁹ *The Christian Science Monitor* reported in an April 3 cover story that militia members acknowledged that their rhetoric and recruiting focused on Ruby Ridge and Waco.²⁷⁰

There were more specific warnings about that infamous date. Kenneth Stern, the American Jewish Committee’s expert on hate groups, released a public report on the militia movement on

²⁶⁶ Danny O. Coulson and Elaine Shannon, *No Heroes: Inside the FBI’s Secret Counter-Terror Force* (New York: Pocket Books, 1999), pp. 532-533. Snell and convicted racist Jim Ellison (of the CSA) purportedly had planned to blow up the Murrah Federal Building back in 1988; it would be interesting to know if McVeigh ever viewed their sketches of the building when he visited Elohim City.

²⁶⁷ Stacy Baca, “Secrecy the Key to Militias,” *The Denver Post*, January 23, 1995, p. A1.

²⁶⁸ Mark Potok, “U.S. Militia Movement Seen as Growing Danger,” *Chicago Sun-Times*, January 30, 1995, p. 6.

²⁶⁹ Ann LoLordo, “Militias Take Up Arms Over the Constitution,” *The Baltimore Sun*, March 19, 1995, p. A1.

²⁷⁰ Brad Knickerbacker, “New Armed Militias Recruit Growing Membership in US,” *The Christian Science Monitor*, April 3, 1995, p. 1.

April 10, 1995. The report's cover memo warned specifically to be wary of April 19 as a commemorative date for the militias.²⁷¹ Unfortunately, Stern's publicly-available report did not get any Congressional or media attention until after April 19.²⁷² But the law enforcement and intelligence community should have been well aware of the potential significance of the most important date in the calendar of right wing extremism. And while it does appear that FBI Headquarters was concerned enough about the date to interview former white supremacist Kerry Noble on March 28, 1995, their concern seems to have gone no further – no warnings, no intelligence briefings, no teletypes or alerts went out.²⁷³

The authorities also failed to consider several broad patterns in American history. The strong individualism of the American ethos is widely noted – as is our love affair with guns – along with a profound sense of justice. All three of those things have combined a number of times in history, particularly in response to injustice or government actions that have disparate impacts. The Revolutionary War resulted from citizen reaction to the Stamp Act and other British policies. Excise taxes on whiskey and restrictions on the use of grain to pay off debt led to the Whiskey Rebellion. When Abraham Lincoln was elected, Southern states became concerned about the likely impact of his policies, and they took up arms to fight.²⁷⁴ Although the civil rights movement under Martin Luther King, Jr. was focused on peaceful opposition to the status quo, there were many who joined more radical black leaders in a call to arms to fight racial inequality. Members of the Patriot movement of the early 1990's felt that they were called

²⁷¹ Stern, p. 15.

²⁷² A LexisNexis search for the timeframe of January 1995 to April 19, 1995 finds no reference to Stern's report.

²⁷³ John Solomon, "Warning Signs Ignored Before 1995 Oklahoma City Bombing," *The Gazette (Montreal, Canada)*, February 12, 2003, p. A1.

²⁷⁴ The connection between the Patriot movement and revisionists of Southern history has been explored extensively by the Southern Poverty Law Center.

upon to redress new injustices and that they were only carrying on a tradition of protest going back more than 200 years.

Not every group in society that is persecuted or faces injustice will present a threat to the nation. But the Patriots were well armed, and openly talked of conflict with the government. Political leadership at the time failed to comprehend the disenchantment of the far right (or if it did comprehend, it failed to take action in response), as it failed to protect federal facilities from bombings, and to learn from both recent and more distant history.

Summary: Threat and Warning Indicators

Based on the available threat indicators, the Federal government should have foreseen at least at the strategic level an event like the Oklahoma City bombing. Throughout the early 1990's there were clear indications that the Patriot movement was growing more dangerous and more likely to engage in violence, including:

- Increasing levels of violence among those affected most by the farm crisis of the 80's
- Widespread public anger over the government's actions at Ruby Ridge and Waco
- Increasingly virulent rhetoric by militia and hate group leaders about gun control, environmental issues, and government intrusion into their lives
- Warnings from watchdog groups about the infiltration of militias by violent hate groups
- Media reporting on militia members' motivations and illegal activities
- Reports of large numbers of threats and scattered violence against government targets
- Militia groups were fearful in early 1995 that the Federal government was going to begin its final campaign to disarm the populace

Although there were few if any warning indicators pointing to the specific individuals involved, there were potential indicators about some tactical details of the bombing:

- Militia literature advocated bombing federal buildings and killing government officials
- April 19 was understood to be a significant date for the Patriot movement
- A previous attack against the Murrah Building had been planned by right wing activists, one of whom was scheduled for execution on April 19, 1995
- The federal building in Coeur d'Alene, Idaho had been hit with pipe bombs

- The World Trade Center had been attacked with a truck bomb in 1993
- Conspiracy theories among Patriots suggested that Oklahoma City was a crucial node in the New World Order

But even if all of the real and purported tactical warning indicators had been seen through a comprehensive collection of intelligence against the Patriot movement and the militias, it is unlikely that an analysis of all that data could have put Timothy McVeigh behind the wheel of a bomb-laden rental truck in Oklahoma City at 9:02 a.m. on April 19, 1995. There was a lot happening in the Patriot movement nationwide, with a wide variety of serious threats, violent incidents, unusual individuals, and complex motivations. Even if the law enforcement and intelligence communities had been actively collecting the intelligence, they would have been inundated with threats and possibilities; the signals about McVeigh would have been lost in the noise.

Law enforcement and intelligence failed to see either the threat or warning indicators. The biggest failure perhaps was at the strategic level, because an understanding of the militia threat should have prompted both an intelligence effort to collect tactical information and a broader effort to secure federal facilities and guarantee public safety.

3.5. ANALYTICAL CHALLENGES

3.5.1. Failures within the Intelligence Cycle

The failure of the Federal government to foresee or forestall the Oklahoma City bombing can be attributed to the four sets of factors in intelligence and in policy making discussed in previous chapters. Failures at several of the earliest stages of the intelligence cycle contributed to the larger failure at Oklahoma City.

The first failure was in threat assessment. Conventional wisdom held that terrorism was a phenomenon that only directly affected the United States where it had interests in the Middle East. This definition of the terrorist threat met the needs of the FBI and the CIA by allowing them to focus overseas where it was safer to conduct intelligence activities. Because the concerns of the Patriot movement were not important to policy makers in Washington, the movement itself was not deemed a threat. Terrorism (in any form) was perceived as a threat only if it impinged on the President's ability to enact his domestic agenda. Intelligence planning depends heavily on the assessment of both existing and future threats, but domestic terrorism does not seem to have been included in any major threat assessments of the time.²⁷⁵ As a result, the intelligence community could not and did not structure collection or analysis plans related to domestic terrorism.

To be fair, there are some important problems in developing intelligence plans against terrorist threats precisely because of the nature of terrorist incidents and groups, especially domestic groups. The Patriots were a poorly organized, somewhat amorphous movement, with members constantly joining and leaving. Similar to many terrorist groups, there were many true believers and camp followers among the Patriots, but only a small minority seems to have been actually prepared to commit violence. Yet many of the movement's members spouted violent rhetoric and were actively involved in activities that might have been precursors to terrorist acts, such as identity fraud, financial crime, and heavy weapons acquisition and training. The concept of leaderless resistance was widespread within the movement, even among the more organized militias, making it somewhat more difficult to collect against all the relevant subgroups. And it

²⁷⁵ The FBI was aware of some domestic groups potentially involved in violence, but either was unable to find sufficient criminal predicate to open further investigations, or failed to consider them serious enough threats to request authority from the Attorney General or from Congress to pursue the groups.

would have been difficult to target all of the movement's leaders and public voices, because they were widely scattered and were wise enough to save their vitriol for private gatherings.

Perhaps the most important factor with domestic groups is that the U.S. Constitution largely protects political motives and activities. In the 1980's the federal government had failed to convict members of the Covenant, Sword and Arm of the Lord (CSA) on charges of sedition, and citizen juries in locales where the movement was strong might have been sympathetic to the Patriot message. The law enforcement and intelligence community clearly was loath to be seen as violating the free speech or privacy rights of any domestic group. Militia groups were given the benefit of the doubt; violent incidents that were politically motivated were seen through the prism of criminal behavior instead of terrorism. But despite free speech and privacy concerns, the Patriot movement should have been seen as a threat, and plans for collection and analysis against it should have been prepared.

Collection and collation of information are the next two stages of the intelligence cycle. As discussed in the previous chapter, legal and executive restrictions in the early 1990's were especially problematic for conducting human intelligence collection, a tool that would have yielded the kind of information about individuals and their intentions that is crucial in stopping terrorist incidents. Technical means of intelligence collection aimed at telephone and e-mail traffic would have provided useful information about the Patriot movement, but this would have required obtaining court approval for wiretaps, and the required criminal predicate for investigations to take place was not always clear.

Even expanded use of wiretaps might have been problematic because there were so many potential targets. Intelligence collectors can easily be overwhelmed with information overload, a problem outlined more clearly in theoretical terms as the signals to noise ratio. In collecting

information on the militia movement, there would have been an extraordinary amount of data, including published information in pamphlets and newsletters, private communications, human intelligence information from hundreds of sources at thousands of small gatherings, purchases of weapons at gun shows and of farm chemicals across the Midwest, evidence of financial fraud and criminal behavior, and personal data on the thousands of individuals associated with the movement. Because there was only a small core of members who were deeply committed to violence, the signals about their attitudes and activities might easily have been lost in the noise of thousands of disaffected citizens. The signals about Oklahoma City – McVeigh cruising the gun show circuit, explosions on the Nichols’ farm in Michigan, the theft of blasting caps in Kansas, purchases of fertilizer and fuel oil – most likely would not have stood out among thousands of pieces of data.

At the final stages of analysis and dissemination in the Oklahoma City bombing, too little information was collected or collated for FBI and other law enforcement analysts to have much opportunity to make mistakes. The FBI’s Terrorism Research Analysis Center did produce brief analyses of the Michigan Militia, the Hayden Lake meetings, and a number of other incidents and groups, but put less effort into it than other agencies because they felt they lacked the authority to delve deeper. There were only a few open cases against right-wing groups, and they were short staffed.²⁷⁶ The unavailability of these reports to the public makes it difficult to assess the quantity of data collection and the quality of the analysis.

Dissemination refers to finished intelligence products, not the sharing of raw intelligence at early stages in the intelligence cycle. Clearly the law enforcement and intelligence communities were reluctant to share raw intelligence information about the militias with other agencies or

²⁷⁶ Ricks interview.

watchdog groups. But because there was little if any in-depth analysis of the violent threat posed by the Patriot movement, there was almost nothing in the way of finished intelligence that could have been disseminated to a variety of intelligence consumers. The failure at Oklahoma City cannot be blamed on dissemination or analysis.

3.6. CONCLUSION

The surprise at Oklahoma City probably was unavoidable. The intelligence community was hampered by a complicated threat environment, the cultural focus on foreign threats, overreaction to Congressional oversight, and the tendency to ignore outside information. Policymakers failed to comprehend the nature of the Patriot movement or to understand the effects of its own policies on potentially violent constituents.

These failures were compounded by the very nature of the terrorist act. The bombing was carried out by a very small group (probably just two men), with simple technology (a fuel-fertilizer bomb), in a relatively surprising location (Oklahoma City). The mode of attack did not fit the typical profile of a terrorist attack.

However, the incident might have been mitigated had there been better security at the Murrah building. Given recent attacks in Tokyo and New York and threats against government facilities throughout the Midwest, it is surprising that the Justice Department, GSA, and the US Marshals Service did not more forcefully direct security officers at federal buildings to take extra security precautions.

The April 19, 1995 bombing of the Murrah Federal Building in Oklahoma City was the most horrendous act of terrorism in the United States up to that time. During the previous several

years, there were strong threat indicators that should have suggested to political leaders and to intelligence and law enforcement that a large-scale attack was likely in the near future. New Federal policies on farms, guns, and the environment – right or wrong in their intent – were implemented in ignorance of or despite knowledge of likely reactions from part of the populace. In this sense, Oklahoma City represents a strategic intelligence failure *and* a policy failure which certainly could have been avoided.

However, at the tactical level, there were very few warning indicators that might have enabled law enforcement and intelligence officials to detect the impending attack and stop it. Certainly there were misdirected resources and priorities, a focus on foreign threats that excluded consideration of domestic threats, poor coordination among agencies, and a variety of other problems in the intelligence and law enforcement community, but even a much-improved intelligence system would likely not have been able to piece together the few small hints at the actual bombers' methods, intent, or target. At the tactical level, then, the intelligence failure at Oklahoma City was unavoidable.

Although it is clear that there were important failures at early stages of the intelligence cycle, they all flow from one fundamental and monumental failure – the failure to understand that the real (not perceived) threat environment in the early 1990's did indeed include large-scale domestic terrorism. That domestic terrorism was not included was a result of what Jervis calls a "motivated bias," a psychological bias in the Clinton Administration that defined such terrorism as a non-threat. The law enforcement and intelligence communities were told to refocus their collection efforts from Cold War concerns to other issues like drugs, transnational crime, economic espionage, the environment, human rights, even health care fraud. Nobody was looking for two white U.S. citizens, military veterans, angry about gun control, fearful of the

federal government, who were planning to kill hundreds in order to inspire a race war and grassroots revolution in America.

4. June 25, 1996: KHOBAR TOWERS, SAUDI ARABIA

4.1. INTRODUCTION

The explosion could be heard twenty miles away in Bahrain. In Dhahran, Saudi Arabia, at 9:55 p.m. on June 25, 1996, a massive truck bomb detonated, shearing off the front of an Air Force barracks and sending shrapnel and glass flying for hundreds of yards. When the dust settled, 19 American servicemen were dead, and more than 500 wounded. It was the largest attack on a U.S. military base anywhere in the world since the 1983 truck bombing of the U.S. Marine Corps barracks in Beirut, Lebanon that killed 241 Marines.

Five minutes earlier, Air Force Special Police guards at a rooftop observation post on Building 131 noticed a tanker truck driving slowly through the parking lot outside the post's north perimeter. The truck turned, and backed up against the security fence only 80 feet from the building. When the driver and another man jumped out of the truck, hopped into a waiting car, and sped away, the guards knew something was about to go terribly wrong. They called the police security desk, and then ran downstairs to start alerting the sleeping servicemen to evacuate the building.

The guards went door-to-door knocking and yelling because there was no fire alarm in the building, and the Security Police command center was unable to get clearance to activate the base's main warning system used most often for Scud missile attacks. Most of the top three floors – out of eight – had evacuated the building or were making their way down the building's

stairwells five minutes later when the bomb exploded. The façade of the building's bottom five floors was blown in and the rest of the façade simply collapsed. All but one of the 19 fatalities were in Building 131; one airman was killed in Building 133 by flying glass.

The bomb in the tanker truck has been estimated as having the power of anywhere from 3,000-5,000 pounds of TNT-equivalent up to 20,000-30,000 pounds, significantly larger than recent car bombs but not dissimilar to the 12,000 pound bomb used in Beirut a decade earlier. The truck and the getaway car apparently were driven by dissident Saudi Shiites, but the bomb was most likely built with the assistance of experts from Iran, Lebanon, and Syria. Their target clearly was the U.S. presence in Saudi Arabia.

4.1.1. The U.S. Mission in the Persian Gulf

The Air Force personnel housed in Khobar Towers primarily served at the King Abdul Aziz Air Base, which was located less than a mile away. Their unit was the 4404th Fighter Wing (Provisional), and it in turn was part of the Joint Task Force – Southwest Asia (JTF/SWA) that reported up to US Central Command (CENTCOM). More than 5,000 personnel were assigned to the Wing and stationed at nine locations in three countries; Khobar Towers hosted roughly half the overall contingent.

The Wing supported and flew sorties as part of Operation SOUTHERN WATCH, the no-fly zone imposed on Iraq following the Persian Gulf War of 1990-1991. In 1992, JTF/SWA was established to enforce the no-fly zone, but in response to further Iraqi threats (and well after Iraqi forces had crushed an uprising in the south) its mission was expanded in 1994 to create a “no-drive” zone in southern Iraq. When the Office of the Program Manager/Saudi Arabian National Guard (OPM/SANG) facility was bombed in November 1995, killing five Americans providing

weapons system training to Saudi forces, the mission was further expanded to include better force protection. Unofficially, the task force's mission also included keeping an eye on Iran and protecting oil shipments in the Gulf. But the command structure and support for the expanded mission were not upgraded to match changing requirements.

British and French forces also participated in the operation and were stationed at Khobar Towers, but the primary force was American. The Saudis were extremely sensitive about the need to keep U.S. forces located on the Peninsula, and refused to sign a standard Status of Force Agreement (SOFA) that outlines relationships between U.S. and local forces, including security responsibilities. In order to maintain the appearance of a “temporary” presence, rather than a permanent one, Air Force personnel were rotated in and out of Saudi Arabia on very short tours, most no longer than 90 days. The short rotations reduced the impact of deployments on other units, but were a detriment to unit cohesion, operational expertise of security and intelligence forces, and relations with Saudi counterparts.²⁷⁷

4.1.2. The First Signs of Trouble: 1994-95

Until 1994, the military and the intelligence community generally perceived the threat environment in Saudi Arabia to be benign. The Saudi government kept violence and crime down through tough law enforcement. Tens of thousands of Americans worked in Saudi Arabia for oil companies, and felt secure. The few incidents of anti-American sentiment that did occur were all during the Persian Gulf War when there were 800,000 U.S. and foreign troops on the Peninsula. U.S. forces seemed safe. According to Lt. General Howell Estes, Director of Operations for the Joint Chiefs of Staff, “[The] situation in Saudi Arabia in terms of the conditions under which the

²⁷⁷ The Downing Report goes into significant detail on this, and is discussed further below.

U.S. military lived there were not different than they are in Germany or Japan or anywhere else – a very safe environment, hadn't had any problems there at all.”²⁷⁸

Starting in 1994, the U.S. intelligence community became aware of significant opposition and dissent within Saudi Arabia, but rated the threat posed by internal Saudi factions as low.²⁷⁹ More significantly, there were increasing reports of threatening activity aimed at American interests in the region. Much of the activity pertained to Iranian agents in Saudi Arabia's Eastern Province, particularly surveillance of the air base in Dhahran. According to Senate investigators, the intelligence community had determined by March of 1995 that Iranian activities had progressed from surveillance to possible operational planning for terrorist attacks, including the smuggling of weapons and explosives.²⁸⁰ But Secretary of Defense William Perry reflected the current mindset, “Saudi Arabia had long been seen as an oasis of calm and safety in the turbulent Middle East.... We felt little danger in Saudi Arabia.”²⁸¹

The United States sold weapons to Saudi Arabia beginning in the 1960's, and provided training to Saudi forces in deployment and maintenance of the equipment. The Office of Program Management/Saudi Arabian National Guard oversaw weapons sales and training from a nondescript office building in Riyadh. On November 13, 1995, a car bomb loaded with 200-250 pounds of explosives blew up outside the snack bar at the OPM/SANG office, killing five Americans and two Saudis, and injuring dozens. It was the first major attack on U.S. forces in the region in more than a decade.

²⁷⁸ U.S. Department of Defense. News Briefing. July 12, 1996, transcript.

²⁷⁹ U.S. House National Security Committee, Staff Report. *The Khobar Towers Bombing Incident* (Washington, DC: Government Printing Office, August 14, 1996), p. 5. This report will be referred to hereafter as the HSNC Staff Report. The threat environment is discussed in more detail below.

²⁸⁰ U.S. Senate Select Committee on Intelligence, Staff Report. *The Khobar Towers Terrorist Attack* (Washington, DC: GPO, September 12, 1996), pp. 5-6. This report will be referred to as the SSCI Staff Report.

²⁸¹ U.S. Department of Defense. *Report to the President: The Protection of U.S. Forces Deployed Abroad* (Washington, DC: GPO, September 15, 1996), cover letter. This report is known as the Downing Report, and will be referred to as such in following notes.

4.1.3. Heightened Security at U.S. Installations

In the wake of the Riyadh bombing, the military increased its focus on force protection. “The bombing of OPM/SANG told us that the terrorist threat was going up and it was clear to use that it was escalating,” said General Estes, reflecting later. “There was no question in anybody’s mind about that.” American bases took additional security measures, including updated vulnerability assessments; intelligence analysts reviewed their threat assessments and increased the threat level for Saudi Arabia from medium to high; and security officials launched a series of meetings and briefings to discuss security procedures.

The Air Force Office of Special Investigations (AFOSI) updated its vulnerability assessment for Khobar Towers, making 39 specific recommendations for improvements to the facility. Brigadier General Terryl Schwalier, commander of the 4404th Wing, implemented 36 of the 39 recommendations as part of a larger set of 130 specific actions designed to improve the security of Khobar Towers. These ranged from increased security checks and patrols, to new barriers around the perimeter and at the main gate, to posting guards on rooftops; they focused particularly on the threat of penetration into the compound by a car carrying a bomb.²⁸² The only three recommendations which were not implemented – expanding the security perimeter, installing Mylar protective coating on windows, and moving personnel out of buildings near the perimeter – would prove to be significant.

Given the acknowledged threat environment in Saudi Arabia, particularly after the OPM/SANG bombing in Riyadh, and given the security enhancements made by the commander

²⁸² HNSC Staff Report, pp. 4-6.

of Khobar Towers, one wonders why the June 25th bombing was successful. The chapter that follows is intended to answer that question.

4.1.4. What was the nature of the surprise at Khobar Towers?

The bombing of Khobar Towers was a significant technical surprise to the United States because nobody projected the size of the bomb used that day, twenty or more times what was expected. It was not a surprise of behavior, however, because analysts and decision makers both were aware of the possibility of a major attack against U.S. forces.

The bombing was important because it was the first major strike at a U.S. military installation overseas since 1983 Beirut, and it represented a new threat against and attitude toward U.S. military forces stationed overseas. It had the potential to do significant damage to the U.S. mission in the Gulf and to derail efforts to restrain Iraq, although the 4404th Fighter Wing was fully active again within 48 hours of the bombing. The bombing was a failure of force protection, which was the fault of both military officers and policy makers, particularly because adequate intelligence and security depended on working with the Saudis. Once again, public policy failures contributed to the bombing – specifically dealing with Iran, working with the Saudis, and the ongoing US/UN fight with Iraq. And to the extent that this was an intelligence failure, it was a failure to understand enemy capabilities and intentions.

It is perhaps a disservice to the survivors and to the families of the five Americans who died in the OPM/SANG bombing to suggest that Khobar Towers was the first significant attack against a U.S. installation since 1983. Although the death toll at Khobar was only 19, it could have been much higher, if not for immediate and excellent medical treatment on-site, and the fact that a number of servicemen were protected in an interior stairwell as they evacuated the

building. And to be fair, the security enhancements at Khobar Towers forced the terrorists away from penetrating the compound directly, which might have incurred greater losses. What increases the importance of Khobar is, ironically, its proximity to Riyadh – in timing, in location, in target, and in manner.

4.1.5. Competing Judgments on the Failure

In the aftermath of the bombing, there were immediate calls for an investigation not only into the Khobar Towers bombing and any potential intelligence failures that led to it, but more broadly into why U.S. forces were not better protected when stationed abroad. The first preliminary investigation was led by professional staff members of the House National Security Committee. Their report was issued on August 14, 1996, and concluded that the bombing raised issues of intelligence failures (including inadequate assessment of the threat environment), operational deficiencies, and deference to Saudi concerns when it came to security measures. The report blames inadequate support and guidance from the chain of command and from the intelligence community, and generally applauds the efforts of General Schwalier to secure Khobar Towers. Significantly, the report concludes that “While intelligence information was provided, it was not of either the quality nor the quantity necessary to alert commanders to the magnitude of the terrorist threat they faced.”²⁸³

The House investigators’ report was followed in September by one from the Senate Select Committee on Intelligence. The staff, led by Senator Arlen Specter, concluded precisely the opposite of the House Staff: “There was sufficient information available from the Intelligence Community which gave clear and continuous warning signals to our military commanders before

²⁸³ HNSC Staff Report and Press Release. August 14, 1996.

the bombing occurred. There was no failure of intelligence, but a failure to use intelligence.” The staff focused primarily on the intelligence aspects of the Khobar bombing, not the questions of force protection and command structure and support. They determined that intelligence collection and analysis about the terrorist threat to U.S. forces in Saudi Arabia were satisfactory, and that the information had been disseminated adequately to U.S. commanders in the field. The report concluded: “The U.S. Intelligence Community provided sufficient information not only to suggest active terrorist targeting of U.S. personnel and facilities, but also to predict probable terrorist targets.”²⁸⁴

The first comprehensive evaluation of the failure at Khobar Towers was initiated on June 28th, but the final report was issued on September 16, 1996, one week after the Senate staff report. Secretary of Defense William Perry commissioned a task force to review the incident, led by retired Army General Wayne Downing. The task force was not asked to conduct a criminal investigation, but to look at the whole range of potential issues, from U.S.-Saudi relations to force protection policies and funding, from the adequacy of intelligence about the terrorist threat to the structure and support of coordination and command. The Downing Report included 26 major findings, including a dearth of human intelligence on terrorists, poor long-term threat assessment, inadequate force protection measures, and a lack of DOD guidance on force protection. The report was scathing about General Schwalier. “[He] never raised to his superiors force-protection matters that were beyond his capability to correct.... The commander, 4404th Wing, did not adequately protect his forces from a terrorist attack.”²⁸⁵

²⁸⁴ SSCI Staff Report and Press Release. September 11, 1996, p. 11.

²⁸⁵ Downing Report. See also Rowan Scarborough, “Probe Faults Lax Security for Bombing in Dhahran.” *The Washington Times*, September 17, 1996, p. A1.

In response to criticism of General Schwalier, on September 4, 1996, Secretary of the Air Force Sheila Widnall and Air Force Chief of Staff General Ronald Fogleman appointed Lt. General James Record, commander of the 12th Air Force, to conduct an internal Air Force review. Widnall and Fogleman asked the Record team to evaluate the conclusions of the Downing Report, and gave it authority to convene courts-martial or impose non-judicial punishments for “actions or omissions by Air Force personnel associated with the bombing of Khobar Towers.” While the Record Report agreed at least partially with many recommendations in the Downing Report, its most controversial conclusion was that nobody within the Air Force had any culpability for what happened at Khobar Towers. General Record determined that, “After carefully reviewing all of the evidence, I believe that the chain of command of the 4404th Wing (Provisional) and their superiors performed their duties in a reasonable manner given the known threat and the situation in Dhahran.”²⁸⁶

The first portion of the Record Report dealing with the Downing Report’s recommendations was submitted on October 31, 1996; the second portion dealing with accountability was submitted on December 20, 1996. After review of the full report by the Secretary of Defense, the Air Force asked the Inspector General and the Judge Advocate General to expand on several factual issues identified by the Record Report, evaluate the regulations and standards that applied to the 4404th Wing, and consider whether any administrative punishments were warranted for personnel in the chain of command. The IG and JAG conducted the most comprehensive evaluation of the documentary evidence, interviewed and re-interviewed witnesses, and analyzed the available guidance and communications. Released in April 1997, the report indicated that

²⁸⁶ Record Report and Cover Letter. October 31, 1996. Interestingly, General Record had served in Central Command and more recently had been the Commander of JTF-SWA in 1992 and 1993; thus there is perhaps some room to question his impartiality toward former colleagues.

“the commanders of the 4404th Wing (P) and all those in the force protection chain of command executed their responsibilities in a reasonable and prudent manner.” The panel recommended that no administrative sanctions be imposed.²⁸⁷

Thus while the panel led by a former Army general had found that the 4404th Wing commander General Schwalier had not adequately protected his forces, two internal Air Force panels found that while perhaps he might have done more, he had not violated any Air Force standards. But the public could not believe that nobody was to be held accountable for the tragedy. By this time Secretary of Defense William Perry had been replaced by William Cohen. He conducted his own review of all three previous DOD reports, and announced on July 31, 1997:

In my view, the Air Force reports do not reflect a thorough, critical analysis of all of the facts and issues, nor, in many instances, do they arrive at conclusions fully supported by the facts. On the other hand, in the course of my review, it also became apparent that several conclusions reached by the Downing Assessment Team during its expedited review are overstated.²⁸⁸

The Cohen Report discussed standards for command accountability and reassessed force protection measures taken at Khobar Towers. Cohen determined that “Brig Gen Schwalier did not exhibit the degree of judgment, awareness, and resourcefulness that I would expect in an officer that I would support for promotion to Major General.”²⁸⁹ Schwalier was being denied a promotion (in fact he had already been put on the list for promotion but was removed), effectively ending his Air Force career, while the rest of the chain of command was left untouched. Air Force Chief of Staff Ron Fogleman immediately resigned in protest. The public

²⁸⁷ U.S. Department of Defense. Inspector General and the Judge Advocate General, *Report of Investigation: Concerning the Khobar Towers Bombing*, 25 June 1996. This will be referred to as the IG/JAG Report.

²⁸⁸ U.S. Department of Defense. William S. Cohen, Secretary of Defense, *Report: Personal Accountability for Force Protection at Khobar Towers*. July 31, 1997. This will be referred to hereafter as the Cohen Report.

²⁸⁹ *Idem*.

outry for accountability was quelled, although many still believed that the senior chain of command and the White House got off lightly.

The facts contained in all these reports are largely the same, and there are many shared conclusions, but there are also conclusions that are radically different in some cases. The picture emerging from these reports is unclear. Many of the investigations were conducted quickly, which does not mean that the work was shoddy, but the investigators did not always have time to reflect on and analyze their findings. The Congressional reports and the Downing Report discussed “mission creep” and the public policy surrounding the U.S. presence in Saudi Arabia, but came to few solid conclusions and certainly did not hold either Congress or the President accountable for policy failures. All of the reports were largely focused on accountability – none of them addressed in much detail the intelligence picture in Saudi Arabia nor focused on the perpetrators and their supporters.

While all these committees, panels, and commissions were doing their reviews, the FBI was conducting an ongoing investigation into the bombing and its perpetrators. FBI Director Louis Freeh sent 125 employees to Saudi Arabia, but in the following years they were stymied at nearly every turn by lack of cooperation from the Saudis.²⁹⁰ Indeed, Freeh’s battle with the Saudis turned into a long-term, simmering dispute, and he pulled most of the investigators out of Saudi Arabia in 1998 in frustration. A recent improvement in Saudi relations with Iran was one likely reason for the Saudi lack of cooperation. Iran had reached a secret agreement with the

²⁹⁰ Testimony of Robert Bryant, Assistant Director, Criminal Investigative Division, FBI. Hearing before the House Judiciary Committee, Subcommittee on Crime, February 12, 1997, transcript.

Saudis to improve relations and stop helping Saudi dissidents if they would withhold evidence of Iran's involvement from the Americans.²⁹¹ The two countries signed a security pact in 2001.

The investigation was never fully completed. Initially the Saudis acknowledged that Iran had played a role in the bombing, but they later denied that there was any outside help provided to the Saudi Shiite dissidents they had arrested. The Saudis refused for more than three years to allow the FBI to interview any of the dozens of suspects in custody. Several suspects had fled to Syria and Iran, which did not cooperate in arresting them. One possible break in the case in 1997 was the arrest in Canada of Hani Sayegh, who purportedly drove the getaway car; initial reports were that he could implicate Iran and Syria directly in the bombing. But he reneged on a deal with the U.S. and was eventually deported back to Saudi Arabia because his information would not hold up as evidence in court. While the U.S. finally issued indictments against 13 Saudis and an unknown Lebanese man in June of 2001, the Saudis made it clear that the men would be tried and punished by Saudi courts. Five years later that had not yet happened, and the top ringleaders and bomb-makers were still at large.

4.2. LEADERSHIP FAILURES

4.2.1. The Perceived Threat Environment in Saudi Arabia Prior to November 1995

Although U.S. forces deployed abroad in various countries had been targeted for attack in the past, the predominant threat to American forces in Saudi Arabia seemed to be Iraqi Scud missile attacks, or perhaps some unexpected military action by Iran in the waters of the Persian Gulf. As

²⁹¹ ABC News. "Saudis Give Their Version of Al Khobar Bombing." *World News Tonight with Peter Jennings*, May 26, 1998, transcript.

to the necessity of force protection, military commanders and the intelligence community perceived Saudi Arabia to be a fairly placid location for U.S. forces deployed there in the early-mid 1990's. According to a later government study:

Before late 1994, most observers agreed that the operational environment in Saudi Arabia was benign. The desert kingdom was widely perceived as stable, and Americans, both military and civilian, felt secure and generally welcome. United States personnel lived and worked in guarded compounds, and with the exception of a few minor incidents – mostly during or immediately after the Persian Gulf War – there was no reason to alter the commonly held view of Saudi Arabia as calm and secure.²⁹²

The Record Report indicated that there was a certain “mind-set” in the Air Force that Saudi Arabia was safe. It determined that the Saudis and many U.S. residents assumed that the Riyadh bombing was a one-time event, and that the government’s beheading of the perpetrators would deter future terrorist acts. This sentiment “persisted despite evidence that agents of other Middle Eastern nations were known to be operating in the KSA and in particular in the eastern province.”²⁹³ The foreign intelligence threat is discussed further below.

Analysts and leaders continued to hold many preconceptions about terrorism that remained unchanged even after the first World Trade Center bombing and the Oklahoma City bombing. There was a common assumption that the “new” terrorist threat was now only loose networks (the WTC plotters) or rogue individuals (McVeigh and Nichols), not well-organized terrorist groups with state sponsorship. Major General Kurt Anderson, commander of the JTF-SWA, told House investigators that “the threat was portrayed as coming from an isolated terrorist incident, ‘not by large, organized groups’.”²⁹⁴ As Laurie Mylroie points out, the Clinton Administration’s

²⁹² Unpublished government case study of Khobar Towers, pp. 2-3.

²⁹³ Record Report, Part A.

²⁹⁴ HNSC Report, p. 9.

law enforcement approach to terrorism had turned the focus of investigations onto the individuals involved and away from potential state sponsors like Iran and Iraq.²⁹⁵

Although the intelligence community was paying close attention to the activities of Iranian intelligence agents in eastern Saudi Arabia in 1994-95, it did not have human intelligence assets in place to get deeper information about their activities and intentions.²⁹⁶ And although intelligence analysts briefed regional military commanders extensively about the potential Iranian threat, it does not appear that the Defense Department or the White House were concerned or perhaps even aware of it.

Two things happened to change the complacency with which the military had viewed its situation: increased activity by Iranian intelligence operatives in eastern Saudi Arabia in 1994-95, and the OPM/SANG bombing in November 1995. The U.S. intelligence community in Saudi Arabia in late 1994 began to report an increase in threatening activity focused on Americans and planned by Iranian agents in cooperation with Islamic fundamentalists in the region.²⁹⁷ The Iranians seemed to be focusing on the air base at Dhahran. The following chronology outlines the perception of the threat and the responses to it within intelligence and the military:

- December 1994 – The intelligence community's concerns about Iran were serious enough that Director of Central Intelligence (DCI) James Woolsey discussed the activity with Saudi officials when he visited the Peninsula.
- January 1995 – Intelligence officers briefed the commander of JTF/SWA and the commander of the air base in Dhahran about the threat faced by U.S. forces. The briefings continued in March with incoming commanders.
- March 1995 – It was determined that Iranian operations were moving from intelligence gathering to operational planning, including smuggling weapons and explosives into Saudi Arabia.

²⁹⁵ Mylroie, pp. 193, 207, 218, 220.

²⁹⁶ There is good reason to question whether the Saudis would have been willing to allow American human intelligence operations on their soil.

²⁹⁷ The lack of intelligence concerning the regional fundamentalist groups is considered further when discussing policy failures in Saudi Arabia and analytical shortfalls.

- April 1995 – Both senior and “working-level” military commanders in the region were briefed on the Iranian threat, and the military issued a threat advisory to forces in the region; the senior U.S. intelligence official in Saudi Arabia (likely the CIA Chief of Station) told commanders that he believed the “softest” targets in the region were the OPM/SANG office, Khobar Towers, and the PX-Commissary in Riyadh.
- June 1995 – Security officers from across the region held their first monthly intelligence/force protection meeting.
- July 1995 – The Defense Intelligence Agency (DIA) raised the Terrorist Threat Level for the Peninsula from Low to Medium.
- October 1995 – The new DCI John Deutch again raised concerns over Iranian activity with Saudi officials and sent senior CIA officials to Saudi Arabia for discussions on how to address the problem.²⁹⁸
- November 13, 1995 – The OPM/SANG office in Riyadh was bombed, killing five Americans, two Saudis, and wounding nearly 400.

The day of the OPM/SANG bombing, Defense officials insisted disingenuously that there had been no threat to the U.S. military presence in Saudi Arabia. At a press briefing “on background” at the Pentagon, the following exchanges took place between reporters and a senior defense official.

Reporter: But is there any increasing evidence that there is growing opposition in Saudi Arabia to the U.S. presence there?

Official: No. In fact, I think that what we have seen is that has been a very stable and secure environment for U.S. forces to operate in for a long time. We have not seen evidence of a growing groundswell of opposition to the U.S. military presence there.

Reporter: And there was no reason to believe there was any increased threat?

Official: Not in this case. No. Not at this – not at this facility. No.

Reporter: Generally speaking, knowing the country?

Official: In the Middle East, you’re always getting threat reports. The past year has not been particularly any different than previous years, so there was no sense of increased particular threat at this time.

Reporter: So there are regular threats, but no reason for additional concern, for extraordinary concern?

Official: No reason for extraordinary concern, that’s correct.

²⁹⁸ SSCI Report, pp. 1, 5-7.

Significantly, there was one final exchange to the press briefing, relating to the Islamic Movement for Change, which claimed credit for the OPM/SANG bombing.

Official: ... The Islamic Movement for Change has, in the past, called for a complete break in ties between the kingdom and the United States, and has criticized the kingdom for having military personnel there.

Reporter: When was that, during the Gulf War?

Official: No, this year.²⁹⁹

So this senior defense official effectively both confirmed and denied that U.S. commanders had received any warning or threat indicators from Saudi Arabia prior to the OPM/SANG bombing. The investigative panels and commissions largely confirmed that there were threat indicators prior to Khobar, but stressed that there was very little by way of warning indicators or tactical intelligence as to the time or manner of a likely attack.

4.2.2. Perceptions of Threat after OPM/SANG

The effect of the bombing was to focus U.S. attention on signs of unrest in the Kingdom. Reporting on threats and incidents increased in the following months. Military commanders throughout the region took added security measures and increased the Terrorist Threat Condition (THREATCON) from ALPHA up to BRAVO.³⁰⁰ However, security measures undertaken at that higher level “must be capable of being maintained for weeks without causing undue hardship, affecting operational capability, or aggravating relations with local authorities.”³⁰¹

Military commanders could not complain about a lack of threat assessment and strategic intelligence, although the Downing Report indicated that there was a serious lack of long-term threat assessment capabilities in the region. According to Senate investigators, the intelligence

²⁹⁹ U.S. Department of Defense. Background Briefing, November 13, 1995, transcript.

³⁰⁰ Unpublished government case study, p. 3.

³⁰¹ HNSC Report, Appendix C.

community produced more than 100 reports of finished intelligence analysis on the terrorist threat in Saudi Arabia from April 1995 until June 1996. The Counter Terrorism Center (CTC) at the CIA produced 41 different reports, including ten specific threat assessments and six commentaries focused on the threat to U.S. personnel. The DIA produced at least 60 intelligence products on the threat on the Peninsula, many of which were factual reporting but many others provided analytical judgments of the escalating threat.³⁰² The State Department also issued a number of warnings. These included an advisory in January 1995 about possible additional attacks “against institutions identified with the United States and its interests in Saudi Arabia,” and another in May 1996 reporting threats of retaliation for the Saudi government’s execution of four conspirators from the OPM/SANG bombing.³⁰³

One significant assumption that permeated many of the intelligence assessments concerned the size of the bomb in a likely attack. The car bomb used at OPM/SANG was determined to have been roughly 200-250 pounds, and it was widely assumed that any future bomb would be similar in size.³⁰⁴ The HNSC Report indicates that:

[T]he analysis conducted after the OPM-SANG bombing did not allow that terrorist groups were capable of building a device larger than the Riyadh car bomb.... [O]fficials interviewed said the expertise required to build a larger truck bomb is not substantially beyond that required to build a smaller car bomb such as was used in the November 1995 Riyadh bombing.³⁰⁵

Despite that knowledge, and the memory of the 12,000-pound bomb used in Beirut in 1983, analysts and leaders alike acted as if they were surprised by the size of the Khobar Towers bomb:

³⁰² SSCI Report, p. 6.

³⁰³ HNSC Report, p. 9.

³⁰⁴ According to the Record report, the Saudis had the same assumption; they “believed the [standoff] distance was adequate to defend against a bomb such as the one used at OPM-SANG.” Record report, Part B, Section III.c.

³⁰⁵ HNSC Report, pp. 9-10.

- General Binford Peay, CINC of CENTCOM: “Clearly, though, the use of a bomb of this magnitude is a different dimension than the terrorist kinds of – sized activities that we have experienced in the past.”³⁰⁶
- General Shalikashvili, Chairman of the Joint Chiefs of Staff: “I think all of us have been surprised by the size and the sophistication and the destructiveness of this attack.”³⁰⁷
- The Chief of the National Intelligence Support Team (NIST) in Riyadh suggested that they estimated the future threat to be similar to OPM/SANG, “maybe 500 pounds but – we never went above 1,000 pounds.”
- The U.S. Consul General in Dhahran: “The thought of a 20,000 or even 5,000 pound bomb driving up was pretty inconceivable.”³⁰⁸
- Colonel Boyle, the 4404th Wing Support Group commander “assessed the threat from a car bomb at a size comparable to the OPM/SANG bomb.”
- Major Patenaude, the AFOSI officer with responsibility for force protection at JTF-SWA “stated that the general impression was that they had to defend against ‘an OPM/SANG type bomb’.”³⁰⁹

There was a major disagreement among investigators about the size (or equivalent power) of the bomb used at Khobar Towers. The Downing team assessed the size at roughly 5,000 pounds, while the Defense Special Weapons Agency did an analysis that projected its explosive power at anywhere from 20,000 to 30,000 pounds. Downing rejected that estimate, testifying before Congress, “Why is the size of the bomb important? A 20,000 pound bomb might be seen as indefensible, an excuse for not taking appropriate countermeasures – and that is wrong.”³¹⁰

Another important assumption underlying the threat assessments concerned the likely method of delivery for a car bomb – penetration of the Khobar Towers compound. In consideration of the 1983 Beirut bombing and the OPM/SANG bombing, officers responsible for force protection were understandably concerned about a vehicle gaining access to a base. At Khobar Towers, efforts to prevent such access included creating serpentines (staggered barriers)

³⁰⁶ U.S. Department of Defense. Special Briefing. MacDill Air Force Base, FL. June 26, 1996.

³⁰⁷ Defense Department Briefing, September 16, 1996.

³⁰⁸ Record Report, Part B, Section III.c.

³⁰⁹ IG/JAG Report, Part III, B.2.a.(10).

³¹⁰ Prepared statement of General Wayne Downing, before the House National Security Committee. September 18, 1996, transcript.

along the main entrance, fortifying the entry gate, adding machine gun emplacements, and situating a dump truck full of sand nearby to cut off a speeding vehicle. Senior officers were aware of the potential threat of a standoff attack at the perimeter of the base, and did in fact raise with their Saudi counterparts the question of moving the perimeter out further, particularly on the north side facing the parking lot. When the Saudis turned down the request, General Schwalier did not take it up his chain of command, since the Saudis were unlikely to budge and the 80-foot separation from the barracks seemed sufficient for the size of bomb anticipated.

The key impact of these important assumptions about the size of a likely bomb and the means for its delivery was that military commanders in the region did not question those intelligence assumptions, and based their force protection measures on them. The IG/JAG Report indicated that if senior commanders had perceived the bomb threat to be 20,000 pounds, “they likely would have decided that the urban site was indefensible.”³¹¹ The commanders themselves and many of the investigative panels indicated later that a poor intelligence structure – the lack of a dedicated intelligence group at the Wing level that might have questioned the assumptions – contributed to this problem. But senior officers and commanders, with little official guidance or support in assessing potential terrorist capabilities, did not question the threat assessments prepared either in the region or in Washington.

One other trend confused perceptions of the threat environment after OPM/SANG. In nearby Bahrain, Shiite dissidents engaged in a series of small-scale bombings at shopping centers and other public locations. Instigated by Iran, the dissidents were expressing their disaffection with Bahrain’s political system. The attacks were small-scale, using pipe bombs estimated at perhaps 15 pounds of explosives. These “tiny” bombs were not nearly as large as the

³¹¹ IG/JAG Report, Part III, B.2.c.(7).

OPM/SANG car bomb, but the officers evaluated such hand-carried bombs (or “satchel charges”) and took measures at the perimeter (moving barriers away from fences so nobody could climb the fence and adding concertina wire) to ensure that an attack with such a device would not succeed.

Thus General Schwalier and his senior staff perceived the strategic threat environment after the OPM/SANG bombing fairly accurately; they were aware of Iranian and dissident activity in the area, and were concerned about both satchel charges and car bombs. Their perceptions at the tactical level, however, were shaped by intelligence assessments that did not credit their protagonists with the capacity or expertise to build larger bombs or deliver them in a different manner than they had previously.

4.2.3. The Charge of “Mission Creep”

The Downing Report suggested one major leadership failure at Khobar Towers that is a key sore point for the military – “mission creep” – the expansion of an operation’s mission beyond its original intent without providing adequate leadership, structure, and guidance to carry out the new mission. At a Pentagon press conference, General Downing said:

Basically, what we found was a joint task force that was formed in 1992 to go over there and enforce the U.N. sanctions on the no-fly and then expanded to the no-drive zone over southern Iraq. This mission expanded in 1994. But then, when we had the bombing of OPM-SANG in November of 1995, we had the previously secure kingdom of Saudi Arabia for the first time with a viable terrorist threat. And so you had mission creep, in terms of mission expansion, and then all of a sudden you had a new dimension, which was a very, very viable and a very, very credible terrorist threat.... It was hard for our forces to keep track of this.... And so we were structured for really a short-term mission which turned into a long-term mission, and the conditions changed under which we were conducting it.³¹²

³¹² U.S. Department of Defense. Special Briefing. September 16, 1996, transcript.

Appearing at the press conference with Downing, General John Shalikashvili, Chairman of the Joint Chiefs of Staff, immediately responded, somewhat defensively:

I want to be careful that we not throw the term ‘mission creep’ around because it has some kind of negative connotation as opposed to expansion of a mission depending on the threat and the situation on the ground.... So I don’t want to leave the impression that somehow over the years we’ve kind of drifted along and we didn’t pay any attention, either here in the Pentagon or they down in Joint Task Force Southwest Asia.³¹³

But General Downing reiterated his concerns about mission creep to the House National Security Committee two days later. He identified two key areas where he felt that DOD had failed – in providing adequate resources and manning, and in supporting and structuring an appropriate chain of command. He suggested that more support was needed whenever “short-term missions become semi-permanent; when additional missions are added – mission creep; and when a major new element is introduced, like a terrorist threat.” He added that CENTCOM relationships in the region were created for a short-term contingency (the “no-fly” zone) but had not been adapted to ensure unity of command and appropriate responsibility and authority.³¹⁴

Finding #3 of the Downing Report stated that the JTF-SWA and other CENTCOM units in the region “were not structured and supported to sustain a long-term commitment that involved expanded missions...” The report quoted a former squadron commander’s end-of-tour report: “For some reason, we cannot or will not decide whether we are in a contingency deployment, a normal TDY, or assigned to a MAJCOM staff. The constantly changing of gears confuses the troops, erodes our effectiveness as leaders, and adversely impacts the mission.” The 4404th

³¹³ Idem.

³¹⁴ Downing testimony, September 18, 1996, transcript.

Wing was manned at minimum levels, leaving it little flexibility to adapt to changing missions or threats. There were no standard rotation policies for units or individuals, and the variety of short rotations (anywhere from 15 to 90 days) negatively affected continuity and the cohesion of units. Most importantly, the rotations inhibited the ability of security and intelligence personnel to develop a long-term understanding of the threat environment.³¹⁵ Downing clearly felt that there were failures of leadership throughout the chain of command in terms of limiting mission creep or responding more effectively to the problem.

4.2.4. Efforts to Enhance Force Protection

All of the review panels evaluated JTF/SWA's efforts to enhance force protection at Khobar Towers. They found much that went right, but some key things that went wrong.

4.2.4.1. What Went Right According to the Record Report, U.S. military commanders saw the OPM/SANG bombing as a "wake-up call" and a "watershed" event that marked an important change in their threat environment. Both the Record Report and the IG/JAG Report outline the various messages emanating from CENTCOM and recount in great detail all of the actions that commanders in the region took to enhance force protection. General Schwalier was noted for his attention to force protection.

- Following the OPM/SANG bombing, he raised the Wing's threat condition and issued the first of numerous Battle Staff Directives (BSD's) intended to improve the Wing's security posture. He communicated with base residents through the base newspaper and TV channel, and personally briefed incoming personnel about security awareness.
- He deployed a wide range of physical security improvements, including barriers and serpentine at checkpoints; moving dumpsters and vehicles away from buildings;

³¹⁵ Downing Report, Part II, Finding 3.

restricting off-base travel; checking for mail bombs; and verifying visitors to the compound.

- In terms of policy, he implemented training, tabletop bombing exercises, and weekly security meetings with the Security Police commander, AFOSI, and intelligence; he also advocated lengthening the tours of several senior officers on his staff.
- He reviewed the second AFOSI Vulnerability Assessment in January 1996 and implemented 36 of the 39 recommendations, including moving perimeters out where possible, improving visibility along the perimeters, placing sentries on rooftop posts, adding concertina wire to perimeter fences, and enhancing security at the front gate. These were among more than 130 actions taken in response to the two vulnerability assessments at Khobar Towers.

Looking back on Schwalier's command, Major General Anderson, Commander of the JTF-SWA, said that the General had been "proactive, aggressive. I used the word earlier, and I don't use it in a negative sense, he was 'consumed' with force protection, and you saw it on every visit. I visited Khobar often, and it was never the same. There was always better force protection – in-depth." David Winn, the former Consul General to Dhahran, who had visited Khobar frequently, said that Schwalier's actions "...were so stringent, so draconian, so professional that I thought he almost had overreacted."³¹⁶ Officers within the chain of command, subordinates, and outside observers from intelligence and diplomatic security all felt that Schwalier had done everything that could be done to enhance security at Khobar Towers.

Schwalier's senior staff were also noted for the efforts at force protection, particularly Lieutenant Colonel James Traister, Commander of the 4404th Security Police Squadron. When Traister arrived at Khobar in March 1996, he carefully assessed the base's vulnerabilities, and initiated a whole series of counter-terrorism measures. Because of his efforts, Khobar Towers was sometimes referred to as "Fort Traister."³¹⁷ House investigators reported that some of his subordinates said they originally thought he "was 'crazy' because of his obsession with security

³¹⁶ Record Report, Part B, Section III.c. See also the IG/JAG Report, Part IIF and Part III.

³¹⁷ Idem., Part B, Section V.c.

enhancements at the compound.” Residents of Khobar Towers told the House team that they thought it possible that the terrorists “struck when they did because they saw a window of opportunity closing. Lieutenant Colonel Traister’s security enhancements following the OPM-SANG bombing were visible and extensive – they would not have gone unnoticed by anyone planning to attack the compound.”³¹⁸

Despite the lack of guidance and support from the chain of command and DOD, Schwalier and his senior staff made significant progress in enhancing the security of Khobar Towers. Unfortunately their activities did not remove the terrorist threat, they simply changed the vulnerabilities of the compound; criminals and terrorists, like water flowing downhill, will seek the easiest path, and exploit whatever vulnerabilities are left even as others are taken away. At least two of the three recommendations out of 39 from the second AFOSI Vulnerability Assessment that were *not* implemented influenced the outcome of the bombing.

4.2.4.2. What Went Wrong The three recommendations that had not been implemented at the time of the bombing were: installing fire alarms in the buildings, adding Mylar coating to windows in the barracks, and moving personnel out of rooms facing the perimeter and into a more central location. Additionally, while the AFOSI Vulnerability Assessments specifically identified the north perimeter facing the parking lot as a weakness, they did not recommend extending the perimeter to increase stand-off distances. Yet Schwalier and his staff were aware of the problem of perimeter security.

Fire Alarms. Fire alarms were not a priority because the buildings were made of concrete, and DOD and Saudi standards did not require them. The Downing Report suggested that a fire

³¹⁸ HNSC Staff Report, pp. 6, 8.

alarm would have been a more effective way to alert the sleeping airmen in Building 131 than knocking on doors.

Mylar Window Coating. Mylar is a shatter-resistant film for windows which can reduce the impact of flying glass. The Vulnerability Assessment recommended installing Mylar on windows in Buildings 131 and 133 and then proceeding around the base. Schwalier put Mylar installation in his five-year facilities improvement plan, but did not implement it immediately because of the cost and complexity of the project, the need for Saudi approval, the then-perceived threat, and the likely effectiveness of other security measures.³¹⁹ The Downing Report suggested that installation of Mylar might have reduced the fatalities from the bombing, because several deaths were attributed to flying glass.

Dispersal of Personnel. The one recommendation that was explicitly ruled out was breaking up aircrews, moving them out of barracks near the perimeter, and reassigning them throughout the compound. This would have meant doubling up in rooms, reducing “quality of life” for everyone on post. Schwalier decided that this would damage unit cohesion, and given the short rotations, he was probably right. Again based on the perceived threat, there did not seem to be a pressing need to implement such a change.

Perimeter Security. All of the DOD investigations addressed perimeter security at great length. Despite the variety of perimeter security measures implemented by Schwalier, the Downing Report was extremely critical of his failure to push harder on the Saudis to expand the perimeter or pass the problem up the chain of command. The IG/JAG Report and the Record Report went to great lengths to explain why perimeter security was not enhanced further.

³¹⁹ Record Report, Part B, Section III.c.

The perimeter fence on the north was only 80 feet from Building 131, not as far as security personnel wished, but probably adequate according to EOD and State Department experts. Both in the fall of 1995 and the spring of 1996 when Schwalier and his staff requested that the perimeter fence be pushed out further into the parking lot on the north, they were told by the Saudis that it could not be done – it was a public parking area used by the community and a nearby mosque. The Saudis did promise to increase patrols of the parking lot and check license plates on suspicious vehicles there; patrols increased but the vehicle checks were not timely.

Schwalier and his senior staff decided not to pursue the perimeter extension further with the Saudis. They thought it might damage U.S.-Saudi cooperation by offending their hosts, whose bureaucratic processes did not lead to timely resolution of issues, and because they had a number of other important priorities both in force protection and in fulfilling the Wing's mission.³²⁰ They did what they could, clearing vegetation on the inside of the fence, and adding Jersey barriers and barbed wire in front of and on top of the fence. However, they did not raise the problem with the chain of command at JTF-SWA, CENTCOM, or with the Air Force.

Others were aware of the perimeter security challenge. The commander of the AFOSI Detachment at Dhahran Air Base briefed Schwalier and the staff on his concern that given the enhanced security elsewhere at the base, terrorists might be led to conduct a stand-off attack. In a written report in April 1996 that Schwalier did not see (but was briefed on), he wrote that “if a truck parks close to the fence line, and the driver makes a quick getaway, I think the building should be cleared immediately.” In response, an AFOSI Special Agent visited the base and recommended that a 9-12 foot wall be built around the compound; the detachment commander

³²⁰ HNSC Staff Report, pp. 6-7. Further discussion of host country sensitivity is below.

did not share the recommendation with Schwalier because he thought it unlikely to be implemented, and security personnel wanted to be able to see the environment around them.³²¹

The IG/JAG Report concluded that:

The combination of Saudi actions outside the fence; their repeated assurances that they had security outside Khobar Towers taken care of; the perceived threat; and the security enhancements the wing had produced specifically to counter the perceived threat, led the wing leadership to delay further efforts to move the fence.³²²

While he was not complacent about it, Schwalier's decision not to elevate the perimeter security problem up the chain of command indicated that he did not see it as an urgent threat. His primary focus was on stopping penetration of the compound. Many of the security enhancements were focused on the gates and checkpoints, and all of the investigative reports agreed that penetration – getting inside, not just near, the compound – was the staff's primary fear concerning a car bomb. After visiting Khobar Towers in late November 1995 and reviewing their security measures, Schwalier's superior said that "he agreed with their focus on the multitude of threats with emphasis on preventing a penetration of the facility."³²³ This fixation on penetration allowed the staff to overlook the seriousness of the threat at the perimeter.

Along with the recommendations for fire alarms, Mylar, personnel dispersal, and perimeter security, there were several other related problems that Downing identified, including the lack of force protection guidelines and poor coordination of force protection in the region. Inadequate funding for security measures is discussed below as part of Organizational Obstacles.

³²¹ Downing, Part III, Finding 18.

³²² IG/JAG Report, Part II, Section F.1.e.(4).

³²³ Record Report, Part B, Section III.c.

Force Protection Guidelines. DOD had not provided adequate guidance to field commanders on force protection, including how to assess threats, how to prepare to meet those threats, and how to assess vulnerabilities.³²⁴ What guidance existed included recommendations but not requirements. Additionally, DOD had no central point of contact or responsibility for force protection issues. Thus Schwalier and his staff were left with taking advice from a variety of internal and external sources, none of which was authoritative.

Coordination of Force Protection Efforts. CENTCOM had given the Commander of JTF-SWA the responsibility for force protection of its component units, but did not give him the authority (operational control) to actually implement security measures until April 1996. House investigators reported that according to one Army colonel, for a period of time “no one (in Saudi Arabia) was in charge of force protection after (the) OPM-SANG (bombing).”³²⁵ There were no uniform standards for training, exercises, or vulnerability assessments across the region, resulting in a patchwork of security measures.³²⁶

The IG/JAG team of course disagreed with Downing’s conclusions. After a more extensive review of documentation, the investigators concluded that DOD guidance did exist and was reasonably clear – and that in fact Schwalier had followed it. And they found “no evidence” that there was any confusion or problem with authority and responsibility for force protection with JTF-SWA and CENTCOM.³²⁷ The chain of command was absolved of all responsibility.

So once again there were competing evaluations of what went right and what went wrong. Despite reasonable justifications for the failures, identified by the Record and IG/JAG reports, Schwalier rejected or postponed key recommendations that would have enhanced the security

³²⁴ Downing testimony before HNSC, September 18, 1996, transcript.

³²⁵ HNSC Report, p. 13.

³²⁶ Downing Report, Findings 4 and 5.

³²⁷ IG/JAG Report, Section III.D.3.c.(3).

and survivability of U.S. forces living at Khobar Towers because of bureaucratic obstacles, concerns for Saudi sensibilities, lack of funding, and focus on quality of life rather than security. The chain of command, not only General Schwalier and his staff, but their superiors at JTF-SWA and CENTCOM, should have been held accountable for failing to support force protection more fully and specifically for failing to address the problem of perimeter security.

4.2.5. Sensitivity to Host Country Concerns

Overseas military deployments require a balance of force protection and sensitivity to host country politics and culture. Yet the HNSC Report was highly critical of the U.S. military's over-sensitivity to Saudi concerns. While the report writers acknowledged that "under the best of circumstances in Saudi Arabia, this is not an easy balancing act..."³²⁸ for the military, they argued that "consideration of host country cultural sensitivities or domestic politics should not be allowed to compromise the protection of U.S. forces."³²⁹ Those sensitivities included at least three areas of concern – public opinion about the "temporary" presence of U.S. forces on the Peninsula, Saudi bureaucracy and concern for security, and cultural differences.

Public opinion was divided about the presence of U.S. troops in Saudi Arabia. There was a general consensus that the Americans might be necessary to keep Iraq from invading again (and Saddam Hussein had massed forces in 1994 for another invasion before being faced down by rapidly-deployed Allied forces). But the Americans were seen as "mamluks," hired soldiers, just another type of guest worker common in Saudi Arabia because of its small native population.³³⁰ Many also saw the presence of U.S. forces as a sacrilege and an affront to Islam and its holy sites

³²⁸ HNSC Report, p. 8.

³²⁹ HNSC Report, Press Release, August 14, 1996.

³³⁰ Testimony of Colonel Patrick Lang, former DIA officer in Saudi Arabia, before the Senate Select Committee on Intelligence, July 9, 1996, transcript.

on the Peninsula. Saudi political and religious dissidents were quick to utilize those sentiments to their advantage. Bin Laden's fatwa in early 1996 was explicit about the need to remove U.S. forces from the land of the holy sites, and the al-Qa'ida-affiliated Islamic Movement for Change had issued warnings to that effect throughout early 1996.

There was a pervasive suspicion among U.S. forces that the Saudis did not take security as seriously as they did. House investigators reported: "The Saudi approach to resolving issues is informal, indirect and seeks measured consensus rather than quick, clear decisions. As a result, to Americans the Saudi decision-making process seems to lack a sense of urgency." Many of the security enhancements at Khobar Towers required active help from the Saudis, from doing vehicle and identity checks to clearing vegetation, but they were not always done promptly and in some cases only intermittently.³³¹ Even relationships were indirect – the Air Force Security Police were required to go through their Saudi military counterparts rather than working directly with Saudi law enforcement and interior ministry forces. Saudi security officials denied requests to move the north perimeter into the parking lot because it and the surrounding buildings were controlled by other Saudi ministries.

Finally, there were significant cultural differences that complicated the relationship. The Saudis were offended by women driving cars, or exposing their skin, making it difficult for American women to work or even move off the compound. They refused to trim the vegetation outside the north perimeter fence, because they did not want citizens to see decadent Americans in their jogging shorts, or even have to acknowledge that the Americans were there.³³²

Sensitivity to these various Saudi concerns permeated the chain of command and the Department of Defense, and an attitude developed that nothing could be done and there was no

³³¹ HNSC Report, p. 8.

³³² *Idem*.

point in even asking; expectations were kept to a minimum. The attitude went all the way to the top. Secretary of Defense William Perry made a public statement after Khobar Towers that the Saudis were doing the U.S. “a favor” by allowing it to keep forces there.³³³

The sensitivity was communicated down through the ranks. General Schwalier briefed new personnel arriving at Khobar Towers that “General Order Number One” was to “respect their hosts.”³³⁴ Former military officers observed that the likely reason why Schwalier and the others in Dhahran did not push the perimeter security issues up the chain of command was that they would get a negative response from the chain.³³⁵

4.2.6. Failures of Public Policy Leadership

As in every case being studied here, there were failures of leadership in public policy that contributed to the larger failure at Khobar Towers. U.S. policy toward Iran, the primary sponsor of international terrorism at the time, was a complicated mess. And U.S. relations with Saudi Arabia, while positive on the surface, concealed deeper divisions and problems. Together they created a situation where the Saudis might have applauded what happened at Khobar.

4.2.6.1. U.S. Policy Towards Iran U.S. policy in the Middle East in the early 1990’s was complex. U.S. forces were involved in supporting UN sanctions against Iraq with a no-fly and no-drive zone over portions of Iraq. There was ongoing diplomacy with Israel and the Palestinians that would result in the Oslo peace accords in 1995. Planning and positioning were underway for a new pipeline to pump oil from Central Asia, with possible routes through Turkey

³³³ Lang, op cit.

³³⁴ HNSC Report, p. 9.

³³⁵ Lang, op cit.

or Afghanistan. And in early 1993, Martin Indyk, who was special assistant to the President for Near East and South Asian affairs at the National Security Council, introduced a new policy for the region called “dual containment” – constraining both Iraq and Iran without relying on one to balance the other. In previous decades the United States had first supported the Shah against Iraq, and after his fall it supported Iraq against Iran. The new plan called for unified public pressure on the two countries to cease their abuse of human rights, aggression, and pursuit of WMD, with a consistent message: “no normal relations until these actions end.”³³⁶ The plan also called for more aggressive measures, like cutting off both countries from international trade, and encouraging regime change in Iraq.

Critics complained that the policy was illogical and inconsistent, that it “offers no guidelines for dealing with change in the gulf, and it ties American policy to an inherently unstable status quo. Worse yet, it assigns to the United States a unilateral role in managing gulf security issues...” Indeed the notion that the U.S. could contain the two countries simultaneously was a mistake. One critic warned that since the policy required a military deterrent, the presence of U.S. forces in the gulf might have to be expanded, which raised the risk of them becoming a “lightning rod for domestic discontent.” Finally, critics worried that the U.S. was assuming unrealistically it could maintain the status quo indefinitely and stage-manage any changes in the Gulf.³³⁷ National Security Advisor Anthony Lake asserted that the Clinton administration was “confident that we can sustain this situation for some time.”³³⁸

Iran, like Iraq, had its own historical, religious, and perceptual reasons for disliking and distrusting the United States. It was undemocratic, and repressive; it actively directed

³³⁶ Anthony Lake, “Debate: Confronting Backlash States,” *Foreign Affairs* 73:2 (Mar/Apr 1994), pp. 45ff. Lake’s article expands on the dual containment policy and outlines the Administration’s justification for it.

³³⁷ F. Gregory Cause III, “Debate: The Illogic of Dual Containment,” *Foreign Affairs* 73:2 (Mar/Apr 1994), pp. 56ff.

³³⁸ Lake, op cit.

international terrorism; it was seeking to develop nuclear weapons and was buying weapons systems (like missiles and submarines) that could threaten oil shipments in the Gulf. Containment would not be easy; as was the case in Iraq, the French, Russians, and Chinese all had significant economic interests in Iran. This made it difficult to maintain a united front, and even by October 1994 the divisions were becoming apparent.³³⁹ American allies and colleagues on the UN Security Council were not supportive of “neo-containment.”

So the United States went at it alone. In early 1994 Clinton stopped a deal that would have permitted the U.S.-owned Conoco Oil to do business in Iran. In 1995 he cut off American trade with Iran (partly to preempt a call by the Republic Congress to prohibit *all* international trade with Iran) in response to its support for terrorism. But at the same time, the U.S. turned a blind eye to Iranian shipments of arms to Bosnia, because they served the U.S. purpose there – fighting the Serbs while limiting the necessity of inserting a U.S. force.

Dual containment failed. U.S. actions toward Iran were perceived as being aggressive and unilateral, which only served to prove the point of the hardliners in Iran and undermine the moderates. One critic suggested that: “Iran has become the all-purpose bogeyman for an administration that has found itself increasingly frustrated by its inability to close the deal on the Middle East peace process and incapable of meeting the terrorist threat of Islamic fundamentalists.”³⁴⁰ By early 1996, Iran was moving forward with its plans to expand international terrorism (“Hezbollah International”) by bringing together Shiite and Sunni groups along with the Arab Afghans. Charges that U.S. unilateralism can inspire a terrorist response date back to well before the U.S. occupation of Iraq in 2003.

³³⁹ See Tim Zimmermann, et al., “Gun Barrel Diplomacy,” *U.S. News & World Report* 117:16 (October 24, 1994), pp. 42ff.

³⁴⁰ Nader Mousavizadeh, “Nemesis,” *The New Republic* 214:23 (June 3, 1996), p. 6.

4.2.6.2. U.S. Policy and Saudi Arabia U.S. policy toward the Saudi government revolved around two related issues: oil and Saddam Hussein. The United States had maintained a close relationship with Saudi Arabia for decades, primarily to guarantee the supply of oil on which the world economy depended. For many years the threat to the Saudi oil supply was the Soviet Union; after its demise, the new threats were Iran and Iraq, the more immediate and obvious threat. One long-term policy failure of the United States has been its inability to plan a reasonable energy policy that successfully encourages conservation while improving technology and developing new and existing domestic energy sources. Every new administration announces its plans, but competing domestic priorities (i.e., lobbying and Congressional in-fighting) thwart each one. American reliance on foreign oil has changed little over several decades.

A shorter-term failure of policy related to Saddam Hussein. The continued, albeit reduced, presence of U.S. forces in the Kingdom was necessary to maintain the no-fly zone; but to be careful of Saudi sensibilities, the U.S. maintained only a temporary framework for its nearly-permanent mission. Particularly in the aftermath of Saddam's second threat against Kuwait in 1994, U.S. troops were likely to remain in the region for the long term. By June of 1996, U.S. troops had been in the Kingdom for almost six years. Saddam Hussein continued to play a game with UN inspectors, balancing the appearance of genuine cooperation with distraction and serious non-cooperation. But the United States had no end-game, no exit strategy, no ultimate goal or deadline for enforcing the UN sanctions.

Over the years, the need for oil led to unquestioning U.S. support for the Saudi regime. Saudi human rights abuses, even of Americans living there, went unmentioned. Corruption was ignored. In a rough parallel of policy toward the Shah in Iran, the United States was unable to perceive the instability of the Saudi regime or understand its internal opposition. It also failed to

comprehend the resentful attitude which many Saudis felt toward their visitors; though they profited greatly from America's enormous appetite for oil, they were embarrassed at the presence of U.S. troops and equipment necessary to deter Saddam Hussein.

To keep from offending their hosts, the State Department and the Defense Department did not push their Saudi counterparts very hard. Saudi culture was very different, its bureaucracy more internally competitive and slow-moving even than the U.S. government. No status-of-forces agreement (SOFA) was signed with the Saudis, just a series of lesser agreements. The Saudis were helpful, but only on their own terms. The resulting pervasive attitude of frustration and hopelessness felt by American commanders kept them from pushing their Saudi counterparts on force protection. The Saudis failed to provide any useful human intelligence on the threat to U.S. forces posed by both dissidents and extremists or by Iranian intelligence. The U.S.-Saudi relationship was close out of necessity, but it was like two porcupines doing a tango.

The policy of dual containment did not contain either Iraq or Iran, and ultimately led the United States into a unilateralist position in the Gulf. American leaders in the executive and legislative branches had failed to develop energy policies that would reduce American's dependence on Gulf oil, so the United States and the Saudis were stuck with each other. President Clinton had failed to be aggressive with Saddam Hussein, and was content to play a waiting game, leaving U.S. troops on the Peninsula indefinitely. Perhaps a more nuanced approach to dealing with Iran would have been helpful, perhaps not. But while these failures of public policy leadership helped set the stage for Khobar Towers, they were only indirectly a cause of the failure there. The failures of the military chain of command were far more important.

4.3. ORGANIZATIONAL OBSTACLES

The Downing Report was the most comprehensive in evaluating the organizational obstacles that contributed to the failure at Khobar Towers. Some of these obstacles are implicit in the earlier discussion of leadership failures, but others need to be evaluated further, including problematic U.S.-Saudi relations, a somewhat dysfunctional chain of command, the lack of force protection guidance from the Defense Department, inadequate resources and manpower, and poor emergency response planning and training.

4.3.1. For Lack of a SOFA

The Downing task force found that the division of responsibility was clear between U.S. commanders and their Saudi security counterparts. The Saudis owned external security, outside the perimeter, and most internal security matters belonged to the Americans. But the task force could find no written documentation of the division of responsibility.³⁴¹ In the testimony that Colonel Patrick Lang of DIA gave to the Senate Select Committee on Intelligence, he commented on the U.S.-Saudi relationship:

It is backed up by various memoranda on specific narrow issues. There are all kinds of results of planning conferences that people have initialed. But none of that amounts to an alliance in which you can say that these American soldiers on my soil are our allies... there's a very limited requirement in order for people to give an unrestricted hearing to what it is they have to say... an American Colonel can go out and talk to his counterpart and point to a very real security issue involving American troops and essentially be ignored and not have anything happen about that.³⁴²

³⁴¹ Downing Report, Part II, Finding 15.

³⁴² Lang, op cit.

House investigators also confirmed the general understanding between the two security forces, but they highlighted the fact that because of the “temporary” nature of the U.S. deployment, there was no Status of Forces Agreement (SOFA) in place between the Americans and the Saudis. According to the House report, such an agreement typically defines in great detail the rights and responsibilities of U.S. forces vis-à-vis the host nation, such as where forces are based and the conditions under which they operate. However, the HNSC staff’s interpretation of a SOFA may be partially incorrect from a technical standpoint; SOFA’s are not basing or access agreements, but “provide protections concerning status, rights, privileges, and immunities to U.S. forces stationed in a host country.”³⁴³

The point being made by the HNSC staff, however, was that the United States did not have in place a comprehensive agreement to cover issues like force protection; it only had in place a series of “stationing” agreements covering individual deployments. Implementation of the agreements was complex; for example, it required U.S. aircraft to avoid flying over the palaces of Saudi princes,³⁴⁴ and that the order to “halt!” be given in English and in Arabic.³⁴⁵ More seriously, under these agreements, U.S. and Saudi security police maintained only an informal, ad hoc relationship.³⁴⁶

The IG/JAG Report explained further the significance of the non-existent SOFA – it also covers the standing rules of engagement (SROE). These are “directives issued by competent military authority which delineate the circumstances and limitations under which U.S. forces will initiate and/or continue combat engagement with other forces encountered.” They include the

³⁴³ IG/JAG Report, Part II.C.1.b.

³⁴⁴ HNSC Report, p. 9.

³⁴⁵ IN/JAG Report, Section II.c.f.

³⁴⁶ HNSC Report, pp. 8-9. The IG/JAG Report suggested that direct coordination between U.S. security forces and Saudi civilian law enforcement was not permitted, everything had to be run through Saudi military police; see section III.A.3.e.

requirement that a commander use all available means to provide for the self-defense of his command, although the use of force in self-defense required both necessity and proportionality.³⁴⁷ The SROE may vary by location, and in this case, the SROE for security forces were similar for the Air Force, U.S. Army, and the British Army stationed in Saudi Arabia. Saudi law only allowed the use of deadly force to protect human life; it did not permit deadly force to protect property, including priority resources.³⁴⁸ If General Schwalier found that the existing SROE were insufficient, he should have asked his chain of command to expand them to permit more effective force protection measures.

4.3.2. Structure of the Military Chain of Command

Downing suggested that the lack of a forward headquarters under CENTCOM was problematic. Specifically, this meant that operational control of all assets in the region was exercised by the service component commanders, who were all located thousands of miles away (with the exception of the naval commander in Bahrain). This was significant, because the JTF-SWA commander was assigned tactical control but not operational control of the units in his area of responsibility (AOR). In other words, he could task units to accomplish missions and control their maneuvers, but he could not order them to carry out other tasks – such as specific force protection measures.³⁴⁹

Following the November 1995 bombing in Riyadh, the commander of JTF-SWA was given responsibility for overseeing force protection for all combatant forces in Saudi Arabia. Yet the

³⁴⁷ IG/JAG Report, Section II.C.1.b. and d. and C.2.c.

³⁴⁸ Idem., Section II.C.f and g.

³⁴⁹ In his testimony before Congress, Downing expressed his belief that while the structure of CENTCOM and JTF-SWA met the technical requirements of the Goldwater-Nichols Act for “jointness,” it did “not satisfy the spirit of the law.” The delegation of operational control of deployed units to the service components diluted the concept of unity of command, and kept forces in the Gulf from taking a unified approach to force protection. Downing testimony, September 18, 1996.

CENTCOM Letter of Instruction outlining that responsibility also stated that “mission and operational command and control authority are not issues herein...” So the commander had the responsibility for force protection but not the authority. Regardless of this contradiction, Major General Carl Franklin, JTF-SWA commander, took a number of actions to enhance the security of U.S. forces in the Kingdom. But his successor, Major General Kurt Anderson, who assumed command on April 22, 1996, was not briefed by CINCCENT on force protection issues, and consequently “did not view his [force protection] responsibilities as directive in nature, a change from the position of his predecessor.”³⁵⁰

The Downing Report was also critical of the fact that there existed no central element in DOD responsible for force protection. Downing recommended that a new, centralized organization should have responsibility for developing policy and standards, assisting commanders in implementing force protection measures, and managing the funding for research and development as well as deployment of new security technology and measures. However, he cautioned that such an organization was no substitute for appropriate and responsible force protection measures taken by commanders.³⁵¹

4.3.3. Lack of Guidance from DOD

Downing argued that the problems in the chain of command, particularly the absence of a central DOD element responsible for force protection, had “an adverse impact on the posture of forces in the field.”³⁵² The Downing team’s first finding was that: “There are no published DoD physical security standards for force protection or fixed facilities.” It found that the primary handbook on

³⁵⁰ Downing Report, Part II, Finding 4.

³⁵¹ Idem., Part I.

³⁵² Downing Report, Part I.

force protection included suggestions and recommendations, but it was not established as formal guidance from the Department of Defense. The team noted that since there were no formal requirements for force protection, commanders were “left to a subjective determination of what is safe or unsafe.” Through interviews, the Downing team found that many commanders in the Gulf were unfamiliar with the handbook, and in fact it could not be located at many facilities.³⁵³

The Downing Report also noted that guidance on vulnerability assessments was inadequate. The same DOD Handbook referenced above recommended that vulnerability assessments be conducted regularly, but did not establish requirements for frequency, content, or format. AFOSI was responsible for conducting the vulnerability assessments, but a current pamphlet describing the process was not a directive. And there were no requirements that the chain of command review vulnerability assessments until CENTCOM issued a new regulation on April 24, 1996, that established a new Force Protection Board (in the wake of the OPM/SANG bombing).³⁵⁴

The Defense Department’s Inspector General and Judge Advocate General addressed the problem of documentation and guidance in its introduction, listing a sizable number of relevant directives and regulations that commanders should have referenced. These included DOD, Joint, Air Force, CENTCOM, Air Combat Command (ACC), and USCENTAF publications on topics from command relationships to antiterrorism policy. Yet the IG/JAG Report acknowledged that much of that guidance was discretionary, not directive. It concluded that the applicability of that guidance was ambiguous because of complex command relationships, and that the Air Force Instruction implementing the higher-level DOD and Joint Antiterrorism publications required

³⁵³ Idem., Part II, Finding 1. The report is referencing DoD Handbook 0-2000.12-H, *Protection of DoD Personnel and Activities Against Acts of Terrorism and Political Turbulence*.

³⁵⁴ Idem.

commanders to consult at least five different publications to understand their responsibilities.³⁵⁵

It also concluded that there were no standards for commanders to use in determining when to escalate force protection issues up the chain of command.

Downing's final complaint about the lack of guidance was that CENTCOM did not provide theater-specific training for individuals or units deployed to the Persian Gulf. Whereas units deployed to Bosnia under the U.S. European Command were provided with region-specific training, and Army and Navy forces in the Gulf received additional training, "U.S. Air Force Security Police and guard forces had no specific guidance, directives, or training programs for operations" in the area.³⁵⁶ However, it should be noted that DOD Instruction 2000.14 required the commander of CENTCOM to identify high-risk positions and high-risk personnel to the Component Services so that *they* could provide training, not CENTCOM.³⁵⁷ This problem, and the failure of DOD to establish more specific guidelines for training, contributed to the June bombing in that General Schwalier and his senior staff should have had a more in-depth knowledge of the region and its threats, and better training for most personnel might have resulted in better awareness and willingness to endure the restrictions of enhanced security.

4.3.4. Money and Manpower

Downing's concerns about resources and manning focused on the rotation policies and budget priorities for JTF-SWA. The U.S. committed itself to a "temporary" presence on the Peninsula, which entailed short rotations and temporary assignments for personnel assigned to enforce the "no-fly" zone. While Army and Marine units in the area had longer deployments, typical Air

³⁵⁵ IG/JAG Report, Section I.E.

³⁵⁶ Downing Report, Part II, Finding 6.

³⁵⁷ DOD Instruction 2000.14., dated June 15, 1994. Section 5.4.4.

Force rotations lasted no more than 90 days. Turnover in the units at Khobar Towers was roughly 10% per week, so in the course of three months the entire population turned over. Only eleven individuals (mostly officers) had one-year assignments, and the brief deployments to Saudi Arabia were considered hardship tours. Downing concluded that short rotations affected the continuity and effectiveness of deployed units (especially security forces), inhibited their development of relationships with Saudi counterparts, affected teamwork, and prevented intelligence agents from developing human intelligence sources.

The IG/JAG Report contradicted each of those suggestions. The investigators found that while there were certain disadvantages, short rotations were typical Air Force policy which reduced the strain on service members and their units, and helped keep up the appearance of a temporary mission. It concluded that there was no evidence that the rotation policy had slowed down force protection initiatives, reduced teamwork, or reduced cooperation with the Saudis. It also noted that intelligence agents were unable to develop human intelligence contacts because they were not authorized to do so and had been warned by the CIA not to try to develop low-level sources.³⁵⁸

The level of staffing also appeared to be a problem. According to Downing, when Colonel Boyle proposed raising the Threat Condition for Khobar Towers from BRAVO to CHARLIE, he was told that the 4404th Security Police Squadron did not have enough personnel to man the posts required at that heightened level of security. CENTCOM had committed itself to not increasing the overall manpower in Saudi Arabia, and eliminated unnecessary requirements (positions) whenever possible.³⁵⁹ The IG/JAG Report again contradicted Downing. It pointed out that there were 169 personnel in the security police squadron at Dhahran at the time;

³⁵⁸ IG/JAG Report, Section III.D.

³⁵⁹ Downing Report, Part II, Finding 3.

THREATCON BRAVO required at least 78 police to man the required posts, and THREATCON CHARLIE required 134 police. Colonel Boyle denied that manpower limits had kept him from going to a higher security status; he felt that the threat environment – an “imminent threat” against a “specific target” – did not warrant the change. The IG/JAG Report dismissed understaffing of the security police.³⁶⁰

The lack of adequate interpreters or Arab linguists was also a significant manpower problem. The 4404th Wing had one translator on call 24-hours, but they had to call him any time they wanted to communicate anything to the Saudis. If they saw any suspicious activity near the compound, the AF Security Police would call the interpreter, who would call Saudi military police, who would call Saudi civil law enforcement authorities. When the guards saw the tanker truck back up and park against the north perimeter fence, they called the interpreter, who tried to call Saudi military police but only got a busy signal; the bomb went off before he got through. He was frequently overworked, and commanders acknowledged later they could have used additional interpreters, though the IG/JAG report determined that this made no difference in the outcome of the bombing.³⁶¹ The comparable Army organization (a Patriot missile unit) in Saudi Arabia had two interpreters and a counterintelligence team including an Arab linguist.³⁶²

The second finding in the Downing Report was that “Force protection requirements had not been given high priority for funding.” The HNSC report concurred.³⁶³ A variety of funding sources were available to units in the Gulf region, and commanders in Saudi Arabia and Kuwait took advantage of these, but they did not receive necessary support from their higher-level

³⁶⁰ IG/JAG Report, Section II.D.1.b.(3) and Section III.C.5.a.(4).

³⁶¹ Idem., Section II.F and Section III.C.3.c.

³⁶² HNSC Report, p. 13.

³⁶³ See HNSC Report, pp. 13-14. The report highlights the funding problems of a temporary task force paid for out of contingency funds that were reprogrammed from other DOD accounts each year.

service components. No process existed to identify and communicate force protection needs as part of the budget and planning system, and DOD did not have a budget category or program element for force protection. General Schwalier was the first commander of the 4404th Wing to implement a five-year plan for budgeting and planning on force protection measures. Yet, he was criticized by Downing for failing to request the funding necessary to implement the recommendations on Mylar coating and fire alarms; he probably would not have been turned down if he had asked.³⁶⁴ Not surprisingly, the Record Report came to a different conclusion – field commanders made force protection a priority – but did not address the issue of funding in any depth.³⁶⁵

The Downing task force concluded that, as a result of the lack of published DOD guidance, inadequate resources and manning, and a poorly organized chain of command, force protection practices were inconsistent across the region. Different locations used a range of tactics for protecting entry to their bases; utilized a variety of organic, private, and host nation forces to perform security missions; and maintained different types of relationships with local security forces. Commanders relied on advice from their staff or their service component commands.³⁶⁶ This was a particular problem at Khobar Towers in determining the safe stand-off distance at the north perimeter.

4.3.5. Emergency Response

One of the many concerns expressed by the Downing task force was the lack of preparedness and training for emergency response at the 4404th Wing, the assumption being that the problem

³⁶⁴ Downing Report, Part II, Finding 2.

³⁶⁵ Record Report, Part A.

³⁶⁶ Downing Report, Part II, Finding 5.

contributed to the number of deaths and injuries at Khobar Towers. Although the report highlighted the effective medical and rescue response after the bomb went off, it was critical of the Wing's failure to carry out evacuation drills. There were plans in place for three kinds of emergency responses – bomb threat evacuations, fire evacuations, and attack warnings. But there were no fire alarms in the buildings and no emergency lighting. The famous “Giant Voice” warning system used to warn the Dhahran air base and Khobar Towers of impending Scud missile attacks was of no use – it could only be activated by the base commander, and could hardly be heard by personnel there anyway. The Wing did not practice evacuations or the procedures for using Giant Voice.³⁶⁷

The IG/JAG Report provided several reasons for the lack of emergency exercises:

- Because of the high turnover rates, only 30% of the personnel residing in Khobar Towers on June 25, 1996 had been there on May 9th when several buildings were evacuated for a bomb threat.
- Exercises could only be conducted on the base or inside the compound to avoid offending the Saudis – they had even canceled mass casualty exercises in December 1995 after the OPM/SANG bombing.
- Exercises were limited to avoid disturbing the rest of flight crews who needed uninterrupted rest before flying missions.³⁶⁸

The investigators effectively argued that evacuation drills were unnecessary anyway, because actual evacuations were being conducted in response to suspected bombs. There had been several partial evacuations in the six months prior to the bombing, including one in May 1996.

But it is not entirely clear that better evacuation procedures would have contributed significantly to reducing casualties. Personnel in the buildings closest to the bomb had no more than five minutes to escape, and many were actually protected by being in the stairwells; anyone who had evacuated into open spaces around the buildings might well have been injured or killed

³⁶⁷ Downing Report, Part II, Finding 20.

³⁶⁸ IG/JAG Report, Section 2.F.3.

by the blast. At the same time, the Record and IG/JAG reports seem to downplay the potential usefulness of a fire alarm system, which was being used successfully by the British forces at Khobar Towers.

4.3.6. Conclusions on Organizational Obstacles

Once again the different official investigations into the Khobar Towers bombing arrived at widely differing conclusions. While it was not on a “fishing expedition,” the Downing task force seems to have uncovered a wide variety of problems without explaining clearly why each one contributed to the devastation at Khobar Towers. Several of the findings pertaining to organizational obstacles,³⁶⁹ particularly those concerning manpower, training, and emergency response, were not significant. Even looking back in hindsight, the IG/JAG Report gave the entire chain of command a clean bill of health on these organizational obstacles. However, the report does not adequately refute several key concerns contained in the Downing Report, among them the lack of funding for force protection and the lack of clear guidance for determining stand-off distances at the perimeter.

Of all the organizational obstacles that faced General Schwalier and his senior staff in providing adequate force protection, the most serious were the fluid nature of U.S.-Saudi relations, the lack of guidance from DOD that forced them to make unscientific and uninformed decisions on stand-off distances, and the poor funding procedures that made it difficult to install Mylar on the compound’s windows. Schwalier faced interrelated problems – the temporary mission and structure of the Wing and JTF-SWA, over-sensitivity to Saudi cultural concerns, and the related attitude toward Saudi cooperation within the chain of command and DOD. But a

³⁶⁹ Another set of organizational obstacles pertain to intelligence and counter-intelligence, but are discussed in the section on intelligence failures below.

stronger relationship with Saudi authorities would have made it easier to address the problem of the north perimeter. For lack of a SOFA the battle was lost.

4.4. THREAT AND WARNING INFORMATION

The Senate Select Committee on Intelligence determined that there were “no intelligence failures” leading to the bombing of Khobar Towers. That is an overgenerous assessment. There were many important threat indicators at the strategic level that should have alerted military commanders to the possibility of a major terrorist attack against U.S. forces in Saudi Arabia. A great deal was known about conservative and extremist Islamic groups within the Kingdom opposed to the monarchy and the U.S. presence on the Peninsula. Iranian intelligence operatives were known to be active in eastern Saudi Arabia; and states like Syria and Sudan continued to support terrorist groups. The United States was the primary enforcer of international sanctions against Iraq that clearly irritated its aggressive leader, Saddam Hussein.

Second, there were warning indicators of an impending attack. The Downing task force found that: “While intelligence did not provide the tactical details of date, time, place, and exact method of attack on Khobar Towers, a considerable body of information was available that indicated terrorists had the capability and intention to target US interests in Saudi Arabia, and that Khobar Towers was a potential target.”³⁷⁰ In the months before the bombing, a clear picture should have emerged of preparations for a terrorist attack, from surveillance to smuggling explosives and experts into Saudi Arabia. The method the terrorists would use was again a vehicle bomb, if much larger than previous ones. Likely targets were identified among U.S.

³⁷⁰ Downing Report, Part II, Finding 18.

facilities in Saudi Arabia, and military commanders received regular briefings on threats and vulnerabilities. And there were upcoming events that should have prompted additional concern.

4.4.1. Threat Indicators in the Kingdom

Despite assertions by many senior DOD and military officials afterwards, the environment in Saudi Arabia was not nearly as benign as they described it. U.S. forces stationed in Saudi Arabia as part of JTF-SWA were aware that they were a target of terrorist attacks, especially after the November 1995 bombing in Riyadh. Saudi authorities arrested dozens of suspects after the OPM/SANG bombing, all members of the Shiite minority. Subsequent newspaper stories highlighted the role of dissidents in violence in Saudi Arabia dating back to the 1970's. A great deal was known about not only the dissidents, but also about the pressure applied to the royal family by conservative Wahhabis, about extremist Islamic groups within the Kingdom opposed to the U.S. presence on the Peninsula, and about the Arab "Afghans" who had returned from fighting the Soviets in Afghanistan to take up arms against the West and against repressive Arab regimes.

The Kingdom of Saudi Arabia as presently known had its origins in a partnership developed in 1744 between a Muslim revivalist preacher named Muhammad ibn Abd al-Wahhab, and a small tribal chief, Muhammad ibn Saud. The chief's forces unified the Arabian Peninsula in the latter half of the eighteenth century, carrying with them the rigorous religious practices and conservative social behavior at the core of Wahhabism. Their descendants still rule Saudi Arabia – the House of Saud enforces Islamic orthodoxy, and the Wahhabi clergy provides them with religious legitimacy. The two mutually-dependent groups have survived for 250 years, but they have clashed more recently over the introduction of modern technology – and with it, Western

culture – into Saudi Arabia. According to a Saudi intellectual educated in the West, “[T]he old social issues remain untouched. Islamic society has not resolved three questions: where women fit in, what the goal of education is, and how much freedom of dissent the people and the media should be granted.” In its efforts to steer between modernization and Islamization, the royal family makes more and more concessions to the clergy, but even those are not enough to satisfy the demands for political, social, and religious reform.³⁷¹

There are at least four Islamic groups in the Kingdom, several of them pushing for reform in different directions. The *ulema* – the senior Wahhabi clergy – are conservative and parochial, but generally supportive of the House of Saud. But there are dissidents within the *ulema*, radicals who might be called “neo-Wahhabis,” younger preachers and professors who are openly critical of the royal family, anti-western, and xenophobic. There are more open-minded Islamists, however, who espouse a more liberal and democratic form of reformist Islam; many of these “liberals” were educated in the West, speak foreign languages, and are more open to outside ideas.³⁷² The other major group is made up of the minority Shiites in eastern Saudi Arabia; they have been persecuted and discriminated against by the majority Saudi Sunnis for many years. An upsurge in violence by the Shiites in the 1980’s was supported by Iran, and the government has maintained a wary eye on the group.³⁷³

In the early 1990’s, another significant group emerged – the Arab “Afghans.” The Saudis, including not just religious leaders but senior royalty, had recruited and funded as many as fifteen thousand volunteers to fight the Soviets in Afghanistan. Volunteers returned from the

³⁷¹ Milton Viorst, “The Storm and the Citadel,” *Foreign Affairs* 75:1 (Jan/Feb 1996), p. 93ff.

³⁷² Many of the dissidents who have fled Saudi Arabia have settled in London. One opposition group based there, the Committee for the Defense of Legitimate Rights (CDLR), has been given by the media the status of official opposition group. But CDLR is a front group for Osama Bin Laden; CDLR’s director called Bin Laden after Khobar Towers to congratulate him on the attack.

³⁷³ “The Cracks in the Kingdom,” *The Economist*, March 18, 1995, p. 21ff.

war with military discipline and skills that they put to work fighting alongside indigenous Islamist movements in Algeria, Egypt, and elsewhere. By 1991, Afghans were involved in the civil war in Algeria, attacks on Jordanian security forces, and inspiring the Tunisian resistance. Two years later they were being expelled from Pakistan for terrorist activity and tracked down in Jordan, Tunisia, Egypt, and Algeria. Sizable numbers of the veterans went to Bosnia to fight the Serbs, with a wink and a nudge from the United States. Yet Arab journalists and academic experts on Islamic fundamentalism downplayed concerns, suggesting that “the danger of the Afghans is overstated by queasy Arab leaders.”³⁷⁴

Afghan fighters turned the tide against U.S. forces in Somalia. After the November 1995 Riyadh bombing, the *Financial Times* noted that “it seems unlikely that the most numerous, Saudi, contingent has forgotten its zeal, its skills, and the taste of victory in Afghanistan.”³⁷⁵ Three of the four Saudis who confessed to the Riyadh bombing were Afghans.³⁷⁶ Newspapers speculated after the bombing that perhaps it was carried out by fundamentalists who, disappointed with reversals in Algeria and Egypt, had turned their focus back on Saudi Arabia – and on its chief patron, the United States.³⁷⁷ The Afghans were becoming a significant threat, particularly *their* chief patron, Osama Bin Laden.

The U.S. intelligence community was aware of the internal threats to the Saudis and to the security of U.S. forces, and it was aware of the violence and terrorism carried out by dissidents and Arab Afghans. Even without classified intelligence sources, there was plenty of information

³⁷⁴ “Soldiers in Search of a War,” *The Economist*, June 5, 1993, p. 43. See also Bob Drogin, “Pakistan Cracks Down on Ex-Afghan Fighters,” *Los Angeles Times*, April 13, 1993, p. A14.

³⁷⁵ David Gardner, “Survey of Saudi Arabia,” *The Financial Times*, December 20, 1995, p. 1.

³⁷⁶ Edward Cody, “Saudi Islamic Radicals Target U.S., Royal Family,” *The Washington Post*, August 15, 1996, p.A1.

³⁷⁷ “Saudi Opposition Moves from the Fax to the Bomb,” *Mideast Mirror*, November 13, 1995, Vol. 9, No. 219. n.p.

available from open sources. Consider a sample of relevant news reporting prior to the Riyadh and Dhahran bombings.

- February 1992, *The Guardian* (London): “Saudi Establishment Rattled by Tremors from Islamic Radicals at Home.”³⁷⁸
- July 1992, a *Manchester Guardian Weekly* story titled: “Unholy War of the Extremists.” The story points out that the year “has brought a major escalation in the war between Islamic extremists and secular Arab governments. The climax was last week’s assassination of President Boudiaf of Algeria...”³⁷⁹
- December 1992, *Los Angeles Times* headline: “Extremists Drawing Line in Saudi Sand.” From the story: “... a growing current of religious radicalism has swept the country,... demanding political reform and even raising unprecedented questions about the House of Saud’s right to govern in the land of Islam’s holiest cities.”³⁸⁰
- July 1994, *Los Angeles Times* headline: “Saudi Arabia’s Dissidents Challenge a Closed Society.” According to the reporter, “opposition to the regime has reached unprecedented levels, mostly invisible because so few Western observers are granted visas to visit the kingdom...”³⁸¹
- October 1994, *Intelligence Newsletter*: “...sharp increase in fundamentalist opposition to the government revealed by massive arrests among religious radicals last month...”³⁸²
- April 1995, *Rocky Mountain News* headline: “U.S. May Pay Dearly for Crackdowns in Gulf.” The story reflects back in time, “And Saudi Arabia jailed 1,000 fundamentalists of the Wahhabi sect after a September revolt... Our government’s support of these dissolute royals may ultimately expose the United States to a broader array of Islamic terrorists.”³⁸³
- October 1995, *Los Angeles Times* story titled: “Islamic Extremism is the Foe Arab Leaders Fear Most.”³⁸⁴

If the United States did understand the threat to the Saudi government, how would it have made the connection that U.S. forces were also in danger? Not only was there plenty of available evidence about the extremists, their motivations, and their activities (including bombings and

³⁷⁸ David Hirst, “Saudi Establishment Rattled by Tremors from Islamic Radicals at Home,” *The Guardian* (London), February 5, 1992, Foreign, p. 9.

³⁷⁹ Karim Alrawi, “Unholy War of the Extremists,” *Manchester Guardian Weekly*, July 12, 1992, p. 11.

³⁸⁰ Kim Murphy, “Extremists Drawing Line in Saudi Sand,” *Los Angeles Times*, December 27, 1992, p. A19.

³⁸¹ Kim Murphy, “Saudi Arabia’s Exiles Challenge a Closed Society,” *Los Angeles Times*, July 19, 1994, World Report, p. 1.

³⁸² “Saudi Arabia: Princes Fight it Out,” *Intelligence Newsletter*, October 6, 1994, Operations, No. 249.

³⁸³ Holger Jensen, “U.S. May Pay Dearly for Crackdowns in the Gulf,” *Rocky Mountain News*, April 20, 1995, p. 45A.

³⁸⁴ David Lamb, “Islamic Extremism is the Foe Arab Leaders Fear Most,” *Los Angeles Times*, October 8, 1995, p. A6.

assassinations), there were significant indications that the presence of foreign troops on Saudi soil was a particularly objectionable problem to the Islamists. In August 1990 with Iraqi forces streaming through Kuwait and crossing the border into Saudi Arabia, the King appealed to the West for assistance. The allied army that defeated Saddam Hussein six months later consisted of over 800,000 troops, with 500,000 of those coming from the United States. The fundamentalists were extremely angry over the importation of an “infidel” army to defend the Saudis from a fellow Muslim. They felt humiliated at the need to call for help, and felt that the King had dishonored and broken the tribal pact of security in exchange for loyalty. Even five years after the Persian Gulf War, King Fahd was still defending his decision: “Many said that the presence of foreign forces was wrong. But I say... it was [a case of] extreme necessity.”³⁸⁵

The threat against American forces was explicit. In April and June 1995, the London-based Arab newspaper *Al-Quds Al-Arabi* published a statement by a new opposition group calling itself the “Islamic Change Movement – the Jihadist Wing in the Arabian Peninsula” that gave U.S. and British forces an ultimatum. The foreign forces had to leave the Kingdom by June 28, 1995, or the organization would carry out military operations against them as “legitimate targets.” Interestingly the story was picked up and rebroadcast on Iraqi radio.³⁸⁶ In early 1996, Osama Bin Laden issued his own *fatwa* calling for *jihad* against the American forces located in the land of the holy sites.

The Downing Report highlighted an important discrepancy between how the Defense and State Departments assessed Threat Levels, even in the same country. DOD analyzed several terrorism-related factors: the existence of terrorist groups, their capabilities, history of activity,

³⁸⁵ Murphy, “Extremists Drawing Line,” p. A19. See also Hirst, *op cit.* and “The Cracks in the Kingdom,” *op cit.*

³⁸⁶ “Iraqi Radio says new Opposition Group Threatening US, UK Forces in Gulf,” *BBC Summary of World Broadcasts*, April 14, 1995. See also “Saudi Opposition Moves,” *op cit.*

intentions, and targeting. The State Department addressed other factors such as political violence, counterintelligence, and other activities directed against the U.S. community. While different echelons within DOD might assign different Threat Levels, State assigned one Threat Level to each country annually. The difference in methodologies contributed to confusion among forces that were stationed in Saudi Arabia as to what defensive and security measures they should be taking against the terrorist threat, and explains in part why military commanders were perhaps not appropriately cognizant of the domestic threat of political violence in the Kingdom.

Along with the threat from opposition within Saudi Arabia, there were other significant threat indicators that should have been considered more deeply. The threat of state-sponsored terrorism still existed, and states like Syria, Iran, and Sudan continued to finance and train terrorist groups. We have already discussed how Iranian intelligence operatives were known to be active in eastern Saudi Arabia during much of 1995 and 1996, and American commanders were well-briefed on the potential threat they posed.³⁸⁷ The CIA was aware of these threats, as William Studeman, Acting DCI, testified to Congress on April 17, 1995:

We have seen a most disturbing change in the nature of the terrorist threat over the recent past... terrorists today are focusing less on hostage-taking and hijackings and more on the indiscriminate slaughter of innocent men, women, and children.... State sponsors of terrorism include Iran, Syria, Libya, Iraq, North Korea, Cuba, and Sudan. Of these, Iran is the most active instigator of terrorism... Recently, they have become more adept at concealing their own activities. Additionally, they are getting better at hiding their support for their surrogates, which includes providing safe haven, funds, training, weapons, and other assistance.³⁸⁸

³⁸⁷ The Downing Report notes that “the hypothesis was that much of this [threat reporting] activity was a product of state-sponsored actions.” Finding 7.

³⁸⁸ William Studeman, Testimony before the House Judiciary Committee, April 17, 1995, transcript. He also recognized appropriately that Islamic fundamentalist groups posed a new threat. “These groups – often ad-hoc – are even more dangerous in some ways than the traditional groups because they do not have a well-established organization or identity and they tend to decentralize and compartment their activities.”

There was also ongoing concern that Iraq would pursue terrorist action. In 1992, former CIA counterterrorism chief Vincent Cannistraro, citing reports from his contacts in the region, told *USA Today* that Saddam Hussein was planning terrorist attacks in conjunction with Palestinian terrorist groups, and had commissioned car bombs and assassinations.³⁸⁹ Indeed Saddam was behind an attempted assassination of former President George H.W. Bush in Kuwait in March 1993. After the November 1995 Riyadh bombing, *The Jerusalem Post* reported that exiled Iraqi General Hussein Kamal was convinced that Iraq was behind the bombing, using Iran as a smoke screen, and was thirsting for revenge against the Saudis and the Americans. The story also asserted that “We are informed by intelligence sources that Saddam appears to have activated his ‘sleeper’ terrorist cells in Saudi Arabia.”³⁹⁰ U.S. intelligence analysts certainly must have been aware of such a rumor, and apparently did not lend it much credence – meaning that they had better information, or had no way of verifying the rumor, or dismissed it considering that Iraqi exiles had reasons of their own to accuse Saddam of wrongdoing. But like the Iranian threat, analysis of the threat environment in Saudi Arabia at the time should have included specific mention of the potential threat from Iraq.

The Downing Report identified one other deficiency in assessing the threat environment: the military intelligence community lacked “sufficient in-depth, long-term analysis of trends, intentions, and capabilities of terrorists.” The report criticized contemporary threat reporting as focusing on current events and warnings, rather than anticipating “future potential” – possibly another reference to the bad assumption about the size of the bomb. It also highlighted the fact that only a small number of the DIA analysts assigned to counterterrorism were actually able to

³⁸⁹ Sam Vincent Meddis, “Iraq Planning Terrorism, Expert Says,” *USA Today*, March 12, 1992, p. 4A.

³⁹⁰ Uri Dan, Dennis Eisenberg, “Sly Snake of Baghdad,” *The Jerusalem Post*, November 23, 1995, p. 6.

work on terrorist threat analysis because they were given other priorities.³⁹¹ Senate investigators acknowledged that a large proportion of the DIA's intelligence products on Saudi Arabia developed during the year before Khobar Towers were factual reporting, but they also determined that "many others reflected the Intelligence Community's analytical judgment of higher threat levels."³⁹² Downing was perhaps incorrect – there was sufficient analysis of the threat environment by CIA and DIA, but because the 4404th Wing and its Special Police lacked an organic counter-intelligence unit (and what support they had rotated every 90 days), there was nobody on the front lines who was aware of all the available analyses.³⁹³

4.4.2. Warning Indicators

Threat indicators set the stage for warning indicators. Critics and supporters alike of General Schwalier suggest that the U.S. understood the broad trends in Saudi Arabia well enough, and had a reasonably good idea of what the terrorists might do, but lacked the specific tactical intelligence on location and time that might have prevented the bombing. The investigators looking into the Khobar Towers bombing arrived at different conclusions about the availability of warning indicators beforehand.

- House Report: "Available intelligence was virtually devoid of specific knowledge of terrorist and dissident activity inside Saudi Arabia.... While intelligence information was provided, it was not of either the quality nor the quantity necessary to alert commanders to the magnitude of the terrorist threat they faced."³⁹⁴
- Senate Report: "The U.S. Intelligence Community provided sufficient information not only to suggest active targeting of U.S. personnel and facilities, but also to predict probable terrorist targets."³⁹⁵

³⁹¹ Downing Report, Part II, Finding 9.

³⁹² SSCI Report, p. 6.

³⁹³ House investigators came to the same conclusion, p. 9.

³⁹⁴ HNSC Report, Press Release and Conclusions, p.16.

³⁹⁵ SSCI Report, p. 11.

- Downing Report, Finding #18: “While intelligence did not provide the tactical details of date, time, place, and exact method of attack on Khobar Towers, a considerable body of information was available that indicated terrorists had the capability and intention to target US interests in Saudi Arabia, and that Khobar Towers was a potential target.”³⁹⁶
- Record Report, Proposed USAF Response to Finding #18: “In its broadest context, intelligence provided non-specific terrorist warnings to U.S. combatant and non-combatant personnel. However, by the very nature of the environment in the Kingdom of Saudi Arabia (KSA), threat specificity to the tactical level was not available.”³⁹⁷

Unlike the 1993 World Trade Center attack, there were not many tactical warning indicators of the time and place of the Khobar Towers bombing. As in most such situations, analysts could point to the problem of signals vs. noise to suggest that there were so many threats, reports, rumors, and other pieces of intelligence floating around that it was impossible to sort out the real warning indicators.³⁹⁸ However, analysts were aware of significant planning and surveillance activity, expected targets, a possible method – a car or truck bomb, and the timing of events likely to instigate terrorist action.

4.4.2.1. What? A Vehicle Bomb As we discussed in the previous chapters on the first World Trade Center bombing and Oklahoma City, the intelligence community was well aware of the threat of vehicle bombs. In the first half of 1996, terrorists detonated 32 car bombs in 13 countries. The bombs averaged around 300 pounds, roughly the size of the OPM/SANG bomb.³⁹⁹ But the relatively small size of the car bombs was taken as a baseline for further threat

³⁹⁶ Downing Report, Part II, Finding 18.

³⁹⁷ Record Report, Part A.

³⁹⁸ The Regional Security Officer at the U.S. Embassy in Riyadh noted in February 1996: “Since the OPM-SANG Bombing, intelligence information traffic regarding possible threats has increased; however, it also appears to be a lot more ‘junk’ reporting is being provided than previously.” Record Report, Part B, Section III.c.

³⁹⁹ Brian Jenkins, Testimony before the Senate Select Committee on Intelligence, July 9, 1996, transcript.

analysis, and analysts “failed to project an increasing bomb-making capability on the part of terrorist groups.” Officials interviewed by House investigators concluded that the expertise needed to build a larger truck bomb was not that much greater than the skill needed to build the smaller car bombs.⁴⁰⁰ In the event, the bomb was fairly sophisticated, and involved expert bomb-makers from Lebanon, Syria, and Iran – but the intelligence community should have considered the possibility of terrorists gaining the capability to build larger bombs.

General Schwalier and his staff or the intelligence community did not ignore the threat of a vehicle bomb. Many of the security precautions taken by the 4404th Wing pertained to a potential car bomb, and both officers involved and observers testified later that Wing leadership was aware of car bombs. But the focus was on the danger of a penetration of the compound, not a standoff attack.⁴⁰¹ The IG/JAG report stated: “The security police commander was concerned about preventing the kind of major structural damage capable of collapsing their apartment buildings in the same fashion witnessed during the bombings in Beirut and Oklahoma City.”⁴⁰² That may be true, but those bombings also involved from 3,000 to 12,000 pounds of explosives, and he failed to understand what he needed to do in order to guarantee a similar incident could not happen at Khobar Towers. Senior officers were concerned about the standoff distance at the north perimeter, but without DOD guidance on how to assess the bomb threat, they turned to local experts. They were reassured by Explosive Ordnance Disposal (EOD) experts that the standoff distance was probably okay; AFOSI conducted vulnerability assessments of Khobar Towers but did not explicitly recommend moving the north perimeter fence; and the State Department anti-terrorism experts also seemed satisfied with the standoff distance. All of their

⁴⁰⁰ HNSC Report, p. 10.

⁴⁰¹ The standoff attacks they considered were rockets, snipers, RPG’s, and the like, not car bombs.

⁴⁰² Part 2.F.4.c.(2).

assessments were based on the assumption that the terrorists could not or would not build a bomb larger than 250 pounds.

4.4.2.2. When? Soon! It would have taken significant human intelligence collection to learn exactly when the attack would take place, but there were indications of possible timing. First, the pace of possible surveillance of the compound picked up significantly in early 1996, and there were several important arrests and seizures of explosives. The increased tempo of possible terrorist activity should have indicated an impending action. Second, when the Saudi government convicted four of the OPM/SANG bombers in late May and announced that it would behead them, there were a number of clear threats of retaliation in response; the U.S. Embassy released an advisory about the threats. Third, terrorist incidents had previously been timed to coincide with regional political events. The OPM/SANG bombing occurred the day after a Gulf Cooperation Council (GCC) meeting where Saudi Arabia and its five partners agreed jointly to fight extremism and terrorism.⁴⁰³ A regional political meeting of the Arab League occurred June 21-23, 1996, and the participating states strongly condemned Iraq; the Iraqi media loudly proclaimed that the Arab League statement created a “threat environment.”⁴⁰⁴ Finally, terrorist activity was known to occur during the annual pilgrimage to Mecca, the Hajj. In 1996 it was held from April 19 to May 17, and Schwalier was aware of circumstantial information suggesting possible terrorist activity during that month.⁴⁰⁵ Thus there were specific indicators of increased terrorist planning activity, unique events likely to bring about retaliation, and important

⁴⁰³ “Saudi Opposition Moves,” *Mideast Mirror*, November 13, 1995.

⁴⁰⁴ Mylroie, p. 221.

⁴⁰⁵ Downing Report, Part III, Finding 18.

religious holidays and regional events that had instigated previous bombings. Intelligence did not report the time and day of the attack, but there were plenty of indicators.

4.4.2.3. Where? The Three Most Vulnerable Sites As we pointed out earlier, the senior U.S. intelligence official in Saudi Arabia briefed the top military commanders in JTF-SWA on April 20, 1995, about Iranian activities in the area. He informed the group that the three “softest” targets there were OPM/SANG, Khobar Towers, and the PX/Commissary in Riyadh.⁴⁰⁶ After the first vulnerable site was hit in November 1995, Khobar and the PX were the next most likely objectives. But which facility was more likely to produce the results the terrorists desired? Khobar Towers supported the air base at Dhahran; it was the home of U.S. Air Force personnel who were enforcing the “no-fly” zone over Iraq and thus a symbol of American “aggression” against the Arab world. The PX was a grocery store frequented by the families of airmen, not quite as grandiose a statement as hitting Khobar. It should have been clear to everyone that Khobar Towers was the most likely target of the increased activity in early 1996.

4.4.2.4. How? Surveillance and Planning The surveillance of Khobar Towers was a professional operation. In the 90 days prior to June 1996 there were at least ten instances of possible surveillance of the Khobar Towers compound. Although some were easily dismissed (such as two boys shooting into the air with a gun they had just bought), several were more serious. On April 4, 1996, two men circled the base at least ten times, taking photographs at different points. On April 24, another man was seen taking additional photographs. On April

⁴⁰⁶ SSCI Report, p. 7.

25, four men were seen outside the fences with cameras and binoculars, hiding in the bushes. And on May 20, a vehicle (described in different reports as either a car or truck) slowly pushed at the Jersey barriers on the east perimeter, moving one of the barriers several feet, and then drove off, apparently testing the strength of the barriers and the response time of security forces. An hour later, a white pickup truck created another disturbance in the parking lot to test the response again.⁴⁰⁷

Although investigators later could discover no direct link between the surveillance attempts and the actual bombing, it is clear that the surveillance was successful. If the reports are true that many of the plotters were natives of Dhahran, the men likely would have been familiar with the compound and the parking lot to the north. But they also had received professional training in the Bekaa Valley of Lebanon with Syrian and Iranian intelligence officers.

The ten incidents were reported in the June 17, 1996 *Military Intelligence Digest*, a five-days-a-week publication distributed throughout the chain of command. The MID article also suggested that this was a pattern of behavior that merited additional attention and security efforts. Officers at CENTCOM, AFOSI, and JTF-SWA were all aware of the report and the incidents. But General Record dismissed their importance:

These incidents were investigated by the AFOSI, the Saudi military and local police. None indicated an attack on Khobar Towers was imminent.... These incidents were discussed with the Saudis, who did not view them as threatening. They attributed the incidents of possible surveillance to natural curiosity on the part of the Saudi populace about the activities of Americans inside the perimeter.... The Saudis said they had undercover security personnel in the area and they were not concerned.⁴⁰⁸

⁴⁰⁷ Chris Kozlow, "The Bombing of Khobar Towers: Who Did It, and Who Funded It," *Jane's Intelligence Review* 9:12 (December 1, 1997), p. 555 ff. Additional incidents occurred on April 1 and 17, and also involved reports of Middle Eastern men driving by or parked and observing the compound, according to the Record report.

⁴⁰⁸ Record Report, Part B, Section III.c.

The IG/JAG report insisted that the ten incidents of possible surveillance had been analyzed by AFOSI at the Wing, which did not see them as presenting a threat. As to the MID summary and analysis, such “national intelligence advisories were thought to be of limited value because they did not provide new information.” The report even argued somewhat unnecessarily that the incidents might have been “normal” activities, but were reported just because of heightened sensitivity by guards.⁴⁰⁹ But even if all of the 10 incidents were normal activity, there was certainly other surveillance of the facility being carried out; the bombers did not just stumble upon a location giving them easy ingress and egress in close proximity to the dormitories.

In their eagerness to prove that the Khobar Towers attack was completely unexpected, the Record and IG/JAG reports leave us with a disconcerting counter-intelligence failure. Either the surveillance was observed – i.e., at least some of the ten incidents were actual surveillance – but the events were dismissed by AFOSI and the chain of command, or U.S. forces completely failed to observe any of the surveillance going on in preparation for the attack. If the actual surveillance was dismissed by commanders, that would be a failure to use intelligence. If the guards at rooftop posts – whom the IG/JAG and Record investigators believe were being extremely vigilant – did not see any signs of surveillance, and/or if AFOSI was not conducting counter-surveillance, that would be an intelligence failure. Since surveillance was indeed observed by the guards, the blame falls on senior AFOSI officers and the military chain of command for not understanding that the incidents heralded an impending attack against Khobar Towers.

Along with the surveillance, there was another major indication that terrorists were actively planning an attack in Saudi Arabia – the importation of explosives. There were intelligence

⁴⁰⁹ IG/JAG Report, Section III.B.2.a.4-6 and 9.

reports in March that explosives would be smuggled into the Kingdom during the Hajj. Indeed, on March 29, Jordanian authorities stopped a vehicle with a concealed engine compartment carrying explosives into Saudi Arabia. Various reports describe and others redact the exact amount seized, but it appears to have been roughly 85 pounds.⁴¹⁰ During the spring, the Jordanians also seized about 39 kilograms of Semtex, a military explosive, which carried markings and serial numbers from Syrian and Lebanese military stockpiles. At the same time, there was also a series of bombings in nearby Bahrain, which indicated that small volumes of explosives were getting through to terrorist cells in the Gulf. An analysis by *Jane's Intelligence Review* suggests that Jordanian and Israeli intelligence agencies had some success in stopping the transport of explosives out of Lebanon and Syria, but the terrorists “were easily able to get supplies into the Kingdom.”⁴¹¹ In some ways the relatively small size of the seizures and the bombs in Bahrain, and their proximity in time and distance to Dhahran, may have contributed to the intelligence community’s belief that the terrorists would not or could not build a much larger bomb – which, in the event, was anywhere from 3,000 to 20,000 pounds.

4.4.3. Conclusion

The inability of the U.S. intelligence community to grasp the warning indicators that were available to it was a significant failure. The warning indicators should have dramatically increased the assessment of the Threat Level for the region. In this case, after OPM/SANG, military forces in the region should have gone to the highest threat level – Critical – not just from Medium to High. According to the DOD threat evaluation system, the situation in early 1996 included the existence of terrorist groups in the AOR, the capability to commit attacks (and the

⁴¹⁰ HNSC Report, p. 9.

⁴¹¹ Kozlow, op cit.

ongoing efforts to improve that capability, including smuggling in explosives), a history of attack (OPM/SANG), clear intentions by some groups (threats), and targeting (surveillance). When all of the factors are affirmative, the Threat Level is supposed to be Critical, the highest level possible.

If the Threat Level had been assessed as Critical, military commanders in the region would have been forced to increase their ThreatCons further, which determined what defensive measures would be taken at each facility. If Khobar Towers had been forced to increase its ThreatCon from Bravo to Charlie or even to Delta, the highest level possible, additional Security Police would have been assigned to the base and other measures would have been taken, possibly including relocating personnel and addressing the perimeter problem. The failure to perceive properly both threat and warning indicators contributed directly to the failure to prevent or deter the attack on Khobar Towers.

4.5. ANALYTICAL CHALLENGES

There were significant analytical challenges in this case, including intelligence organization and support, analytical pathologies, and a lack of human intelligence. Official investigations into Khobar Towers identified poor intelligence organization and support as an important problem. The Downing task force viewed long-term analysis of the terrorist threat as a significant weakness within DOD. The Air Force was behind the other services in counterintelligence and counterterrorism because its forces usually operated from remote air bases outside of enemy territory, and it could afford to focus on its air combat mission instead of force protection. The 4404th Wing – and particularly important, its Security Police – did not have dedicated

intelligence support. Different organizations had responsibility for threat assessments, but findings were not always shared appropriately, and investigators found information sharing problems at different levels of the intelligence organizations. Although details of the findings pertaining to intelligence organization remain classified, it appears that other intelligence challenges likely were more significant, including analytical pathologies and the lack of human intelligence.

In this case, there is some evidence of bias and selective memory influencing intelligence analysis. The recent spate of small-scale bombings in Bahrain may have created a “vividness effect” – where the more recent and colorful an example, the more one credits it as important or indicative. This allowed analysts to forget the larger scale Beirut and Oklahoma City bombings. One example of bias was the errant assumption that local terrorists did not have the capability to build a larger vehicle bomb, or the cunning to choose a different delivery method. House investigators determined that the intelligence community was overconfident of its assessments, and its failure to acknowledge possible shortcomings in its analysis gave commanders a false sense of confidence. Given the available information and the small number of analysts assigned to the work, intelligence assessments by and large seem to have been fairly accurate concerning the threat environment, if not the possible technical implementation of an attack.

4.5.1. The Lack of Human Intelligence

The major analytical challenge for the intelligence community in this case was the lack of human intelligence. Threat and warning indicators are perceived and understood through a combination of collection and analysis; tactical details of the impending attack might have emerged with

better human intelligence. But for a variety of reasons, little such information was available to commanders. The Downing and House reports were especially critical of this failure.

The U.S. intelligence community was aware of the strategic threat posed by state-sponsored terrorist groups and by dissidents and extremists in Saudi Arabia. In consequence, it should have been targeting its intelligence collection on determining who within those groups might actually support or instigate a terrorist attack. But the intelligence community was not well prepared to observe the warning indicators or determine who potential plotters might be, because it could not develop human intelligence (HUMINT) sources within the various dissident and extremist movements. According to the Downing Report, “Precise warning of terrorist attacks depends on HUMINT to identify specific targets and the time and nature of the attack.”

This was not a new problem. Admiral Robert Long, who led the commission investigating the 1983 Beirut barracks bombing, testified that the intelligence which would have most benefited the Marine commander – “data which could best be provided by carefully trained intelligence agents” – was not available. “The lesson of Beirut,” he said, “is that we must have better HUMINT.”⁴¹² Similar concerns had been expressed following the first World Trade Center bombing.

Legally, there were important restrictions on what AFOSI could do to gather HUMINT, dating back to the Congressional investigations of the 1980’s. Without pointing fingers, Admiral Long told a Senate panel that the failures of HUMINT were at least partly due to prior policy decisions that restricted such activities. He pointed out that the U.S. got only what it paid for – it “has a capability that is commensurate with the resources and the time that has been spent to

⁴¹² Admiral Robert Long, testimony at the Hearing of the Senate Select Committee on Intelligence, July 9, 1996, transcript.

acquire it.”⁴¹³ The DIA’s Colonel Patrick Lang, testifying at the same hearing, was more outspoken:

Although we have paid lip service in countless hearings and statements and commissions and all kinds of other things to [HUMINT], our system works in such a way in the intelligence community and in the government at large so as to inhibit the creation of operations of that kind. In fact, over the years we have put more and more and more restrictions on the HUMINT operators that effectively keep them from going out and doing that kind of work. There are all kinds of really petty, little restrictions as to what you can do with this kind of money and what you can do with that kind of operation.....

[W]hat I see in the HUMINT world is I see increasingly a tendency to condemn the HUMINT operations people for associating with people who have the ability to penetrate the groups that you want to penetrate. Because you can’t penetrate an Islamic fundamentalist group unless you’re using somebody who plausibly will be believed to be an Islamic terrorist.⁴¹⁴

As an operational and organizational matter, AFOSI in the region did not have the resources to develop a human intelligence network. This was due largely to the consolidation of the Service HUMINT functions into the Defense HUMINT Service (DHS) in 1993; with that change, the Services only had authorization to conduct non-sensitive, overt HUMINT activities in support of Service-specific requirements. There were other obstacles. Few military personnel in the region knew Arabic or were familiar with Arabic culture.⁴¹⁵ There were also questions of turf; CIA officers in Saudi Arabia told DOD operators not to get involved in HUMINT (although clearly the CIA did not have the right contacts, either).

So where were the Americans to get the human intelligence they needed on the motivations, characters, and activities of the terrorists? Conducting covert operations, particularly HUMINT gathering, inside a host country could be fraught with problems. The Americans needed help

⁴¹³ Long testimony, July 9, 1996.

⁴¹⁴ Idem.

⁴¹⁵ IG/JAG Report, Section II.A.1.f. and A.3.b.

from the Saudis. The secret police and undercover law enforcement officers presumably were watching the dissidents closely; after all, they had known who to arrest when they rounded up 1,000 dissidents the year before. And they would have been aware of dissidents and possible intelligence operatives traveling into Saudi Arabia from Jordan and Syria. But the House investigators concluded that human intelligence was not likely to be reliable:

[O]n politically sensitive topics – such as the level of activity of Saudi dissidents – there is reason to doubt the comprehensiveness of intelligence that was passed to Americans by the Saudis. To American experts, there appears to be no tradition of ‘pure intelligence’ – intelligence free from political influence – in Saudi Arabia.... information shared by the Saudis is often shaped to serve the ends of competing Saudi bureaucracies...⁴¹⁶

Without human intelligence on the potential perpetrators of an attack, the Americans were left blind, and it appears that the Saudis did nothing to provide them with the needed information.

4.6. The Final Question: Whodunit?

We may never know for certain who carried out the Khobar Towers bombing, and we will certainly never discover the entire network of supporters who assisted in this professional operation. The Saudis arrested a number of possible suspects, questioned them without letting the FBI have access to them, declared the suspects guilty, and executed them. In June of 2001 the United States indicted thirteen other Saudis and one Lebanese for the bombing. To date, those in Saudi custody have not been turned over to U.S. authorities, and the Saudis have made it clear they do not intend to extradite them. The ringleaders escaped to Syria and Iran, though one

⁴¹⁶ HNSC Report, p. 10.

of the plotters who might have been able to link Syria and Iran to the attack died in a Syrian prison, purportedly but unlikely as a result of suicide. Another member of the plot who might have provided useful information was detained in Canada and then in the United States, but was ultimately deported to Saudi Arabia when he reneged on a deal to testify. But it is possible to make some educated guesses about who indeed carried out the attack despite the lack of public information about the suspects who were indicted.

Saudi authorities focused almost immediately on Shiite fundamentalists from the eastern province of the Kingdom. The Shiite minority was often blamed for unrest and violence, and it does appear that some of those involved were local Shiites from Dhahran who had been recruited into Saudi Hezbollah when making pilgrimages to Damascus. Others were veteran Arab “Afghans” and “Balkans, but they were trained as soldiers, not intelligence operatives. They all were given additional intelligence training in Lebanon by Syrian and Iranian intelligence officers, and they subsequently became a strong enough network that they could carry out a car bombing in Bahrain while final preparations were being made for Dhahran.⁴¹⁷ As they had done with the first World Trade Center bombing and would do again with the east African embassies, the local terrorist cells provided the muscle and low-level support for the operation, but were augmented by expert bomb-makers and intelligence officers from outside.

As in the case of the first World Trade Center bombing, author Laurie Mylroie is convinced that Saddam Hussein played a role in the Khobar Towers bombing. If one takes her premise that Saddam was behind much of the terrorism in the mid-1990’s as part of his ongoing battles with the U.S. and the United Nations over weapons inspections, Khobar Towers made sense. The idea that Saddam might have been behind the OPM/SANG bombing was supported by Saddam’s

⁴¹⁷ Bodansky, pp. 166-167. Kozlow provides an excellent, detailed account of how the terrorist cells were organized and trained.

nephew in exile, an Israeli journalist, Kuwait, and Saudi intelligence. If so, it was only a limited success. By going after Khobar Towers, he would have been hitting back at the very U.S. forces (the 4404th Wing) that were enforcing the no-fly zone over his territory. And the attack took place two days after the Arab League meeting that was strongly condemning of Iraq. Mylroie argued that the Clinton Administration did not want to consider state sponsorship of either event because of domestic politics – the 1996 presidential election.⁴¹⁸ But this is hard to support, given that (a) the official U.S. policy of dual containment in the Gulf was explicitly targeted at Iran and Iraq, and (b) the U.S. was focusing on enforcement of the UN sanctions against Iraq. One can argue that concern about the election might have influenced U.S. actions, but it seems unlikely at best that it would have kept the White House from considering Saddam. A better explanation is that the United States was convinced that Iran was the instigator.

According to Richard Clarke, counterterrorism czar under Clinton and Bush II, the Iranian Revolutionary Guard Corp's al-Quds Force was behind the bombing. In the early 1990's, al-Quds had formed Hezbollah terrorist groups in Saudi Arabia, Bahrain, and Kuwait, recruiting local members and sending them to Lebanon and Iran for training. The Hezbollah force in Bahrain was involved in a bombing campaign and an attempt in early June 1996 to overthrow the government, which hosted the headquarters for the U.S. naval force in the Persian Gulf. The Saudis uncovered Hezbollah's links both to Iran and to Syria (through the Bekaa Valley in Lebanon), but both countries denied their involvement. The Saudis did not share this information with the Americans prior to June 25, 1996.⁴¹⁹

⁴¹⁸ Mylroie, pp. 215-222.

⁴¹⁹ Clarke, pp. 112-114. Clarke indicates that the Saudis did not share this information with the U.S., but that the NSC had access to reports about it, so clearly the U.S. was able to get some information from other governments about the incidents, perhaps from Jordan or Israel. See also the book by two other NSC staffers, Benjamin and Simon, pp. 224-225.

Within six weeks of the bombing, U.S. authorities acknowledged that they believed Iran was behind the attack,⁴²⁰ and a year later even named a senior Iranian official, Brigadier Ahmad Sherifi, as a key player.⁴²¹ In June of 2001 a published report suggested that Ahmed Vahidi, commander of the al-Quds force, had been involved in Khobar Towers. It pointed out further that Iran's Supreme Leader, Ayatollah Ali Khomeini, headed the Iranian special operations committee that selected and approved all major covert operations by Iranian forces.⁴²² Evidence against the Iranians included testimony from suspects,⁴²³ fuses and techniques used by Iranian and Bekaa-based bomb makers, communications intercepts, and reports from friendly intelligence services. For a year, the Saudis acknowledged that Iran was involved, but in May 1998, they did an about-face and denied Iranian involvement.⁴²⁴ The Saudis had come to an agreement with Iran – cease operations in Saudi Arabia, and the Saudis would not provide the Americans with evidence that might justify war. But U.S. authorities have continued to assert from the beginning that Iran was involved, and although the June 2001 indictments of some of the plotters did not directly name Iranian officials, Attorney General John Ashcroft maintained that Iran had supported and supervised the attack.⁴²⁵

Chris Kozlow of *Jane's Intelligence Review* and Yosef Bodansky of the House Special Committee on Terrorism conducted the most extensive evaluations of the actors involved in the Khobar Towers bombing. In separate reports, they concur that Iran was responsible for

⁴²⁰ Jack Kelley, "Terrorist Camps Seen in Iran Likely Tied to Saudi Base Blast," *USA Today*, August 2, 1996, p. 1A.

⁴²¹ Ambrose Evans-Pritchard, "U.S. Hawks Urge Massive Strike on Iran," *The Ottawa Citizen*, April 20, 1997, p. A5.

⁴²² Ed Blanche, "Security and Stability in the Middle East – the al-Khobar Factor," *Jane's Intelligence Review* 13:6 (June 1, 2001).

⁴²³ Abu Abdul Aziz, former commander of mujahedin forces in Bosnia, when captured by Saudi authorities, told them that senior intelligence experts from Iran had visited Dhahran to inspect the operation, because it was important for Tehran to know exactly how the operation was progressing. See Kozlow, op cit.

⁴²⁴ "U.S. Still Believes Iran was Involved," *World News Tonight with Peter Jennings*, ABC News, May 26, 1998, transcript.

⁴²⁵ The indictment does make 35 references to Iran.

coordinating and overseeing the attack as part of a larger strategy by Iran to bring international terrorist groups together (even Sunnis), what they called “Hezbollah International.” Bodansky argues that the local cadres “could not and would not have carried out the operation without specific and explicit orders from Tehran....”⁴²⁶ A key development in this new coordination was the creation of a new three-member panel to oversee operational proposals for terrorist attacks and to obtain Iran’s approval for the proposals. Its members included Imad Mughaniyah of Lebanese Hezbollah, Ahmad Salah of Egyptian Jihad, and Osama Bin Laden. Apparently the commission gave its approval to the Khobar Towers operation.⁴²⁷

Former NSC staffers Benjamin and Simon disagree, stating that Bin Laden applauded Khobar “so loudly that he seemed to want credit for it, but he had nothing to do with it.”⁴²⁸ FBI Director Louis Freeh publicly rejected the theory that Bin Laden was involved at Khobar Towers.⁴²⁹ Unfortunately Kozlow and Bodansky do not cite their sources for their assertions about Bin Laden and the new Hezbollah commission, but the former FBI Director and NSC staff members provide no evidence for their claim that Bin Laden was *not* involved.

Saddam? Osama? The Ayatollah? Certainly Iran was the guiding force behind the bombing of Khobar Towers. It is plausible, though not certain, that Bin Laden and al-Qa’ida were involved. Saddam Hussein had a motive, but there is no available evidence to suggest that he was involved in supporting the Khobar Towers attack. Although the Saudis have indicated emphatically that they will never turn over the suspects to the United States, the United States clings to the hope that they might yet gain extradition of the men. Until then, or until the United

⁴²⁶ Yossef Bodansky, *Bin Laden: The Man Who Declared War on America* (Roseville, CA: Prima Publishing, 2001), p. 160.

⁴²⁷ *Idem.*, p. 158.

⁴²⁸ Benjamin and Simon, p. 150.

⁴²⁹ Carol Leonnig, “Freeh Links Iran to Khobar Bombing; Tehran Directed Attack, He Says,” *The Washington Post*, December 19, 2003, p. A20.

States gives up and makes public what it does know, it is unlikely that we will learn much more about the identities of the perpetrators and their sponsors.

4.7. Was the surprise at Khobar Towers avoidable?

The simple answer to the question is “perhaps.” This is a complicated case, made more difficult by competing explanations of what happened. The Record team wanted the public to believe that commanders did not have adequate intelligence, and that organizational problems made no difference; their arguments were supported in greater detail by the IG/JAG investigators. The Downing task force concluded that commanders had enough information to take more precautions against a standoff attack, and that organizational obstacles had contributed to their failure to do so. The Senate Select Committee on Intelligence reassured the public that there had been no intelligence failure at Khobar Towers, explicitly blaming the chain of command for failing to use the information appropriately.

We have identified failures in this case pertaining to all four factors – leadership, organization, warning information, and intelligence. A brief recap of the failures may be in order.

Leadership – Congress had heavily restricted the collection of HUMINT by the armed services in response to incidents two decades earlier, but had not reevaluated the issue. The Clinton Administration had put the military in a difficult situation, a long-term mission with short-term resources. The entire chain of command failed to perceive the threat environment in Saudi Arabia appropriately, even in the aftermath of the OPM/SANG bombing in November 1995. State Department and military officers across the Kingdom were overly sensitive to Saudi concerns, and failed to pursue aggressively the concerns they had about security. General

Schwalier and his senior staff did not challenge the assessment that the north perimeter at Khobar Towers was adequate, and consequently did not take what concerns they did have up the chain of command.

Organization – The Defense Department did not push Saudi Arabia to implement a SOFA, which would have enhanced cooperation on force protection. DOD did not have a central point of contact or responsibility for force protection, did not provide guidance to commanders on force protection, nor did it provide adequate funding for force protection measures. The chain of command was structured for a short-term mission, and provided inadequate oversight of its area of responsibility. Air Force rotation policies disturbed unit cohesion and continuity, inhibiting the development of deeper relationships with Saudi counterparts.

Threat & Warning Information – AFOSI failed to perceive the importance of the surveillance incidents and other warning indicators of the impending attack, and failed to provide Schwalier with sufficient intelligence support about the threat, including the threat of internal instability in the Kingdom.

Intelligence – While the intelligence community was constrained from collecting much in the way of HUMINT, it also failed to acknowledge that problem in its intelligence assessments, i.e., to admit to what it did not know. Intelligence planning focused on the air combat mission and ignored force protection. Important information available only through HUMINT was not collected. Analysts made bad assumptions about the capability of terrorists in the region, not crediting the possibility that they might have learned from Oklahoma City or received advanced training from the Iranians.

The bombing of Khobar Towers may have been avoidable. If the Saudis had cooperated in allowing the U.S. military to develop a human intelligence network inside the dissident

movement in Saudi Arabia, analysts might have gotten an insight into the plot. If there had been longer rotations by senior Air Force personnel and a stronger legal agreement with the Saudis, it might have led to a closer relationship between the allied forces. That in turn might have made it easier to accomplish important tasks of mutual concern – like extending the north perimeter of Khobar Towers. If the surveillance incidents had been properly understood.... If the Mylar had been installed on the windows, or if personnel had been moved away from housing on the perimeter... If analysts had seriously considered a 5,000 pound bomb instead of just 250 pounds... Unless several of these “what-ifs” became realities, there seems little chance that the bombing would have or could have been prevented.

4.8. CONCLUSION

General Bernard Trainor, who was the deputy chief of operations for the Marine Corps at the time of the 1983 Beirut barracks bombing, summed up for Congress what he believed had happened in at Khobar Towers:

Subsequent to [Beirut], we have had two terrorist bombings domestically in the United States with the World Trade Center, and with the Oklahoma City bombing. And then, of course, last November we had the bombing in Riyadh. And I have to say to myself, do we never learn the M.O. of the terrorists? They are exactly the same in all instances over these years, and yet we never seem to be able to accommodate to them. I feel that one of the reasons for this is that there is a sense of complacency that I think the forces overseas just have difficulty in adjusting to the fact that there is a real threat, and it becomes business as usual...⁴³⁰

⁴³⁰ Gen. Bernard Trainor, testimony at the Hearing of the Senate Select Committee on Intelligence, July 9, 1996, transcript.

Was it complacency, or something else? There were failures throughout the intelligence cycle, but the failure to act on the warnings was a failure to use intelligence, not a failure of intelligence. Organizational obstacles were problematic, but they did not determine the outcome of the attack. What mattered most was leadership.

Ultimately what the public wanted was accountability for what happened at Khobar Towers, and Secretary of Defense William Cohen finally gave it to them by ending General Schwalier's career in the Air Force. Schwalier was rightly held accountable for failing to protect his troops; at his level, any punishment, including a letter of reprimand, would have ended his career. But there has to be accountability somewhere between the sacrificial lamb and a lengthy witch-hunt. Schwalier's superiors at JTF-SWA, at USCENTAF, and at CENTCOM should also have been held accountable, as well as Secretary of Defense William Perry, for failing to provide appropriate guidance, manpower, and resources, as well as the necessary leadership in directing the U.S. presence in Saudi Arabia. Several careers should have ended.

It is tempting to argue that the most significant leadership failure was the lack of appropriate legislative oversight of intelligence activities – the failure of Congress to give the military the tools it needed to detect and prevent terrorist acts – that is, HUMINT. But to make that argument, one has to assume that (a) the Saudis would have cooperated in American efforts to collect human intelligence on their internal dissident movement; (b) collectors would have been successful in infiltrating the terrorist group and garnering relevant, actionable intelligence; and (c) the collected information would have been correctly analyzed, shared, and utilized in a timely way, allowing General Schwalier or others in the chain of command to take additional defensive precautions or pre-emptive action.

Ultimately the sad tale of the bombing of Khobar Towers is a story about inadequate force protection and misuse of intelligence, not intelligence failure in its own right.

5. August 7, 1998: U.S. EMBASSIES IN KENYA AND TANZANIA

5.1. INTRODUCTION

5.1.1. The Attacks

At 10:35 a.m. on August 7, 1998, a pickup truck loaded with explosives blew up at the rear entrance to the U.S. Embassy in Nairobi, Kenya. The U.S. Embassy in Nairobi was located on a busy downtown intersection, and snuggled in between other office buildings. The men driving the truck pulled up to the rear entrance of the compound, which provided access to the parking garage;⁴³¹ one of the men in the truck jumped out to argue with the guards there, and threw a stun grenade. The guards radioed for help, but refused to let the truck proceed. When the bomb exploded moments later, its blast bounced off the nearby buildings, magnifying the damage done to the Embassy. It killed 213 people, and wounded more than 4,000 others.

Four minutes later, a delivery truck blew up in front of the U.S. Embassy in Dar es Salaam, Tanzania. The U.S. Embassy there was located in a less dense portion of the city, and the terrorists detonated their bomb further away than they planned when they could not get past a water truck making a delivery to the embassy. That bomb killed 11 people and wounded several hundred.

⁴³¹ Accounts differ as to whether the truck approached the front first, or went directly to the rear in an effort to get into the parking garage under the building.

In both cities, two vehicles were involved – one truck carrying a heavy bomb, and another vehicle acting as a scout and control. The drivers of the bomb vehicles both expected to commit suicide by driving into or under their respective targets and setting off their bombs. The on-site operational commanders in the control vehicles (possibly) detonated the explosives remotely, and then sped off.⁴³² They immediately fled the country, following by several days the senior terrorist planners and bomb makers who had already made their escape.

The devastation, the similar MO's, the use of military-grade explosives, and the precise timing of the incidents hundreds of miles apart, pointed to a professional terrorist operation. Attention focused quickly on the then relatively unknown Saudi dissident Osama Bin Laden and his terrorist network. It now seems likely that Iran and Sudan had a role in the bombings, as well, and the U.S. response to the attacks indicated that the government was aware of Sudan's role, at least.

5.1.2. The Response

Two weeks after the attacks, the U.S. launched dozens of cruise missiles against a series of terrorist training camps in Afghanistan and a factory in Sudan. Based on a soil sample outside the plant, the CIA believed that the pharmaceutical factory was involved in the production of chemical weapons; it also appeared to be owned by Bin Laden. Intelligence reports indicated that a major gathering of terrorist leaders would occur on August 20th in Afghanistan, so the White House seized the opportunity to retaliate. The President went on national television that night to proclaim that the U.S. had struck back against the terrorists.

⁴³² This is based on testimony of al-Owhali, who was in the truck when it approached the gate; he could not remember having lit the fuse on the bomb before fleeing, and it is thus possible that Fazul detonated the bomb remotely.

The missile strike did not achieve most of its objectives. Roughly fifty terrorists were killed in the camps, including about a dozen terrorist trainers from Pakistan's intelligence service (the ISI), but Bin Laden was nowhere to be found. He may have been tipped off by ISI, or by the rapid departure of most U.S. Embassy personnel in Pakistan the day before. No fewer than six Clinton Administration officials went on the record to defend the strike on the Sudan plant by citing its links to Iraq. Richard Clarke, who later claimed there was never any linkage between Iraq and al-Qa'ida, told *Washington Post* reporter Vernon Loeb that there was intelligence linking Bin Laden to al-Shifa's previous and current owners, Iraqi nerve gas experts, and Sudan's National Islamic Front (the party of Turabi).⁴³³ The pharmaceutical factory in Sudan was in fact the main producer of medicine for the country, and despite the fact that Iraqi scientists had assisted Sudan in developing chemical weapons, no further evidence has ever been found to substantiate the claim that the factory was involved.⁴³⁴

Cynics and critics held that the missile strike was a public relations ploy to deflect attention from the Independent Counsel's investigation into President Clinton's Whitewater real estate deal and a series of related subjects. The White House believed this was a perfect chance to nail Bin Laden that just missed. The retaliatory strike did demonstrate an understanding by the U.S. government that state sponsors were still involved in terrorism and that in some cases – Sudan and Afghanistan – they would be held responsible. But it also demonstrated that the United States was unwilling to pursue state sponsorship by other states that posed more of a challenge – Iran and Iraq. Perhaps even worse, it added to Bin Laden's image in the Arab world.

⁴³³ Hayes, Stephen. "The Connection," *The Weekly Standard*, June 7, 2004. See Loeb, Vernon. "Embassy Attacks Thwarted, U.S. Says," *The Washington Post*, January 23, 1999, p. A2.

⁴³⁴ Indeed it is likely that the soil sample indicating precursors for chemical weapons may have been from another facility nearby.

5.1.3. What was the nature of the surprise in East Africa?

Analysts and policy makers were caught completely off-guard by the Embassy bombings. The attacks were first and foremost a behavioral surprise. They were the first bombings that could be linked definitively to Osama Bin Laden and al-Qa'ida. The investigations into the other mass casualty incidents of the mid-1990's had not adequately resolved the question of who was behind them. Of those convicted for the WTC attack, only Ramzi Yousef was a senior planner of the operation, and he did not reveal his possible connections to Bin Laden's organization. Oklahoma City was pretty clearly a native plot. Nobody had been brought to justice for Khobar Towers, and although the United States was convinced of Iranian involvement, it did not have incontrovertible proof. But in the days following the East African bombings, organizations linked to Bin Laden issued a number of communiqués explaining, justifying, and congratulating the attacks. Many of the statements pointedly referred back to Bin Laden's *fatwa* of early 1998 declaring war on America and anyone associated with its interests. These "independent" justifications for the bombings also served to deflect attention from Sudan and Iran.⁴³⁵

Additionally, this was the first major terrorist incident directed against U.S. interests outside the typical "trouble zone" of the Middle East and the Mediterranean, this time in sub-Saharan Africa. American facilities, soldiers, and citizens had been targeted throughout the region for many years. Terrorism was a well-known problem across North Africa, in Tunisia, Algeria, Libya, Sudan, and Egypt. But it was the first time that the American presence in central and southern Africa had been targeted, or at least that it was publicly recognized that the United States was being targeted. Although it had intelligence information about Bin Laden's

⁴³⁵ See Bodansky, pp. 266-272.

involvement in Somalia, the U.S. government had not publicly acknowledged the role of al-Qa'ida in the attacks in Mogadishu that led to the withdrawal of U.S. forces from the war-torn country.⁴³⁶ Terrorists now were willing to strike at Americans anywhere in the world.

The bombings were also a technical surprise, at least to policy makers and the public. Analysts could observe a recent pattern of major terrorist incidents that were escalating in terms of complexity.⁴³⁷ In early 1995, the Aum Shinrikyo cult in Japan had attempted to release sarin gas in separate Tokyo subway trains, timed so that they would arrive near the Tokyo police headquarters simultaneously. Also in early 1995 the United States had become aware of the more complex terrorist operations planned by the al-Qa'ida cell in the Philippines (including Ramzi Yousef at the time) – to fly an airplane into the CIA's headquarters in Virginia, to blow up two United airliners flying into Hong Kong simultaneously, and to blow up a dozen airliners over the Pacific Ocean.⁴³⁸ The Khobar Towers bombing does not seem to have been quite as complex, but it involved multiple teams of experts and operators who executed the plan in great secrecy. But the complexity of planned terrorist operations and the professionalism of successful attacks were not publicly known. The 1998 East Africa attacks demonstrated to a surprised world that al-Qa'ida had the capability to conduct and coordinate major operations in locations hundreds of miles apart.

Despite the surprise at the time, the twin bombings in Kenya and Tanzania have faded from memory in many ways, similar to OPM/SANG and Khobar Towers. There are several reasons

⁴³⁶ In November 1996, Bin Laden had told the *Al Quds Al Arabi* newspaper in London that his followers had killed U.S. troops in Somalia: "The only non-Somali group which fought the Americans are the Arab mujahedin who were in Afghanistan." (Noted in "Mojahedin Fought in Somalia," *The Guardian (London)*, November 27, 1996, p. 13.) However, it was not common knowledge with the American public.

⁴³⁷ Most analysts have highlighted the increasing violence of the "new terrorism," the higher numbers of casualties. But the "body counts" fluctuated dramatically: 270 people died in PanAm 103, 6 at the first World Trade Center, 168 at Oklahoma City, 5 in the Tokyo subway sarin gas attack, 19 at Khobar Towers. The attacks of 9/11 were an order of magnitude larger than anything previous.

⁴³⁸ Bodansky, pp. 112-113.

why. There were relatively few American casualties, only 12 out of the 224 dead. The events happened in Africa, which gets little attention in the American media; even with hundreds of thousands of displaced Rwandans living in Tanzania, and corruption and violence rampant in Kenya, there was little interest in the problems of East Africa. And dare we say it, after watching the genocide of more than a million black Africans in Rwanda in resolute silence, two hundred dead and four thousand wounded seemed like a minor statistic. Finally, the bombings have been nearly forgotten because they occurred in the middle of one of the most divisive periods in 20th century American history – the Whitewater investigation, the Monica Lewinsky scandal, and the impeachment of the President. The cruise missile attacks of August 20, launched in retaliation for the bombings, were immediately compared to the 1997 film *Wag the Dog* – where a movie producer and a presidential advisor create a fictional war with Albania to divert attention from a presidential affair with a girl in a beret. What was lost in the ensuing op-eds, late-night stand-up routines, and water cooler conversations was the actual devastation in East Africa, the loss of hundreds of lives and injuries to thousands.

The failure to prevent the bombings in East Africa can be attributed to several problems we have seen in the other cases. Policy makers continued to misunderstand – or perhaps consciously downplay – the strategic threat of terrorism to the United States and its interests. Whereas the threat of terrorist attacks against U.S. troops in Bosnia was understood by the Administration to be problematic for U.S. policy,⁴³⁹ there were few, if any, vital U.S. interests in East Africa. Mirror imaging took over – if the region was unimportant to us, it must also be unimportant to the terrorists. But this was a serious misperception of the threat environment in East Africa. The radical Islamist regime in Sudan was not only engaging in a religious civil war, but it was

⁴³⁹ Bodansky, pp. 212-214, and 253-256.

exporting revolution and terrorism; Iran was making major overtures in the region to enhance trade and secure its position; and Iraqi intelligence agents and weapons scientists were actively working with Sudan.

There were at least three areas of policy failure that contributed to the attack. First, the United States failed to see how its policies toward Iran and Sudan, state sponsors of terrorism with expansionist dreams, might be seen as inconsistent or have negative repercussions. Sudan and Iran were developing closer ties at the time, as Iran sought a way to get around U.S. containment policy directed at it. Additionally, U.S. indirect support for the rebels in the Sudanese civil war angered the Sudanese national government. The point is not that all U.S. policy initiatives were wrong, but that policy makers failed to anticipate the reaction of Iran and Sudan to them.

Second, the continued approach to terrorism as solely a law enforcement problem only emboldened the enemy. Osama Bin Laden often noted in his public statements the rapid withdrawal of U.S. forces from Lebanon and from Somalia; he believed the Americans lacked the willpower or military strength to retaliate for incidents like Khobar Towers and the first World Trade Center bombing. And because the U.S. did not have enough courtroom-quality information against Bin Laden to obtain an indictment, it could not and would not target Bin Laden directly.⁴⁴⁰

Third, the State Department failed to protect adequately its facilities and its employees, and Congress failed to provide enough funding to do so. After the bombing of the U.S. Embassy in Beirut in 1983, a panel led by retired Admiral Bobby Inman had recommended a whole host of improvements to the physical security of State Department facilities overseas. In the roughly 14

⁴⁴⁰ Benjamin and Simon, p. 257.

years since the panel's recommendations were issued, State had failed to implement many of the needed changes or request enough money to do the job. In Nairobi, where the U.S. Embassy did not meet security standards issued by the Department because of its proximity to the street and other buildings, the Embassy was simply granted a waiver and allowed to remain where it was. The U.S. Ambassador to Kenya, Prudence Bushnell, made impassioned pleas to Washington for improved security or an alternate facility, but was turned down repeatedly. The Embassy in Dar es Salaam was similarly located too close to nearby traffic, though it was deemed "safe" because it had previously been the Israeli embassy.

Intelligence failures also were in evidence. At the operational and tactical level, the intelligence community failed to recognize valuable information that it had in its possession or to follow up on important leads, including information on the al-Qa'ida cell in Kenya (which also would have led them to the cell in Tanzania). It failed to keep tabs on Ali Mohamed, a former Egyptian army major and later U.S. Army Special Forces Sergeant, who provided terrorist training both in the U.S. and Afghanistan, and who scouted the Nairobi Embassy in 1993-94 for al-Qa'ida.⁴⁴¹ It allowed a key ringleader in the Kenya terrorist cell, Wadih el-Hage, to travel in and out of the U.S. many times.⁴⁴² Most importantly, intelligence analysts failed to recognize several key warning indicators, including the sudden withdrawal of Iranian diplomats from their posts, new surveillance of the Embassy reported by Kenyan guards, the importance of the

⁴⁴¹ Bodansky, pp. 105-106. Before coming to the U.S., Mohamed had offered to work for the CIA, but was thought to be a double agent. He should never have been allowed to join the Army, especially the Special Forces; even though he was only a supply sergeant, he had access to extensive training materials that he shared with al-Qa'ida.

⁴⁴² El-Hage had become a U.S. citizen, but his extended travel to places like Pakistan and East Africa should have raised warning flags.

upcoming historic date (August 7, when U.S. troops had entered Saudi Arabia), and explicit warnings from Hezbollah about extraditions from Albania to Egypt.⁴⁴³

Misperception, policy failures, insufficient security, intelligence failures. Once again, there is plenty of blame to go around.

5.1.4. A Step Back in Time: The 1983 Bombing of the U.S. Embassy in Beirut

The October 1983 truck bomb that killed 241 U.S. Marines at their barracks in Beirut, Lebanon, is well remembered. What is not well remembered is the bombing of the U.S. Embassy there on April 18, 1983, that killed 63 people. Later that year the U.S. Embassy in Kuwait was also destroyed by a truck bomb, but it was the Beirut bombing that highlighted the problem of security at U.S. diplomatic facilities. In July 1984, Secretary of State George Schultz appointed a special Advisory Panel on Overseas Security, led by retired Vice Admiral Bobby Inman (and former head of the NSA), to assess security threats in the next decade and how to counter them. The Panel's preliminary findings were released in February 1985, and the final report in June. It is worth highlighting some of the report's comments on intelligence and security, because their concerns and conclusions have been echoed many times since.

The Panel observed how the threat had changed from generally private, physical violence against diplomats to calculated terror campaigns with a wider range of targets, weapons and tactics. It foresaw that terrorist attacks would continue against U.S. interests overseas and at home, and that the terrorists would adapt their tactics in response to U.S. efforts to counter them. The Panel recommended better intelligence and security. On intelligence and warning:

⁴⁴³ David Pallister, "Fax to Newspaper Warned of Threat to 'Great Satan'," *The Guardian (U.K.)*, August 12, 1998, in Peter Bergen, *Holy War, Inc.: Inside the Secret World of Osama Bin Laden* (New York: The Free Press, 2001), p. 108.

The collection of intelligence from a wide variety of sources is critical to an effective defense against terrorist attack. The Panel has discerned no significant failure of intelligence as a factor contributing to the success of the many recent assaults against our missions abroad. Having said this, however, the Panel must add that intelligence is an imperfect tool and that it would be foolhardy to make security decisions on the basis of an expectation of advance warning of peril....

It is vital that those having security responsibilities maintain a realistic appreciation of the capabilities and limitations of intelligence and that they understand that, *in some situations, there will be no advance warning of specific threat.*⁴⁴⁴

The Panel offered a number of suggestions for streamlining the State Department's organizational structure to enhance its security efforts. It also recommended that more than half of U.S. diplomatic facilities around the world be replaced with more physically secure sites and buildings. Specifically:

- The Panel recommends that the Diplomatic Security Service complete the revision of the physical security standards to include state-of-the-art physical security concepts.... The standards should provide minimum requirements for all posts and enhanced requirements as threat conditions increase.⁴⁴⁵
- The Panel recommends that a substantial building program be undertaken to correct the security deficiencies of office buildings of the Department of State and the other foreign affairs agencies abroad.
- The rebuilding program will be a substantial effort and will require substantially increased resources, personnel as well as funds. The Panel recommends that the budgetary problems that would inevitably delay such a massive project be avoided by adoption of a capital budgeting procedure.⁴⁴⁶

The Panel was realistic and brutally honest about the ability of the U.S. to prevent attacks on its facilities. It concluded that:

⁴⁴⁴ *Report of the Secretary of State's Advisory Panel on Overseas Security* (Washington, DC: US Dept of State, 1985), online; from the section "The Role of Intelligence," emphasis added. The report will be referred to hereafter as the Inman Report.

⁴⁴⁵ The Report noted later that perimeter security, in particular, had not been addressed adequately in the existing State Department standards. It recommended a 100-foot security zone or stand-off distance around facilities.

⁴⁴⁶ Inman Report, "Summary of Principal Recommendations."

All expert testimony available indicates that terrorism will continue to pose serious problems throughout the world in the foreseeable future. The prospects for totally preventing such attacks are not good. It also must be emphasized that no amount of money can guarantee complete protection against terrorism. If determined, well-trained and funded teams are seeking to do damage, they will eventually succeed.⁴⁴⁷

The State Department Accountability Review Boards that investigated the 1998 bombings of the embassies in Kenya and Tanzania were “struck by how similar the lessons were to those drawn by the Inman Commission over 14 years ago.”⁴⁴⁸ Those lessons are discussed in more detail below. We turn now to an evaluation of the four key factors identified in our analytical framework, in order to answer the question of whether the East Africa bombings were the result of an intelligence failure or a policy failure.

5.2. LEADERSHIP FAILURES

5.2.1. Psychology, Perception and the Threat Environment

The perception of the threat environment facing the United States in 1998 was different than it had been in the early 1990’s. Scholars were beginning to understand the post-Cold War world in a more coherent schema, with emphasis on institutions, international organizations, globalization, and transnational movement of people, ideas, and goods.⁴⁴⁹ Russia had not re-emerged as a regional powerhouse, China was not a threat but an opportunity for liberalization

⁴⁴⁷ Idem., “The Threat.”

⁴⁴⁸ Admiral William J. Crowe, State Department press briefing on the *Report of the Accountability Review Boards on the Embassy Bombings in Nairobi and Dar es Salaam* (Washington, D.C.: US Dept of State, January 8, 1999), transcript. The report itself will be referred to hereafter as the Crowe Report.

⁴⁴⁹ Not that the threat environment itself was any less complex than at other points in recent history, but it was better understood by scholars, analysts, and policy makers.

and democracy; even North Korea seemed to be simmering down with a deal to end production of nuclear material. The threats were transnational organized crime groups and terrorists.

The perceived threat environment was and is shaped by a number of factors. In the chapter on the first World Trade Center bombing, we discussed the concept of bias – tools that we use consciously and unconsciously to simplify perceptions and make sense of our environment. Jervis highlights two kinds of bias: motivated and unmotivated (or “cognitive.”) Motivated biases affect threat perception in that policy makers often draw inferences about threats primarily because they serve their particular needs at the moment, not because they help them accurately perceive reality.⁴⁵⁰ The needs of the Clinton Administration were clear in 1998 – the media and Congress were consumed with the Whitewater investigation and the President’s affair with an intern, Monica Lewinsky. While the House had not yet moved to impeach the President, it was plain that Clinton was in trouble. Anything that distracted him from survival was an impediment. It was natural to want to downplay any potential foreign entanglements or problems, from the potential failure of the Bosnian peace accords or Israeli-Palestinian negotiations, from a growing China or glowering North Korea, or from terrorism of the transnational or state-sponsored variety. The White House would not have and did not ignore terrorism when it happened, but it did not pursue an aggressive strategy of fighting terrorism with diplomacy, intelligence, or military strategy.⁴⁵¹ The bombing attacks on the embassies could not be recognized for their true significance – a major escalation in al-Qa’ida’s efforts to

⁴⁵⁰ Jervis, 1985, pp. 24-25.

⁴⁵¹ In fact, it is possible that the Administration purposely came to an agreement with Ayman al-Zawahiri to allow his Egyptian Islamic Jihad to overthrow the Mubarak regime in Egypt if they would avoid conflict in Bosnia that might ruin the Dayton Peace Accords. This argument is explained at length by Bodansky, but it is impossible to obtain any outside confirmation. See Bodansky, pp. 212-217, 253-257.

oust the U.S. from the Middle East and beyond – because the White House had much higher priorities at home and abroad.

There were two unmotivated biases that may have been problematic in this case. One was mirror imaging – the notion being that since East Africa by and large was no longer an area of vital national interest to the United States, especially with the demise of the Soviet Union, it was not a key area for the terrorists, either. But there had been ties between the Zanzibar coast of Tanzania and the Middle East for hundreds of years, and both Iran and Sudan had definite designs on exporting the Islamic revolution into central Africa.

The second cognitive bias had to do with over-reliance on theory. Sometimes the theory is explicit, but more often it is implicit and unspoken. U.S. policy toward Iraq and Iran was informed by Cold War theories of deterrence and containment. Containment was explicit in the policy of “dual containment” toward Iran and Iraq discussed in the previous chapter. The dual containment strategy called for economic sanctions on both countries, with military power backing up the sanctions on Iraq. In both cases, the pressure on the government and its reactions leaked over into further support for terrorism.

Deterrence theory was part of the public face of U.S. policy in the mid-1990’s (e.g., the presence of U.S. troops in Saudi Arabia as a deterrent to Saddam Hussein, support for Taiwan as a deterrent to Chinese expansion, or the cruise missile attacks on Iraq in retaliation for the attempted assassination of former President George Bush). But U.S. policy behind the scenes was more accommodating, with more carrots than sticks offered to China, North Korea, and the Palestinians, for example. The White House subconsciously relied on both containment and deterrence theory to help reduce the perception of threat posed by most international challenges.

5.2.1.1. Perceived Threats in East Africa To understand this case, however, and to determine to what extent perception matched reality, we need to move from the perceived threat environment at the strategic level to the perceived threat environment in East Africa, particularly in Kenya and Tanzania. After the retreat of U.S. forces from Somalia in 1993, the country and its ongoing conflict had been ignored. With the dissipation of the Rwandan genocide in 1994, and despite periodic flare-ups of violence that sent more refugees hurrying across the region's borders, the world turned its attention away from the teeming camps of refugees in Tanzania and other neighboring countries. Tanzania was featured in the headlines of major world newspapers only 39 times in the twelve months preceding the bombing.⁴⁵²

Despite political violence and corruption, Kenya was seen as a relatively safe harbor within East Africa. Although Kenya was noted in foreign newspapers for having become a haven for Islamic militants,⁴⁵³ and the State Department did rate Nairobi a "medium" on its threat scale, it was because of political violence and not the threat of terrorism. Ambassador Bushnell's petitions to Washington for enhanced security were turned down because analysts did not see terrorism as a likely threat.

Sudan was the nearest regional focal point of interest to the United States. The government was engaged in genocide of its own against Christians in southern Sudan, and it had provided training camps for terrorists under Osama Bin Laden. It also was implicated in both the first World Trade Center attack and in an attempted assassination of Egyptian President Hosni Mubarak, but American authorities could not prove Sudan's direct involvement in attacks against the United States. In late 1996 an intelligence official told *The New York Times* that "we just don't know" exactly what Sudan's role was, except that it was a foothold for Iran in Africa and

⁴⁵² Search in LexisNexis of the top 55 newspapers in the world.

⁴⁵³ "Suspect in Mubarak Attack Has Fled from Sudan to Kenya," *Agence France Presse*, September 26, 1996.

that it maintained relationships with terrorist organizations.⁴⁵⁴ The United Nations imposed diplomatic and economic sanctions on Sudan in mid-1996, and in 1997 after Bin Laden had left the country for Afghanistan, Congress moved to cut off all trade with Sudan.⁴⁵⁵

But there was a deeper current at work in Sudan and East Africa. Iran was making a move to expand Islamism into Africa. It supported anti-government terrorist groups in Egypt and Algeria. As early as 1993 newspapers were reporting that Iran was building terrorist training camps in Sudan to help “build a vast Islamic fundamentalist movement across the whole of North Africa. The hinge for this movement is Sudan.”⁴⁵⁶ A 1994 *Washington Post* story reported: “Political activism and armed attacks by radical Islamic groups have been slowly but steadily on the rise in the Horn of Africa... the stirrings in the Horn presage the region’s emergence as the new battleground for Islamic radicals, according to dozens of sources around the region.”⁴⁵⁷

The next year, *The Boston Globe* ran a story headlined: “Sudan Envisions Itself as Leader of Islamic Revolt.”⁴⁵⁸ *The Jerusalem Post* declared that “Sudan is replacing Iran as the major inspirational and operational center of Islamic terrorism.” It also provided details about several Arab and Islamic conferences that Turabi had hosted, and named the senior Iranian intelligence and terrorism official who ran the meetings. Guests in attendance came from dozens of countries and from Hamas, Islamic Jihad, and Hezbollah. Beyond creating a kind of “Islamist Inter-

⁴⁵⁴ Tim Weiner, “The Sudan’s Islamic Leader: Enigmatic Foe for the West,” *The New York Times*, December 24, 1996, p. A1.

⁴⁵⁵ Yet there was an important exemption for gum arabic, because the U.S. soda beverage industry relied on gum arabic from Sudan, which produces 80% of the world’s supply of the product. Statistics according to the Sudanese embassy in South Africa website, www.sudani.co.za/Economy/Gum%20Arabic.htm.

⁴⁵⁶ Rowland Evans and Robert Novak, “Iran is Making a Satellite of Sudan,” *Chicago Sun-Times*, August 19, 1993, p. 37.

⁴⁵⁷ Jennifer Parmelee, “Radicals Gain Strength in the Horn of Africa,” *The Washington Post*, January 5, 1994, p. A26. The story also points out that Saudi businessmen appeared to be funding the Islamists in East Africa.

⁴⁵⁸ Ethan Bronner, “Sudan Envisions Itself as Leader of Islamic Revolt: Anti-Western Fervor Drives Impoverished Nation,” *The Boston Globe*, April 18, 1995, p. 5.

nationale” of like-minded groups, the conferees drew up plans to overthrow moderate Islamic countries.⁴⁵⁹ The 1995 conference was also reported in stories in the *Globe* in April of that year, though the stories dealt with the religious rhetoric of the event and not the terrorist planning.⁴⁶⁰

So despite the perception that East Africa was a relatively quietly backwater on a relatively quiet continent, there was real evidence of danger, of violence, of hostile intent on the part of Sudan, and through it, Iran. Sudan’s involvement in bomb plots and assassination attempts, its development of terrorist training camps in cooperation with Iran, visits to Sudan by Iraqi WMD specialists, and the rhetoric of Turabi should have been indicators that Sudan posed a potential threat to U.S. interests in the region. Iran’s attempts to leak out of its containment into a nearby region, especially in East Africa where it had such a willing protégé as Sudan, should have been understood by U.S. intelligence. Each year after 1993 Sudan was listed as a state sponsor of terrorism by the State Department; but by 1998, with Bin Laden gone and sanctions in effect, it seemed that Sudan, like the rest of East Africa, might be safely ignored.

Thus the perceived threat environment was not just incomplete at both the strategic level and the tactical level, it was incorrect. Because the conventional wisdom on the “new terrorism” now held that terrorist groups were not sponsored by states any more, it was deemed unlikely that Sudan or Iran would be as open about supporting terrorist activity. Potential actions by both these states and their proxies were ignored. Because the perception of threat in East Africa was so low, U.S. intelligence and diplomatic facilities were not sufficiently focused on terrorist threats.

⁴⁵⁹ Yonah Alexander, “Sudan, the ‘New Iran’,” *The Jerusalem Post*, July 5, 1995, p. 6. See also Uri Dan and Dennis Eisenberg, “Two Types of Terror,” *The Jerusalem Post*, August 10, 1995, p. 6.

⁴⁶⁰ Ethan Bronner, “Islam Militants Speak Out: Gathering in Sudan Rails Against the West, Sees a Great Threat,” *The Boston Globe*, April 2, 1995, p. 2.

5.2.2. Failures of Public Policy Leadership

The bombings in Kenya and Tanzania were not the result of a failure of U.S. policy toward those countries, they were tied to other U.S. policies in the Middle East that have already been discussed. However, there were three areas of failure in U.S. public policy leadership – understanding the possible repercussions of U.S. policy toward Sudan and Iran; the use of a law enforcement approach to terrorism rather than an intelligence and military approach; and the failure to provide adequate protection for U.S. Embassies. Finally, there is considerable debate over one other potential catastrophic failure of leadership – to capture or kill Osama Bin Laden during the mid-1990's.

5.2.2.1. U.S. Policy toward Sudan Sudan was a bit more complicated than it appeared on the surface, and here we move from the perceived threat environment of the United States to that of Sudan. Sudanese leader Hassan al-Turabi clearly was motivated by a desire to implement Islamic law at home and over neighboring countries. But Sudan's activities against the United States also were prompted in part by direct U.S. pressure (including diplomatic and economic sanctions) and by indirect U.S. support for its enemies. Turabi was incensed at U.S. aid being sent to Ethiopia, Eritrea, and Uganda, including trucks, food, radios, tents, and uniforms, that were making their way to his opponents in the Sudanese civil war. In late 1996 he told *The New York Times* that American policy was to finance his enemies and accuse the country of terrorism in order to provoke UN sanctions. He suggested: "Looking for an enemy isn't right. That spirit is very contagious. Don't provoke a Sudanese. If you try to attack him, oh, he will counterattack. I don't want all Sudanese to view America as the devil, as the enemy, as a target. Because this will also spread worldwide. And this will create trouble inside the United

States.”⁴⁶¹ Clearly he did want the Sudanese to view America as the devil, and he was issuing a warning.

Turabi’s frustration carried over directly into terrorist activity. In mid-1997, he again called together senior Sunni terrorist leaders to discuss expanding strategic operations in Africa. He spoke at great length about the threats to Islam in Sudan from the United States and from other Arab and African countries that were actively thwarting his plans for a Muslim state. As of 1998, Turabi had been the power behind the Presidency of Omar Bashir on an “interim” basis since a coup in 1989, and the government was still attempting to put down a civil war in the south. The U.S. appeared to be determined to topple his government, and it supported all of his nearest enemies. Turabi declared a *jihad* against everyone who plotted against his Sudanese Islamic Party, both internally and externally. The group agreed to move forward with plans to expand terrorist operations in East Africa, including training local youths at the Arab Afghan camps run by Bin Laden. In August 1997, terrorist leaders including Bin Laden and al-Zawahiri agreed to rejuvenate the Islamist movement and defend Sudan with new terrorist activities in East Africa, supported by Sudan and Iran. Planning for the U.S. Embassy bombings began by October 1997.⁴⁶²

In the previous chapter we discussed the U.S. policy of containment toward Iran in the mid-1990’s. Opposition to the Islamist regimes in Sudan and Iran was not in itself a failure – the opposition is in fact laudable in light of America’s beliefs and interests. Even the diplomatic and economic pressure used to execute U.S. policy, though they might have been applied better, were not wrong in principle (whereas military intervention in Sudan or Iran could well have led to situations like the U.S. faced in Iraq in 2003 and after). The public policy failure in this case,

⁴⁶¹ Weiner.

⁴⁶² Bodansky, pp. 242-245.

like so many others, was to understand the possible repercussions of policy – the reactions of the states being put under pressure. President Clinton rhetorically hailed back to early American history to warn Iraq, “Don’t tread on us!” after its foiled assassination plot against former President Bush; but he failed to understand the potential dangers of treading on other snakes. Any policy review of the plans to contain or topple two state sponsors of terrorism should have acknowledged that increased terrorist activity was a likely consequence. The notion that American foreign policy can be carried out with impunity, without thought to the consequences, is a trait of leaders of both political parties.

5.2.2.2. Law Enforcement vs. Intelligence Throughout the 1990’s, the Clinton Administration responded to every terrorist incident by proclaiming that the individual perpetrators would be brought to justice, opening a legal process which made sense to the law school professor in the Oval Office – investigate, arrest, prosecute, convict. In fact, at the State Department briefing on August 7, 1998, Ambassador Thomas Pickering, Undersecretary of State for Political Affairs, in answer to the first question he faced (about a statement from Islamic Jihad two days earlier), declared that “this is now a matter for law enforcement investigation.”⁴⁶³ But in its responses to the various attacks, the Administration never mentioned what it would do to the state sponsors of terrorism, a problem not easily tackled with law enforcement methods. There are several problems with this approach.

First, it is not an effective deterrent against terrorist action. Individuals who are prepared to blow themselves up along with hundreds of other human beings are not worried about serving a life sentence in a U.S. prison, nor even a death sentence, since they have imposed that on

⁴⁶³ U.S. State Department Briefing, August 7, 1998, transcript.

themselves already. Terrorists face far more severe punishment, including torture, in other countries, which is precisely why the U.S. engages in “extraordinary renditions” – turning over terror suspects to authorities in Jordan, Syria, and Egypt for interrogation and imprisonment. As evidenced by the tactics and behavior of terrorists who have been arrested, such as Zacarias Moussaoui, they only see the U.S. court system as a tool to exploit in furthering their aims, even after being captured.

Second, the law enforcement approach is not effective in bringing everyone responsible to justice. In each of the cases we have reviewed, the government obtained convictions of several terrorists, while failing to convict scores of accomplices. Many of the low-level cell members in the first World Trade Center bombing were convicted, but the U.S. named 173 other people who might have been involved. The government failed to pursue Wadih el-Hage and Ali Mohamed, who played a role there and in Kenya; to capture Abdul Rahman Yasin, one of the senior planners for the WTC attack; or to pursue further the links to Osama Bin Laden, links which National Security Advisor Anthony Lake had explained to President Clinton in 1993.⁴⁶⁴ The prosecution of Timothy McVeigh and Terry Nichols but not the “others unknown” suggested in the indictment left the door open to a variety of theories on who else may have been involved at Oklahoma City. The U.S. has never brought anyone to justice for the OPM/SANG or Khobar Towers bombings; at best, the Justice Department named thirteen suspects in an indictment and hinted at Iranian involvement. And although two men were later convicted of the 1998 Embassy

⁴⁶⁴ Interviewed by Richard Minitier, and reported in Kathryn Jean Lopez, “Clinton’s Loss?”, *National Review Online*, September 11, 2003.

bombings, and another captured in 2004, many of the cell members in Kenya and Tanzania escaped. Law enforcement tools have brought about only incomplete justice.⁴⁶⁵

Third, once a criminal investigation is opened, the FBI can no longer share the information it obtains with the CIA because any of that information is discoverable during trial. That means that there is great danger of the information being shared with the terrorist suspects. Furthermore, investigators do not need to pursue additional leads once a case has been referred to prosecutors. There is no incentive in the system to continue digging up unseen connections and new information once a trial begins; defense attorneys might argue that the government itself has a reasonable doubt about the guilt of the person being prosecuted. Similarly, once prosecutors have obtained a conviction, new information obtained by investigators could be used in an appeal. Thus potential leads that should be followed up are not pursued, like the translation of documents found in the apartment of Sayyed Nosair (discussed in chapter two).

In this case, the FBI failed to follow up on leads from Wadih el-Hage, a key Bin Laden contact from his years in Sudan. El-Hage had set up the al-Qa'ida cell in Kenya, working closely with key cell members Fazul and Odeh. During an August 1997 raid on el-Hage's home in Nairobi, FBI agents came across his laptop, on it a letter written by Fazul that expressed concern about the East Africa cells being exposed by the FBI's investigation. Thinking that this disruption was sufficient, the FBI let el-Hage go, but failed to follow up on the computer letter and pursue other members of the Kenyan cell. When the Kenyans ordered el-Hage out of the country, he returned to, of all places, the United States. The FBI kept tabs on him there with a wiretap but otherwise did nothing. After the bombing, el-Hage was called to testify before a federal grand jury, and was questioned about his relationship with Osama Bin Laden and

⁴⁶⁵ See Freemantle, Tony. "Two Suspects Held in Kenya Bombing," *The Houston Chronicle*, August 13, 1998, p. A1.

operations in East Africa. A month later he was arrested for committing perjury before the grand jury, and he was later convicted of conspiring to kill Americans.⁴⁶⁶

It is unknown whether the FBI shared any of the information from el-Hage's computer with the CIA; apparently it did not believe it had enough evidence to arrest the man, so there was no legal reason why the Bureau could not share it with the Agency. A golden opportunity to break open the Nairobi cell a full year before the Embassy bombings was missed because the information being sought was only for criminal prosecution, not intelligence purposes.

5.2.2.3. Embassy Security Public policy leaders failed to provide adequate security for U.S. diplomatic facilities around the world, including Kenya and Tanzania. Security was a major challenge for U.S. missions, which were often located in highly-visible areas of a city, in historic buildings, or in close proximity to the local population. These locations were important to meeting the embassies' missions of coordinating with governments, serving host-country nationals and American tourists, and projecting the American image abroad. But their buildings were often not secure, were located in high-traffic areas, or otherwise made easy targets. The American embassies in Beirut, Lebanon and in Kuwait had been bombed in 1983 and other embassies had faced smaller attacks, while other nations' facilities like the Israeli Embassy in Argentina had been bombed more recently.

The Inman Commission had recommended spending more than \$3 billion to upgrade embassies around the world, add defenses, or even move them to new sites. But from 1986 to 1990, the State Department had only requested \$2.7 billion for security, and Congress had only

⁴⁶⁶ Oriana Zill, "A Portrait of Wadiah El Hage, Accused Terrorist." From the PBS FRONTLINE special "Hunting Bin Laden," 2001, transcript. The computer letter is described in greater detail below.

appropriated one third of that, \$880 million.⁴⁶⁷ From 1985 when the Inman Report was issued until 1998, only 15 U.S. embassies had been upgraded to Inman's standards.⁴⁶⁸ The Crowe Report criticized State for taking a "risk management" approach, allowing general exceptions to the standards for nearly all diplomatic facilities, exceptions granted in part because the Department's system for designating threat levels was "seriously flawed."⁴⁶⁹

The U.S. Embassy in Nairobi was located at the intersection of two busy downtown streets, and lacked sufficient setback from the street and nearby buildings. It had been built in the early 1980's, before Inman, and though it had some security enhancements like a steel fence and Mylar on the windows, its construction and setback were inadequate. Both in December 1997 and again in March 1998, U.S. Ambassador to Kenya April Bushnell made formal requests to Washington to build a new chancery that met Inman standards. Both times she was rebuffed, told that Nairobi was only a "medium" risk because of crime and political violence, and that therefore replacing the building was low on the list of priorities. Bushnell, like her superiors back in Washington, believed that the threat of crime was more serious than the threat of terrorism. But she was aware of the security shortfalls and was persistent in her requests for help.⁴⁷⁰

The embassy in Tanzania sat in an enclosed compound in a less populous part of Dar es Salaam, and consisted of the former Israeli chancery and an annex. The buildings were well-built, and also had Mylar on the windows, although the setback from nearby streets ranged from 25 to 75 feet. The State Department determined the distance to be adequate, given the "low"

⁴⁶⁷ Smith Hempstone, "Embassies at Risk," *The National Interest*, Fall 1998. Hempstone was a former ambassador to Kenya.

⁴⁶⁸ John Mintz, "Panel Cites U.S. Failures on Security for Embassies," *The Washington Post*, January 8, 1999, p. A1.

⁴⁶⁹ Crowe Report, discussions on both Nairobi and Dar es Salaam. There is more discussion of threat levels below.

⁴⁷⁰ Idem.

threat level in Tanzania. A 1994 review indicated that “while some Middle Eastern governments and organizations with ties to terrorism are present in Dar es Salaam, they have not been active in targeting American interests in Tanzania. The low (threat) rating appears reasonable.” It does not appear that the U.S. Ambassador made any specific requests to Washington for increased security, though the newly assigned Regional Security Officer in June 1998 implemented some new security procedures.⁴⁷¹

The failure in this case was not a lack of awareness about the problem, but a lack of funding to adequately address the security problems. The Accountability Review Boards which investigated the two bombings, chaired by retired Admiral William Crowe, were clear about placing blame for the lack of funding:

The Boards were especially disturbed by the collective failure of the U.S. government over the past decade to provide adequate resources to reduce the vulnerability of U.S. diplomatic missions to terrorist attacks in most countries around the world. Responsibility for this failure can be attributed to several Administrations and their agencies, including the Department of State, the National Security Council, and the Office of Management and Budget, as well as the U.S. Congress.⁴⁷²

The lack of funding from Congress can be blamed on both the Democratic Congresses of the 1980’s and the new Republican majority after 1994. The U.S. international programs account, which includes foreign aid as well as funding for the Department of State, declined in actual dollars from \$25.2 billion in 1984 to \$18.4 billion in 1996, a reduction of more than half when adjusted for inflation.⁴⁷³ The State Department budget was cut in the mid-1990’s partially in an

⁴⁷¹ Crowe Report, Dar es Salaam: Discussion and Findings.

⁴⁷² Idem., Executive Overview.

⁴⁷³ Thomas Lippman, “U.S. Diplomacy’s Presence Shrinking,” *The Washington Post*, June 3, 1996, p. A1. The international programs account included funding for State, USIA, USAID, and ACDA, as well as dues to the United Nations, payments to the IMF, and direct foreign aid to countries like Israel, Egypt, and Russia.

effort to reduce the overall budget deficits of the government, and indeed overall spending on foreign affairs declined by 14 percent in 1995-1996 alone.⁴⁷⁴ The General Accounting Office (GAO) prepared a report in 1996 on ways that State could reduce its costs and live within smaller budgets, recommending among other things reducing its overseas presence.⁴⁷⁵ But the budget deficit was not the only reason for the decline; a new isolationism was taking hold in Congress.

North Carolina Senator Jesse Helms became chairman of the Senate Foreign Relations Committee in January 1995. Within several months, angered by its bloated bureaucracy, he introduced legislation calling for a “new” State Department and reducing its presence overseas. Helms called foreign aid to developing countries pouring money down a “rathole.”⁴⁷⁶ Republican Senator Phil Gramm complained that the Foreign Service’s main activities were “building marble palaces and renting long coats and high hats.”⁴⁷⁷ When President Clinton opposed him, Helms indefinitely adjourned the Foreign Relations Committee, putting on hold budgets, ambassadorial appointments, promotions, treaties, and trade agreements.⁴⁷⁸ The foreign affairs budget became a major bone of contention between the President and Congress because of different approaches to resolving frustration with the United Nations, disagreements over the advisability of bailing out Russia, and funding for abortion services in foreign countries.

In this environment, State Department officials considered it unlikely they could obtain funding for major renovations or new construction to meet Inman standards. The Crowe Report recommended more funding than Inman had – \$1.4 billion per year for the next 10 years – for

⁴⁷⁴ David Marcus, “7% Spending Increase Asked in Foreign Affairs,” *The Boston Globe*, February 7, 1997, p. A25.

⁴⁷⁵ General Accounting Office. *State Department: Options for Addressing Possible Budget Reductions* (Washington, DC: Government Printing Office, August 1996), pp. 2-3.

⁴⁷⁶ Steven Greenhouse, “G.O.P. Senate Bill Would Slash Foreign Aid for Africa,” *The Washington Post*, December 13, 1994, p. A9.

⁴⁷⁷ Lippman, op cit.

⁴⁷⁸ Steven Hook, “The U.S. Foreign Policy Stalemate,” *Plain Dealer* (Cleveland), October 14, 1996, p. 9B.

capital building programs and security operations and personnel.⁴⁷⁹ Apparently we never learn. As of July 2001, three years after the East Africa bombings, more than 80 percent of the 260 U.S. embassies and consulates worldwide still did not meet Inman standards, above all the requirement to have a setback from roads of at least 100 feet.⁴⁸⁰

So who was at fault for failing to provide the funding needed to improve or move most diplomatic facilities? Presidents Reagan, Bush, and Clinton failed to argue persuasively for more money to protect the ability of the Foreign Service to enhance America's image abroad. The Secretaries of State and the senior leadership at State failed to focus attention on security and get support from three Administrations and seven Congresses after the Inman Report was issued. The Congress and its committees failed to balance other government spending with the relatively small funding for security needed to protect American diplomats.⁴⁸¹ The funding made available to the State Department never came close to being enough to provide adequate security.

To be fair, there are major tradeoffs between placing diplomatic facilities where they are visible, accessible, and useful on one hand, and safe and secure from hostile action on the other. And, it would not have been feasible to move every diplomatic facility worldwide, which the Crowe Report recognized: "We understand that there will never be enough money to do all that should be done. We will have to live with partial solutions and, in turn, a higher level of threat and vulnerability for quite some time."⁴⁸² But in the years leading up to the 1998 bombings of the embassies in Kenya and Tanzania, senior leadership in the executive and legislative branches

⁴⁷⁹ Crowe Report, Executive Overview.

⁴⁸⁰ Vernon Loeb, "U.S. Spent \$3 Billion to Protect Embassies," *The Washington Post*, July 23, 2001, p. A20.

⁴⁸¹ State Department funding over these years was never more than \$6 billion a year, versus anywhere from \$250 billion to nearly \$400 billion a year for defense, and hundreds of billions in entitlements.

⁴⁸² Crowe Report, Introduction.

failed miserably. America's interests and the security of our diplomats were not well served by a President who had only a desultory and episodic interest in international affairs and a Republican Congress whose isolationist preferences and frustration with bureaucracies sabotaged U.S. foreign policy and national interests.

5.2.3. Losing Bin Laden?

Richard Minitzer, a Brussels-based reporter, published a book in 2003 titled *Losing Bin Laden: How Bill Clinton's Failures Unleashed Global Terror*. In it he argues that the Clinton Administration had failed on at least a dozen occasions to capture or kill Bin Laden, including eight times before the 1998 embassy bombings. Minitzer's book was criticized by many former Administration officials, even though his sources included both of Clinton's National Security Advisors, terrorism czar Richard Clarke, Secretary of State Madeleine Albright, Director of Central Intelligence James Woolsey, high-level intelligence officials, and various foreign intelligence agencies. If Minitzer's claims are true, there was a failure of massive proportions, a serious dereliction of duty on the part of senior Clinton Administration officials, including the President. It is worth briefly reviewing and evaluating Minitzer's claims, and the counter-claims, in order to evaluate this potential failure.

Minitzer offers the following incidents or opportunities:

1. Did not follow up on the attempted bombing of Aden marines in Yemen [in December 1992].
2. Shut the CIA out of the 1993 WTC bombing investigation, hamstringing their effort to capture Bin Laden.
3. Had Khalid Shaikh Mohammed, a key Bin Laden lieutenant, slip through their fingers in Qatar.
4. Did not militarily react to the al-Qa'ida bombing in Riyadh, Saudi Arabia.
5. Did not accept the Sudanese offer to turn [over] Bin Laden.
6. Did not follow up on another offer from Sudan through a private back channel.

7. Objected to Northern Alliance efforts to assassinate Bin Laden in Afghanistan.
8. Decided against using special forces to take down Bin Laden in Afghanistan.⁴⁸³

The most controversial of these claims are those concerning Sudan's offers to turn over Bin Laden to the United States. Minter reported that the first opportunity came in March 1996, when Sudan's defense minister Elfatih Erwa met with the U.S. Ambassador to Sudan and another senior State Department official, as well as a CIA operative. Erwa was presented with a list of things that Sudan could do to improve relations with the U.S.; a few days later he met again with the CIA agent and offered to arrest and hand over Bin Laden to the Americans. But apparently the offer never made it to the White House.⁴⁸⁴ The second opportunity came in 1996 and 1997 through some private diplomacy carried out by Mansoor Ijaz, a major fundraiser for Clinton, who managed to obtain several offers from Sudan to share intelligence data on Bin Laden. The offers were refused, with Deputy National Security Advisor Sandy Berger telling Ijaz, "Let's look at all this after the [1996] election."⁴⁸⁵

Given Sudan's long-time sponsorship of terrorism, it was not unreasonable to be suspect of the offers. But Sudan had recently turned over the famous terrorist Carlos the Jackal to French authorities. This might have been an opening that could be exploited.⁴⁸⁶ In a move that could only have come as the result of a somewhat-believable offer, the State Department took the idea

⁴⁸³ Minter recapped these opportunities in an interview with *National Review Online*, c.f.

⁴⁸⁴ Apparently there were various versions of the offer, including turning Bin Laden over to the Saudis or Yemenis, who also did not want him.

⁴⁸⁵ Minter, Chapters 5 and 6. Minter extensively cites both Tim Carney, U.S. Ambassador to Sudan, and David Shinn, Director of East African Affairs at the State Department.

⁴⁸⁶ See Peter Bergen, "Blind Eyes: Did U.S. Officials Let a Terrorist Slip through their Hands?" *The Washington Post*, November 9, 2003, p. T8.

of cooperation seriously enough to plan a visit by intelligence officers to Sudan, and make an official announcement, but the plan was quashed by the NSC.⁴⁸⁷

After the publication of Miniter's book, various Administration officials, including Berger, Albright, and Clarke, all denied that the offer to arrest Bin Laden was ever made. Secretary Albright angrily asked commentator Bill O'Reilly "...do you think we're so stupid that, if somebody had offered us Osama Bin Laden, we wouldn't have taken it?"⁴⁸⁸ They went after Miniter's sources, including Ijaz, calling him "a Walter Mitty living out a personal fantasy."⁴⁸⁹ Former NSC staffers suggested that Erwa was a known intelligence officer with a penchant for deceit. They declared that "no offer was ever conveyed to any senior official in Washington."⁴⁹⁰

But some of the same officials are on record discussing the non-existent offer. Sandy Berger told *The Washington Post*, "The FBI did not believe we had enough evidence to indict Bin Laden at that time, and therefore opposed bringing him to the United States."⁴⁹¹ The FBI must have known of such a plan to oppose it. Susan Rice, who was then senior director for Africa on the NSC, told the *Post* that she was intrigued but skeptical of the offer. "We wanted them to hand him over to a responsible external authority. We didn't want them to just let him disappear into the ether."⁴⁹² She later told the *Village Voice*: "They [Sudan] calculated that we didn't have the means to successfully prosecute Bin Laden. That's why I question the sincerity

⁴⁸⁷ Thomas Lippman, "U.S. Diplomats Return to Sudan," *The Washington Post*, September 24, 1997. See Miniter, pp. 148-149.

⁴⁸⁸ On "The O'Reilly Factor," *FOX News Network*, aired September 16, 2003, transcript.

⁴⁸⁹ Quoted in Berger (2003), p. T8.

⁴⁹⁰ Roger Cressey and Gayle Smith, "Clinton NSC Attacks Miniter: Claims Bin Laden Never Offered Up," *The Washington Times*, September 22, 2003, online.

⁴⁹¹ Barton Gellman, "U.S. Was Foiled Multiple Times in Efforts to Capture Bin Laden or Have Him Killed," *The Washington Post*, October 3, 2001, p. A1. Berger also denied that an offer was made in conversations with Miniter. Given the later investigation into Berger's efforts to steal or redact classified records held at the National Archives during the 9/11 Commission hearings of 2004, one wonders what the subject was of his searches.

⁴⁹² Barton, op cit.

of the offer.”⁴⁹³ The final confirmation that an offer existed perhaps came from President Clinton, though not on the record. Minter reported that in the weeks after September 11th, 2001, Clinton told dinner companions at a restaurant in Manhattan that refusing Sudan’s offer to turn over Bin Laden was “the biggest mistake of my presidency.”⁴⁹⁴

A common theme in these responses (and discussed previously) is the attitude that only legal procedures could be used against Bin Laden. From a purely law enforcement perspective, the Administration believed it would have been difficult to indict Bin Laden because the intelligence information that the CIA and FBI had was gathered covertly or would have been inadmissible in court. The last thing they wanted was for Bin Laden to be acquitted and made a hero in the Muslim world. Because senior officials could see no other options – not military tribunals, not “extraordinary renditions” (a term coined by Berger himself), nor covert action – they frankly did not want to take custody of Bin Laden. So the White House agreed to let Bin Laden be deported to Afghanistan, six months before the 1996 election, as a way to “buy time” according to the Richard Clarke.⁴⁹⁵

Ultimately, because of the classification of relevant documents, self-contradiction and partisanship by those involved, and questions about the credibility of witnesses and sources, we may not know the whole story about this opportunity. The preponderance of evidence suggests that at least one offer was made to share intelligence about Bin Laden, and that indeed there was an offer to seize Bin Laden. At a minimum, the United States government had several opportunities to influence Bin Laden’s fate, whether he was arrested or deported. There was no

⁴⁹³ Her answer begs the question of how Sudan knew the U.S. did not have enough information to convict Bin Laden, unless they had been told so by the Americans. Jennifer Gould, “Thanks, but No Thanks,” *Village Voice*, November 6, 2001, p. 43.

⁴⁹⁴ Minter, p. 285. Minter cites no source for this, however, and no other media accounts mention it.

⁴⁹⁵ Minter, pp. 119-126. In the spring of 1998, *before* the embassy bombings, the U.S. Attorney in the Southern District of New York indicted Bin Laden for murdering Americans in Somalia in 1993 and in Riyadh in 1995, as well as his links to Sudan and Iraq and WMD production. Apparently there was enough evidence by that time.

reason not to put Sudan to the test and accept the offer. If the offer was not genuine, they would renege on the deal. If serious, the United States would apprehend the world's leading terrorist.⁴⁹⁶ But because of the law enforcement mindset endemic in Washington at the time, the offer was refused. Thus the White House failed to seize the opportunity to determine whether Bin Laden actually *might* be arrested by the Sudanese.⁴⁹⁷

We are left with a major “what if” in looking at the ensuing major terrorist incidents like the embassy bombings, the attack on the *USS Cole*, and 9/11. It is not difficult to imagine how the arrest of Bin Laden would have impeded the development of al-Qa’ida. His deputies Ayman al-Zawahiri and Mohamed Atef did not have the charisma and force of will to hold together the various groups under al-Qa’ida. The Sunni/Shia split that had been papered over by Bin Laden might have rent again. Terrorist operations that were being planned by local cells in places like Kenya and Tanzania, Yemen, Britain, Indonesia, Spain, and the United States might have nevertheless proceeded. And given the desire of Sudan and Iran to export Islam across Africa, they might well have activated the cells in East Africa to carry out just such a set of attacks even without Bin Laden’s support.⁴⁹⁸ However, a U.S. government counterterrorism official later admitted to *The Washington Post*:

Had we been able to roll up Bin Laden then, it would have made a significant difference. We probably never would have seen a September 11th. We would still have networks of Sunni Islamic extremists of the sort we’re dealing with here, and there would still have been terrorist attacks fomented by these folks. But there would not have been as many resources devoted to their activities, and

⁴⁹⁶ See Richard Miniter, “Minter Responds: Quotes Clintonites to Prove His Case,” *The Washington Times*, September 22, 2003, online.

⁴⁹⁷ The 9/11 Commission Staff Report #5 suggested that in 1996 the United States was aware that Sudan was offering up Bin Laden, so even if Sudan did not actually offer him to the U.S., the government still could have requested that he be arrested and deported. See Staff Report, p. 63.

⁴⁹⁸ Yet Miniter suggests that Sudanese intelligence had dossiers on every member of the Kenya cell, dossiers that might have been shared with the Americans if they had agreed to the offer to share information. Miniter, p. 149.

there would not have been a single voice that so effectively articulated grievances and won support for violence.⁴⁹⁹

The missed opportunity to seize Bin Laden was a major failure of public policy leadership. However, as we have discussed, other leadership failures had a clear effect on the embassy bombings. U.S. policy toward the Sudan was hostile yet inconsistent, the prevailing law enforcement philosophy was not effective, and Congress and the Executive failed to provide adequate funding for diplomatic security. A dozen Americans, hundreds of dead and thousands of wounded Kenyans and Tanzanians, would suffer as a result of these failures.

5.3. ORGANIZATIONAL OBSTACLES

The State Department had a number of significant organizational problems that contributed to the failure in 1998, including policies and priorities for security. Other organizational obstacles, particularly with the CIA and FBI, seem to have been less prevalent in this case than any of the others. For the most part information sharing was taking place between agencies, and the CIA was relatively successful in gathering information about Bin Laden and al-Qa'ida. However, bureaucracy was at work in causing the United States to scrap plans for special operations against Bin Laden, and the FBI and CIA failed to capitalize on a major opportunity to break open the East Africa cells.

⁴⁹⁹ Gellman, op cit.

5.3.1. Diplomatic Insecurity

The State Department has a long history of exhibiting poor sense about security. Famously, the U.S. Embassy in Moscow was full of bugs that had been installed during construction by Soviet engineers, and State refused many efforts by outside experts to enhance security there. More recently it had permitted the Chinese government to acquire office space in a building near the Navy Annex in Arlington, Virginia that overlooked the Pentagon, giving it a clear shot for eavesdropping equipment. It similarly permitted the new Russian embassy in Washington, D.C. to have a clear line of sight to the White House.

We have already discussed the failure of public policy leaders to provide adequate funding for the State Department to implement the security standards recommended by the Inman Commission. Within the State Department, the two Bureaus responsible for security – the Bureau of Diplomatic Security and the Bureau of Overseas Buildings Operations – perhaps could have been more aggressive in advocating for the needed funds. But given the environment in the mid-1990's, there seems little likelihood they would have gotten the money. So they did what they could. Officers at both the Department level and at the embassies instituted a variety of security precautions, from better training to new fences, counter-surveillance, and adding Mylar to windows.

Yet the Crowe Report strongly suggested that State Department security requirements were still inadequate and had not been applied fully. It criticized State's "risk management" approach that determined risk based solely on the likelihood of attack rather than vulnerabilities or the potential impact of an attack. The Department only required overseas facilities to implement changes "to the maximum extent feasible," offering exceptions to nearly every facility for security shortfalls. The Report also pointed out that the embassies' Emergency Action Plans did

not anticipate the scenario of a car bomb, nor did they provide training and equipment for guards and employees to react to a car bomb.⁵⁰⁰

Although this was not its purpose, the 1996 GAO report identified a number of ways in which the State Department might have reallocated funds to security, including a consolidation of overseas facilities. Cost savings from consolidation or elimination of smaller consulates and vulnerable embassies would have saved tens of millions of dollars. But the Department was unable to set priorities among its facilities to reduce its overseas presence. Apparently every one of the more than 250 embassies and consulates was equally valuable.⁵⁰¹ The Department could not bring itself to reallocate the funding internally, and for reasons already discussed was unable to get the external funding to implement the needed security changes.

The Crowe Report identified another significant area of concern – the rating system for assessing threats and setting security priorities. The Downing Commission after the Khobar Towers attack had recommended the State Department’s threat level assessment system as a model for the Pentagon. But the Accountability Review Boards in 1998 felt that the system was inadequate. It concluded:

The Department of State should radically reformulate and revise the ‘Composite Threat List’ and, as a part of this effort, should create a category exclusively for terrorism with criteria that places more weight on transnational terrorism. Rating the vulnerability of facilities must include factors relating to the physical security environment, as well as certain host governmental and cultural realities.⁵⁰²

⁵⁰⁰ Crowe Report, Executive Overview.

⁵⁰¹ A number of consulates had been closed in the mid-1990’s, but no more than a dozen. See “State Department: Options for Addressing Possible Budget Reductions” (Washington, DC: Government Accounting Office, Aug 1996: GAO/NSIAD-96-124). See also the GAO reports on management weaknesses in the security construction program (GAO/NSIAD/92-2 of November 1991 and GAO-04-100 of November 2003.)

⁵⁰² Crowe Report, Executive Overview.

The Embassy in Kenya had been rated a “medium” threat environment because of the danger of crime and political violence, while Tanzania was rated “low.” These ratings were inappropriate, particularly in light of the Department’s own recognition that state sponsors of terrorism (such as Iraq and Iran) had a presence in Nairobi, the strategic threat environment, and intelligence warning indicators concerning terrorism (discussed further below.) Because of the low rating in Tanzania, no priority was attached to obtaining greater setback from the road, although the embassy met the other requirements for a post at that rating. The Nairobi embassy was in compliance with the requirements for a “medium” threat post, except for the setback.

Ambassador Bushnell made repeated attempts to persuade headquarters to build a new chancery that met Inman standards. While Washington refused to provide a new building, it did agree to send a security assessment team to Kenya in March 1998 that helped the embassy staff to implement several security improvements to the front of the building. However, neither the assessment team nor the embassy leadership focused on the rear of the building or on the possibility of a vehicle bomb, again because crime was perceived to be the main threat. Yet the Crowe Report concluded that none of the potential security fixes at the rear of the building would have changed the effect of the actual bomb attack.⁵⁰³ Only a new building, with stronger construction and a greater setback from the road, would have withstood the bomb’s effects or deterred terrorists from attacking it.

Finally, the Crowe Report also mentioned in passing a significant issue raised by the Downing Commission after Khobar Towers – cooperation and support from local governments in protecting U.S. facilities. Although local police provided some counter-surveillance assistance, neither the Kenyan nor Tanzanian government provided armed guards for the

⁵⁰³ Crowe Report, Nairobi: Discussion.

embassy facilities. The contract security guards in both locations did an admirable job of attempting to foil the suicide bombers. But they had only limited training in counterterrorism, did not have effective radio communication with Marine forces at the embassies, and were unarmed. The Kenyan government had refused to allow the embassy to have more than one emergency radio frequency, which might have allowed the perimeter guards to trigger the building's internal alarm system and warn its inhabitants.⁵⁰⁴

The State Department exhibited many of the same organizational maladies that the Air Force had before Khobar Towers – lack of funding, inadequate setback distances from nearby roads, a threat assessment system that failed to account sufficiently for terrorist threats, and problems coordinating with local authorities.

5.3.2. CIA: The Central Inaction Agency?

The Central Intelligence Agency has acted at times with surprising organizational purpose and effectiveness. The CIA's Counter Terrorism Center (CTC) established a special unit in January 1996 to focus on Bin Laden. CIA Director George Tenet testified before Congress that the agency was on a "war footing" against terrorism, and indeed the CTC Bin Laden unit had more than 100 case officers and intelligence analysts assigned to it by early 1998. It expanded intelligence networks in Pakistan, Afghanistan, and Uzbekistan. The CIA and the FBI even shared many of their overseas cables with each other. As a result of these efforts, the unit developed solid intelligence on al-Qa'ida cells and activities in 50 countries, and was successful in eliminating cells in Albania and Bosnia.

⁵⁰⁴ Idem.

But not all of the efforts against Bin Laden went smoothly. The CIA apparently was not interested in working with the Northern Alliance in Afghanistan, the main opposition to the Taliban government, to go after Bin Laden. The Alliance offered to track Bin Laden, gather information, even assassinate him, but the CIA refused to take action in part because the Alliance could not provide “absolute proof” of Bin Laden’s location – likely a concern for collateral damage in any strike against Bin Laden. Perhaps bureaucratic inertia kept the Agency from seizing the opportunity,⁵⁰⁵ or perhaps it was just finished with Afghanistan after devoting so much attention to it in the 1980’s.

The CIA also opposed plans developed by Richard Clarke to send in Special Operations forces to seize Bin Laden in early 1998. Tenet asked for extensive revision of the plan, and expressed concern about unintended civilian deaths that might occur because Bin Laden often traveled with his family. The Pentagon expressed its reservations about the plan by proposing a clearly unpalatable alternative, a massive operation involving search-and-rescue, aerial refueling, and hundreds of soldiers, sailors, and airmen.⁵⁰⁶ Clinton was unlikely to approve such a large-scale operation sending hundreds of troops into harm’s way while the Lewinsky affair and fundraising scandals were ongoing. But why is this relevant? As with the Sudanese offer to arrest Bin Laden, taking out the spiritual and operational leader of al-Qa’ida would have seriously interrupted terrorist operations, even those already underway in Kenya and Tanzania.

5.3.3. A Narrow Miss of Major Proportions

Through the CTC, the FBI and CIA had been sharing overseas cables. But that did not mean they shared all their information with State, which did not have a representative in the CTC at the

⁵⁰⁵ According to Clarke, the main obstacle to his covert operations plan was the CIA. Minter, pp. 166-167.

⁵⁰⁶ Idem., pp. 167-170.

time.⁵⁰⁷ The Crowe Report indicated that all of the intelligence information that State obtained about things like surveillance against the embassies was shared throughout the intelligence community. But there was potentially a crucial breakdown in communication with State in 1997 when the CIA and the FBI persuaded the Kenyan government to raid Wadih el-Hage's home. The path leading to el-Hage began in Saudi Arabia.

In mid-May 1997, the Saudis arrested a distant relative of Bin Laden's named Sidi Tayyib, who gave them information on Bin Laden's businesses and bank accounts in Pakistan and Afghanistan. He also named several people involved in money laundering for al-Qa'ida, enabling the U.S. and Britain to launch several overseas investigations. One of these led to Kenya, and to Wadih el-Hage,⁵⁰⁸ who had been Bin Laden's secretary when he was in Sudan.

In August 1997, Kenyan security forces, accompanied by FBI agents, went to el-Hage's house to conduct a search. He was away on a "gem-collecting" trip to Afghanistan, but his American-born wife and mother-in-law were there, along with his children. The FBI agents reportedly warned his wife to get out of the country. When el-Hage returned from Afghanistan, he was interrogated by the Kenyans, and was also told to leave the country. In September he and the family moved back to the United States, to Arlington, Texas.⁵⁰⁹ His cover was blown.

Investigators seized a computer at el-Hage's home, and recovered a number of documents. One was a letter written by Harun Fazul (although analysts did not know it at the time), one of the key ringleaders in the bombing plot, who had been staying at el-Hage's home. The contents

⁵⁰⁷ The CIA repeatedly told the State Department and the Nairobi Embassy that there was an active terrorist cell in Nairobi; further discussion of this fact is below. James Risen and Benjamin Weiser, "Unheeded Warnings," *The New York Times*, January 9, 1999, p. A1.

⁵⁰⁸ Bodansky, p. 243.

⁵⁰⁹ Zill, op cit.

of the letter alarmed the investigators, because it confirmed the presence of a cell in East Africa that was clearly connected to Bin Laden.

Cell members had heard about Bin Laden's declaration of war on America, and expressed dismay over the seizure of Sidi Tayyib and the information he was sharing with the Saudis. The letter's author was clearly worried about the security of the cell.

There are many reasons that lead me to believe that the cell members in East Africa are in great danger...

...there is an American-Kenyan-Egyptian intelligence activity in [Na]irobi aiming to identify the names and residences of the members who are associated with the Shaykh...

...the Hajj [Bin Laden] has declared war on America. My recommendation to my brothers in East Africa was to not be complacent regarding security matters and that they should know that now they have become America's primary target... I am 100 percent sure that the phone is tapped.

The fact of these matters and others leave us no choice but to ask ourselves are we ready for that big clandestine battle? Did we take the necessary measures to avoid having one of us fall in the trap?

As you (know) if one of us fall in the trap due to one of your decisions, God forbids, that will be a loss to the whole cell.

Investigators were certain that the activities mentioned in the letter were terrorism-related, because of the tone of the letter, the intimacy with Bin Laden's affairs, their concern about wiretaps, operational security, being kept under surveillance, and being arrested. They could see that Wadih el-Hage was named in the letter (indicating he was probably not the author), and it also listed his assumed name from Afghanistan, Abd'al Sabbur, meaning "servant of the most patient." El-Hage was also labeled as an "engineer" of the cell.

The letter also provided an amazing amount of detail that caught the attention of intelligence analysts. There were at least fifteen people implicated in the letter – (1) the author; (2) el-Hage;

(3) the intended recipient, Sharif; (4) “the worker;” Ahmad (Madubi); (5) Taysir; (6) Ahmed (Tawii); (7) Abdallah (Hasan); (8) “brother” Tawfiq; (9) Hamad; (10) the “engineer” al-‘Utaybi in Qatar; (11) Abu Ibrahim in the Sudan; (12) Abu Khadijah the Iraqi in Germany; (13) Khalid; (14) as well as Bin Laden (the “Shaykh” or the “Hajj”) and his deputy (15) Atef. There are other unnamed conspirators, as well. The author warned that if “the engineers” visited the area they should be careful and not contact him directly, and implied that “the partisans in Mombasa” were not very security-conscious. Also evident were operational details about communication via computer disk, fax, telephone, and the internet; hiding incriminating documents; as well as specific locations the cell frequented like el-Hage’s home and “the al-Bunda.”

The author of the letter clearly did not know all the details of what was being planned. “We, the East Africa cell members, do not want to know about the operations plans since we are just implementers. We trust our command and appreciate their work and know that they have a lot of problems.” But he was waiting for an expected decision: “...tell us that there is a possible danger that may take place in a while *due to a certain decision* so we can prepare ourselves accordingly or (so that) we may go underground for a while since our presence might foil or complicate your plans that we know no[t]hing of....” The author was upset that Bin Laden’s call for war on American had not been communicated to the cell: “...we should have known about that decision (and the decision only) and not the plans so that we could take the necessary precautions and to prevent ca[us]ing any complications or failure in your plans due to our ignorance of them.” The author still was not done complaining. “We need to hear your good words and we are afraid to be in the dark and from taking any unapproved plans domestically

since we do not have the necessary expertise regarding such difficult decisions; *decisions which (only you) can undertake.*”⁵¹⁰

The letter should have provided investigators with all kinds of clues about the larger East African cell. The author was worried about the very intelligence efforts being made by the FBI to uncover terrorist cells in Kenya. He had intimate knowledge of Bin Laden’s affairs, and was eager “to return the caliphate to earth and fight the forces of atheism and dictators who wreaked havoc on earth.” He named names and roles and locations. He indicated that the cell was awaiting a major decision about future action.

Investigators took the letter seriously. U.S. officials were particularly interested in the incriminating files referred to in the letter, believing that they might provide details about upcoming terrorist operations. (Though the expectation was that Kenya was only a staging ground.) More investigators were sent to Kenya in September to look for the files in what was called a “somewhat frantic, concerted effort,” but the files were never found. In the mean time, el-Hage was directed to leave Kenya, indicating that authorities were concerned about his activities. The FBI interviewed el-Hage three more times after he returned to the United States, but he offered up little new information.⁵¹¹

Yet after the astounding letter was uncovered, nothing else happened to the cell. Intelligence sources later claimed that the Nairobi raid was a “counter-terrorism disruption,” and that by forcing el-Hage to leave Kenya, they were implementing a strategy to splinter such cells immediately when they were found. Though el-Hage’s cover was blown, the cell continued to operate. Obviously the CIA and the FBI did not understand Fazul’s importance to the East

⁵¹⁰ Italics added. All quotes from the letter are taken from the FRONTLINE website, where it is reproduced in whole. Much of the rest of this section is based on the same feature; c.f. Zill.

⁵¹¹ Risen, *op cit.*

Africa cell, because they did not seek to arrest or deport him. It is still unclear whether authorities were aware of him at the time, although it should have been clear that the letter's author was *not* el-Hage and that whoever he was, he was responsible for security for a much larger group of conspirators.⁵¹²

State Department officials later complained that they were not told the seriousness of the concerns about the al-Qa'ida cell, and that they were given only a "fragmentary" understanding of why the other agencies had raided el-Hage's home. "At no time were we told he was connected to Osama Bin Laden or to any threat against U.S. interests in Kenya," said one. Another said, "If we had known there was a significant Bin Laden network in Kenya, we would have gotten our people the hell out of that building." But law enforcement and intelligence officials were adamant that they had provided plenty of warning to State. They briefed the department "before, during, and after" the raid on el-Hage's home, and followed up with numerous intelligence reports over the next year. "Some of those reports referred to Osama Bin Laden in the first paragraph," said one official.⁵¹³

Whether there was a communication breakdown among the agencies, or the State Department failed to acknowledge the warnings, the intelligence community missed the big picture. The letter clearly identified at least a dozen individuals connected to el-Hage who should have been investigated further. The failure to arrest or interrogate any of them indicates that any such investigations which might have occurred were unsuccessful.

⁵¹² Zill, *op cit.*

⁵¹³ Risen, *op cit.*

5.4. THREAT AND WARNING INFORMATION

The Crowe Report determined that “[t]here was no credible intelligence that provided immediate or tactical warning of the August 7 bombings.”⁵¹⁴ But that conclusion is incorrect. Both threat and warning indicators were present before the attacks that should have focused the attention of intelligence analysts and diplomats on security in East Africa, not only in Kenya and Tanzania but in several other countries.⁵¹⁵

There were several important threat indicators at the strategic level. Iran and Sudan continued to support terrorism, and had clear intentions of spreading Islam in Africa. Not only were there Muslim communities throughout the region, but al-Qa’ida was known to have a presence in several countries along the coast. The region had a long history of close relations with the Middle East, and recent violence there had a religious tone to it. The strategic threat of terrorism may not have been as clear as it was in Saudi Arabia, but the indicators were there.

Additionally, intelligence could have observed a number of tactical warning indicators. At least two informants warned that the embassy was being targeted. Osama Bin Laden issued a declaration of war against the United States in the spring of 1998, and the State Department had issued a warning about possible follow-up attacks. Iran suddenly pulled some of its “diplomats” (known to be intelligence operatives) from the region immediately prior to the bombing. Kenyan guards reported surveillance of the embassy in the weeks prior. A faxed warning was issued by Hezbollah two days before the bombing about the extradition of terrorist suspects from Albania to Egypt. Once again, the terrorists struck on a commemorative date, the sixth anniversary of

⁵¹⁴ Crowe Report, Executive Overview.

⁵¹⁵ There were fears immediately after the August 7th attack that the U.S. Embassy in Uganda was being targeted, and it was closed, as were a number of other embassies worldwide.

U.S. troops entering Saudi Arabia. And they used a tried-and-true method of attack, the vehicle bomb.

Little information is available in the public domain about the American human intelligence network in East Africa. It can be assumed that the CIA Station in Kenya was operating such a network, and Simon Reeve claimed that a CIA official told him they had informants inside the East Africa cell but they failed to give notice of the plot.⁵¹⁶ But no other information gathered since the bombing would confirm the presence of informants.

5.4.1. Strategic Intelligence and Threat Indicators

We have discussed how psychology shapes the perceived threat environment, and reviewed the incomplete view held by the U.S. of the terrorism threat in East Africa. Iran continued to be the heart of international terrorism, though by 1998 the Shiite leadership had welcomed Sunni Sudan, as well as Bin Laden and his Sunni Arab Afghans, into the coordinated movement. The failure to understand this development comes from at least two problems – the assumption that Sunnis and Shiites could never work together, and the conventional wisdom about the “new terrorism” that held that terrorist groups no longer relied on state sponsors. These perceptions blinded analysts to a major tactical development immediately prior to the bombing, the sudden withdrawal of senior Iranian diplomats from the region.

Even if the U.S. was slow to understand the emerging cooperation of the international terrorist movement under the banner of al-Qa’ida, Iranian support for Sudan, its goal of spreading the Islamic revolution to Africa, and its diplomatic initiatives in the region were readily apparent. And the United States maintained pressure on both Iran and Sudan for their

⁵¹⁶ Reeve, p. 199.

continued support of terrorism. U.S. intelligence agencies must have obtained information about communications or plots involving intelligence operatives and terrorists from those countries, in order to prove to the United Nations, for example, that sanctions against Sudan were appropriate. Thus despite the conventional wisdom about declining state sponsorship, the U.S. was aware of continued efforts by Iran and Sudan to carry out terrorist acts.

So why did no one credit the role of those two countries in shaping the threat environment in the region? Perhaps some elements within the intelligence community, or more likely at the policy level (probably the NSC) were consciously downplaying concerns about Iran and Sudan for other reasons – like the President’s domestic political troubles. Perhaps intelligence analysts themselves did not really buy into the “new terrorism” thesis, and kept looking for indicators of state sponsorship; but because of the Administration’s antipathy for foreign conflicts, they downplayed their concerns. The United States was aware of the threat posed by Iran and Sudan, yet somehow was oblivious to their objectives and likely activities in East Africa.

Along with the activities of state sponsors, there were other strategic threat indicators. Analysts knew that al-Qa’ida had a presence in many parts of East Africa, including Eritrea, Ethiopia, Somalia, Sudan, Egypt, and Uganda. Details about the organizations were not known to the public, but the countries were on the list of 50 al-Qa’ida locations identified by the CTC Bin Laden unit. The presence of Islamists in the region was not a surprise; there was a long history of trade and migration between the Middle East and coastal Africa.⁵¹⁷

Slave traders and Arab merchants brought Islam to Kenya and much of coastal Africa more than a millennium ago, in the process converting perhaps 10 percent of Kenya’s population. That minority had lived quietly alongside its neighbors for centuries, but with the end of the Cold

⁵¹⁷ The local dialect, Swahili, is a combination of tribal tongues and Arabic.

War and the advent of modern and effective communications, Muslims in Kenya became aware of the broader challenges facing political Islam. Cities like Mombasa had thriving Muslim communities that had become more radical and open to supporting violence. Poverty and dislike of President Moi's heavy-handed rule increased their susceptibility to outside influence, including that of Muslim Somali groups, whose refugee and smuggling networks extended across Kenya.⁵¹⁸ Islamic groups had expanded their activities from setting up traditional religious schools (*madrassas*) to offering broad-based classes and constructing pharmacies in poor areas.⁵¹⁹ Egyptian newspapers labeled Kenya the "new haven" for Islamic militants.⁵²⁰

Tanzania's population was one-third Muslim, most of them concentrated in a string of coastal islands around the best-known island, Zanzibar. The area had been the seat of the Sultanate of Oman centuries before, and was well-known as a hub for smuggling and slaving. As early as 1994 a newspaper warned of "rumblings of Islamic separatism in Zanzibar."⁵²¹ Religious violence was on the rise, with not only bomb threats against evangelical Christian groups and their events, but a Catholic church on Zanzibar was blown up by Islamists. Gangs, possibly connected to Muslim groups, had attacked tourists in both Tanzania and Kenya. Locals were certainly involved in the bombing attacks. A Tanzanian sociologist said, "You can't operate in a foreign country without a host. Where did they sleep? Who showed them the way

⁵¹⁸ Danna Harman, "Why Radicals Find Fertile Ground in Moderate Kenya," *The Christian Science Monitor*, December 6, 2002, p. 7.

⁵¹⁹ Martin Regg Cohn, "The New Cradle of Unrest?" *The Toronto Star*, August 20, 1998, p. A18.

⁵²⁰ The newspaper also pointed out that a militant leader of Egyptian Islamic Jihad, Ali Amin el-Rashidi, had drowned off the coast of Kenya when his boat sank. See "Suspect in Mubarak Attack Has Fled from Sudan to Kenya," *Agence France Presse*, Sept 26, 1996.

⁵²¹ S. Burke, "The New Africa – A Guide to the Sub-Saharan Continent," *The Courier-Mail* (Australia), April 23, 1994, p. 44.

to the American embassy, and so forth? There must be some local people... there is definitely a linkage.”⁵²²

East Africa was a region full of turmoil: tribal wars, genocide, mass migration of refugees, assassinations, organized crime, and religious conflicts. Kenya and Tanzania had extensive histories with the Persian Gulf. There was an emerging nexus between the goals of the Islamist rulers of Iran and Sudan and potential supporters in Kenya and Tanzania. But East Africa was not a priority in Washington, D.C.

5.4.2. Warning Indicators

The Accountability Review Boards concluded that there was no credible warning intelligence about the attacks. In the Crowe Report, they acknowledged the existence of a number of intelligence reports about alleged threats against diplomatic targets including the embassies, but said the reports were generally dismissed because the sources were doubtful or because tactical details were lacking. But the Boards also suggested that the intelligence community relied too much on warning intelligence to assess terrorist threats, even though past experience and the Inman Commission indicated that terrorist attacks often are not preceded by warnings.⁵²³

Yet the public version of the Crowe Report does not tell the whole story. Intelligence reports and classified cable traffic contained in the classified version indicated that, while none of the tactical intelligence gathered before the attacks highlighted a specific terrorist act on a particular day, the intelligence community had picked up strong signals that the embassy was a

⁵²² Cohn, *op cit.*.

⁵²³ Crowe Report, Executive Overview.

target and that a cell was active in Kenya.⁵²⁴ While some signals were general (but highly public), some of those signals were very clear.

5.4.2.1. Public Warnings and Old Patterns The State Department issued a worldwide alert in March 1998 about the threats made by Bin Laden against the U.S. military and civilians. But there was no specific warning or analysis about targets in Africa.⁵²⁵ After Bin Laden's interview with *ABC News* in May 1998, where he made another public call for war against America, the State Department and the Pentagon ordered that U.S. forces and facilities in the Middle East and the Gulf take additional security precautions; again there was no mention of Africa by Bin Laden or in the American response.⁵²⁶ There was an additional public warning on August 5th in a fax sent by Islamic Jihad, protesting the extradition of five terrorists from Albania through U.S. hands to Egypt (where they faced certain torture and death). The group promised to strike against American interests in retaliation, although it did not name specific targets.⁵²⁷

Along with the public warnings that did attract attention, there were some familiar patterns in terrorist behavior that should have been followed more closely by the State Department and the embassies. First, August 7th, 1998 was the sixth anniversary of the date that U.S. troops had entered Saudi Arabia to counter the Iraqi invasion of Kuwait. Osama Bin Laden had made it clear time and again that the Saudi King's invitation to the United States to send troops, instead of relying on other Arabs for his defense (including Bin Laden's Afghan Arabs), was the turning point in his opposition to the Saudi monarchy. The continued presence of U.S. troops in the land

⁵²⁴ Risen, *op cit.*

⁵²⁵ Crowe Report, Nairobi: Discussion.

⁵²⁶ See Tom Rhodes, "Killer's Prime Time Fatwa," *The Weekend Australian*, June 13, 1998, p. 16.

⁵²⁷ "Terrorist Attacks in Africa," *The Atlanta Journal and Constitution*, August 7, 1998, p. 1a.

of Islam's holiest places was always at the top of his list of justifications for jihad against the Americans. Such commemorative dates as August 7th have been used by terrorists many times, though not every time.⁵²⁸

Second, the Department failed to contemplate the danger of truck bombs. The Accountability Review Boards were critical of this problem, identifying truck bombs as "a threat that has not been fully appreciated in recent years." The Crowe Report recognized that guards were trained to identify bombs hidden underneath or inside vehicles, but not vehicles being used primarily as bombs. It suggested that security warnings and emergency procedures were not developed to deal with the truck bomb scenario. Coming only two years after the OPM/SANG and Khobar Towers, the failure to see or to prepare for that threat is unconscionable

5.4.2.2. Specific Warnings in East Africa The CIA repeatedly warned the Nairobi Embassy and the State Department in Washington there was an active al-Qa'ida cell in Kenya. It investigated at least three terrorist threats in Nairobi in the year before the bombing, and took at least one seriously enough to send over a counterterrorism team to examine it.⁵²⁹ But prior to the embassy bombings, U.S. authorities doubted that al-Qa'ida would target Kenya because it had members living there in safe houses.⁵³⁰

Yet there were at least three different informants who suggested that attacks against embassies were likely. Sidi Tayyib (aka Jamal Ahmed al-Fadl) testified at the trial of four of the embassy bombers that he had told U.S. officials in 1996 that Bin Laden was planning "try make

⁵²⁸ It is probably true that there are now so many commemorative dates of one kind or another that U.S. facilities should be on higher alert 365 days a year.

⁵²⁹ James Risen and Benjamin Weiser, "Unheeded Warnings," *The New York Times*, January 9, 1999, p. A1.

⁵³⁰ Mark Lacey and Benjamin Weiser, "After Attack, Kenya Traces Qaeda's Trail in East Africa," *The New York Times*, December 1, 2002, p. 1.

bomb [sic] against some embassy,”⁵³¹ but he did not specify Nairobi. In the summer of 1997 a foreign intelligence service turned over to the CIA another informant, who indicated that the Nairobi wing of an Islamic charity called Al Haramain was plotting to blow up the embassy in Nairobi. When nine of the group’s members were arrested that fall, no evidence was found in their files about the bomb plot. The CIA dropped its investigation, and Ambassador Bushnell was assured that the bombing threat had been eliminated. (Evidence discovered later did indicate that the group was connected to al-Qa’ida.) In November 1997, an Egyptian named Mustafa Mahmoud Said Ahmed, who was part of the Nairobi cell, apparently got cold feet. He went to the embassy and told CIA officers he knew about a group planning to drive a truck bomb into the parking garage at the embassy. He also told Kenyan police that he himself had carried out surveillance on the building, and that the attack would include stun grenades and multiple vehicles. But the CIA reports on his admissions suggested that Ahmed might have been making up the stories, thereby downplaying their significance. He was arrested after the bombing for his participation in the plot.⁵³²

On July 15, 1998, senior Iranian diplomats were recalled from the Iranian embassy in Nairobi and its consulate in Dar es Salaam. To understand the significance of these moves, we need to go back at least two years. Bodansky argues that Iranian intelligence agents were involved in the plot from its inception. Iran set the guidelines within which the Committee of Three operated, including Bin Laden. In 1996 Iranian intelligence agents scoped out potential terrorism targets, analyzed the environment, and reviewed local cadres under guise of an official trip by President Rafsanjani to East Africa. Soon thereafter, Iran began making public statements on foreign policy emphasizing the importance of spreading Islam in Africa.

⁵³¹ U.S.A. vs. Usama Bin Laden, *S(7) 98 Cr. 1023*, February 7, 2001, p. 392.

⁵³² Risen, “Unheeded Warnings.”

Reconnaissance of targets began in October 1997, including both the U.S. and Israeli embassies in Nairobi, but the main plan in early 1998 was for a strike against the World Cup games in France. But when a terrorist operative running a support network in Belgium was arrested in May 1998, European authorities quickly unraveled much of the rest of the network. The terrorists behind the World Islamic Front had to turn to their contingency plan, East Africa.

Iranian “diplomats” visited the region in June to assess the situation in Kenya and Tanzania and readiness of the local cells. Once satisfied, Iran began to pull its senior diplomats. Kazem Tabatabai, the ambassador to Kenya, was recalled on July 15 for two months of “urgent consultations.” Tabatabai was an intelligence officer who had served in Baghdad. He was followed shortly thereafter by Ahmad Dargahi, the cultural attaché, another intelligence officer. At around the same time, Mohammad-Javad Taskhiri, the cultural attaché in Tanzania also went back; he had been expelled previously from Jordan for supporting local terrorist networks. The sudden recall of these senior Iranian officials who were known to be intelligence/terrorist operatives should have set off serious alarm bells with the U.S. embassies and the U.S. intelligence community.⁵³³

Cell members conducted final surveillance against the embassies in the first days of August, and some of them were spotted by Kenyan security guards at the Nairobi embassy. They reported seeing three Arab-looking men filming the embassy for about twenty minutes, and insisted later that the Marines on guard dismissed their report. Additional surveillance was carried out by the key al-Qa’ida operative who was the only man who knew both the Kenya and

⁵³³ Bodansky, pp. 235-253.

Tanzania cells, Harun Fazul, as well as by an independent team that Bin Laden sent to gain a separate assessment of the plan.⁵³⁴

Reports of surveillance and other threats should have been taken much more seriously. A frequent rhetorical defense against this charge is to point out the problem of the “signals to noise ratio.” State Department officials indicated at their press briefing that they receive perhaps 30,000 threats each year, the implication being that there are just too many to believe all of them.⁵³⁵ That may be true, but when the Department received just one specific threat back in late 1997 – from the walk-in confession of Ahmad – it responded by going to a higher state of security awareness. The Department had also issued the global warning in March following Bin Laden’s fatwa. Thus the embassy and the State Department (presumably with Diplomatic Security and the Bureau of Intelligence & Research) had effectively filtered out the noise on more than one previous occasion. But they were unable to do so with the various warning signs that they could have or should have picked up prior to August 7, 1998.

5.4.2.3. A Note About Iraq As we have discussed in previous chapters, Laurie Mylroie has argued that Saddam Hussein was in one way or another behind many of the attacks against the United States in the 1990’s. The list of possible incidents includes Khobar Towers, which she suggests was timed to coincide with his conflicts with the United Nations over weapons inspections. She suggests in this case that once again there were some interesting parallels between the embassy plot and the ongoing battle between UNSCOM and Saddam, who was

⁵³⁴ *Idem.*, p. 260.

⁵³⁵ The Congressional Research Service reports that the number is far lower – perhaps 3,000 to 4,000 per year, or 10 to 12 per day. See Susan B. Epstein, “Embassy Security: Background, Funding, and the Budget” (Washington, DC: Congressional Research Service, updated October 4, 2001), p. 4.

making very explicit public threats in early 1998. She believes there was a confluence of interest with Bin Laden. The February 1998 statement made by the World Islamic Front, signed by Bin Laden and al-Zawahiri, cited “three facts that are known to everyone” as justification for killing Americans: (1) U.S. aggression against Iraq using Saudi Arabia as a “staging post;” (2) allied sanctions that were a “great devastation inflicted on the Iraqi people;” and (3) U.S. support for Israel.

Her ultimate tip-off: Iraq publicly ended cooperation with UNSCOM on August 5, 1998, two days before the bombs went off. But while early media speculation about likely state sponsors for the attack included Iraq, Iran, or Libya, among others, they quickly turned to Bin Laden. Mylroie’s case is largely circumstantial.⁵³⁶ All of the evidence seems to point to al-Qa’ida. The later trials of the Embassy bombers in New York showed plenty of links to al-Qa’ida and Osama Bin Laden but none to Iraq.

5.5. ANALYTICAL CHALLENGES

In each of the other cases in this study, we have seen how intelligence was shaped by analytical pathologies such as bias or misperception. But in this case there seems to be little evidence of those problems, perhaps because so little information had been gathered about the terrorist threat in East Africa (although that reveals the prevailing bias concerning the likelihood of attack in an area of the world not central to U.S. interests).⁵³⁷ Analysts and security experts did not fall victim to the “vividness effect” – the massive attack on Khobar Towers had occurred only two

⁵³⁶ Mylroie, pp. 228-238.

⁵³⁷ We have already discussed the failure to gather intelligence from el-Hage’s computer and the general failure to comprehend available threat and warning indicators.

years before; it should have stuck in their minds. Indeed, they did not suffer from “selective memory,” they had amnesia. The vehicle bombings of the U.S. Marine barracks, the embassies in Beirut and Kuwait City, the Israeli embassy in Argentina, OPM/SANG, and Khobar Towers did not help analysts think concretely about the danger of vehicle bombs. The State Department and the U.S. intelligence community it seems were simply not spending much thought at all on strategic threat or warning indicators in East Africa.

5.6. WAS THE FAILURE AVOIDABLE?

This case is much less complicated than Khobar Towers. The Accountability Review Boards led by Admiral Crowe concluded that intelligence provided no warning of the bombing, and that blame for the devastation applied across the U.S. government because of the lack of funding for security improvements. However, it stopped short of naming officials who were responsible for the lack of funding, and no one was ultimately held accountable. Yet there is more to the story than the lack of funding. We have identified significant failures in three areas – leadership, organization, and threat and warning information.

Leadership – First, the U.S. once again failed to perceive accurately the true threat environment it faced, particularly in East Africa. Whether it was considered a backwater, or merely another part of an international scene that distracted from domestic priorities, East Africa was a much more dangerous place than the U.S. acknowledged. Second, there was a lack of a consistent or determined U.S. policy toward Sudan. Elfatih Erwa, who had brought the Sudanese offer to arrest Bin Laden to the United States, said later that Washington could never decide

whether to demand Sudan's help or to bomb it; he said, "I think they wanted to do both."⁵³⁸ Third, the U.S. was not well-served by its continued approach to terrorism that emphasized law enforcement investigations instead of intelligence analysis and operations. Fourth, the State Department and the U.S. Congress failed to provide adequate funding for embassy security, upgrading only 15 out of 260 diplomatic facilities to the Inman standards over 14 years. Finally, the Clinton Administration missed several opportunities to determine Bin Laden's future residence – Sudan, Afghanistan, an American jail, or a cemetery.

Organization – The State Department underrated the threat of terrorism; utilized a risk management approach to facility security that left many soft targets for terrorists; offered waivers to security requirements much too easily; failed to even request half the funding that the Inman Commission had recommended; and failed to obtain sufficient host country security assistance. The CIA did not pursue several opportunities to go after Bin Laden. But most importantly, the FBI and the CIA missed the significance of the letter they seized from Wadih el-Hage's computer that should have led them to more than fourteen members of the East Africa cell; the arrest of Harun Fazul, the letter's author, would have completely disrupted the operation and foiled the attack.

Threat and Warning Information – Both threat and warning indicators were present before the attacks that should have focused the attention of intelligence analysts and diplomats on security in East Africa. Threat indicators included the continued support of terrorism by Iran and Sudan and their Islamist aims; as well as a known Al-Qa'ida presence in several countries with sympathetic Muslim communities and a history of close relations with the Middle East. And intelligence analysts should have observed a number of tactical warning indicators: the

⁵³⁸ Gellman, op cit.

increasing volume of threats from Bin Laden; familiar terrorist tactics (truck bombs) and a commemorative date; informants who made specific reference to the Nairobi embassy; the sudden withdrawal from Kenya and Tanzania of senior Iranian diplomats who were known to be intelligence operatives; and reports of surveillance.

The East African embassy bombings may have been avoidable because the U.S. had within its grasp two opportunities that might have prevented or deterred the bombing. First, it had several chances to arrest or eliminate Osama Bin Laden, but lacked the will – though the capacity was there – to carry out the actions. Assuming that at least one of those efforts would have been successful, al-Qa’ida operations would have been seriously disrupted. Second, the FBI and CIA temporarily disrupted the East Africa cells by finding Wadih el-Hage, but failed to capitalize on the intelligence information that they gathered from his laptop. The arrest of Harun Fazul would have indefinitely postponed the attacks, and the arrest of other cell members, particularly the bomb engineers, would have certainly thwarted the bombings.

5.7. CONCLUSION: SURPRISE AND FAILURE IN EAST AFRICA

Following their investigation into the August 1998 bombings of the U.S. Embassies in Nairobi and Dar es Salaam, the Accountability Review Boards concluded:

The Boards did find, however, an institutional failure of the Department of State and embassies under its direction to recognize threats posed by transnational terrorism and vehicle bombs worldwide. Policy-makers and operational officers were remiss in not preparing more comprehensive procedures to guard against massive truck bombs. This combined with lack of resources for building more secure facilities created the ingredients for a deadly disaster.⁵³⁹

⁵³⁹ Crowe Report, Executive Overview.

The Boards were correct in highlighting the failures of the State Department to adequately address security problems and to contemplate the danger of truck bombs, but they treated the funding problem as a condition and not a consequence of poor leadership. The Boards pulled their punches with Congress, which failed in its leadership role to provide adequate funding for security at U.S. diplomatic facilities. Given the increases in government spending (including spending for pork-barrel projects) from 1985 to 1998, it was well within the power of Congress to locate and appropriate the funding needed to bring State Department facilities up to the Inman standards. Whether caught up with other priorities, blinded by ignorance, or motivated by animus, Congressional leaders did not support the successful execution of U.S. foreign policy, and some of them should have been held accountable.

The other significant organizational failure was that of the FBI and the CIA failing to pursue further the intelligence opportunities presented by the seized letter on el-Hage's computer. Nothing in the public record indicates what the two agencies did with the information; one can surmise what they did not do, which was pursue the individuals mentioned in the letter. But we are left trying to prove what might have happened.

We have also identified a number of analytical challenges in this case, including both the failure to understand the strategic threat environment in East Africa and to pick up on several important warning indicators. But the CIA was well aware of Bin Laden and al-Qa'ida, and was gathering intelligence on its operations in 50 countries. Why was the U.S. not more effective in combating terrorism, and in particular, in preventing or deterring these attacks?

Finally, we must return to failures of leadership. The top levels of the Administration were more concerned about domestic political battles in 1998 than with combating terrorism. That is

not to say that analysts and agents were not working hard to unravel al-Qa'ida or nab Bin Laden. Miniter's book, which blasts Clinton for his leadership, is actually fairly supportive of Richard Clarke's efforts. And in fact, Clarke's own book presents a clear picture of mid-to-lower-level efforts to fight terrorism. He never had the access to the President that he seems to think he had, and he and others in the NSC may well have made mistakes, but the effort seems to have been there. But they did not have leadership from the top that would have given them the legal justification, financial resources, moral support, or policy guidance to be successful. In 1998, both Congress and the President were so focused on the Whitewater investigation that they could not focus on potential threats abroad.

Once again, intelligence collectors, without strategic guidance from key customers, in a complex threat environment, overlooked key pieces of threat and warning information that might have reasonably led to the prevention or preemption of a major terrorist attack.

6. SEPTEMBER 11, 2001: THE TWIN TOWERS

6.1. INTRODUCTION

Once the immediate horror has passed, mass casualty terrorist attacks leave a legacy well beyond the initial loss of life. But for Americans, that legacy tends to be captured in brief images or symbols, rather than remembered in full. Certainly this was true in the cases of the first attack on the World Trade Center, Khobar Towers, and the East African Embassies. The necessary reflection, analysis and change in the aftermath of such failures often do not happen.

Yet there are two significant exceptions to this rule: Oklahoma City, and the terrorist attacks of September 11, 2001. After Oklahoma City, significant public attention was focused on the threat of domestic terrorism and how to secure our public infrastructure. The city now hosts a beautiful memorial to the victims of that bombing, as well as a publicly-financed think tank, the Memorial Institute for the Prevention of Terrorism. Although questions remain about other potential bomb plotters, and the analysis of homegrown terrorism has been somewhat weak on left-wing sources of such violence, the result of Timothy McVeigh's actions on April 19, 1995 was an important national debate on terrorism and some movement on counter-terrorism legislation. Unfortunately, such public policy seems to be driven by surprise events.⁵⁴⁰

⁵⁴⁰ Alain Paul Martin, *Harnessing the Power of Intelligence, Counterintelligence, and Surprise Events* (Cambridge, MA: Professional Development Institute, 2002), p. 133ff.

The incident that dwarfs Oklahoma City in size, in sheer horror, and in its legacy is 9/11. Nearly every American can remember the exact time and place that he or she heard about the incident, or actually saw it on television; the experience and the memory are similar for those alive when President John F. Kennedy was assassinated. 9/11 also dwarfs Oklahoma City and all other terrorist incidents in the volume of the resulting reflection, analysis, and change. It was and still is probably the incident generating the most media coverage in recorded history. The general public now knows more about the failures contributing to 9/11 than to just about any other failure of intelligence or public policy in American history.⁵⁴¹ The event created the need and opportunity for intensive Congressional and executive branch investigations into the organizational obstacles and analytical challenges we have reviewed here. It led to the reorganization of American counter-terrorism agencies into the Department of Homeland Security. And it contributed to the national debate about the role of the United States in the world, a debate needed since the end of the Cold War.

This research into the topic of intelligence failures and mass casualty terrorism began more than a year before 9/11. The events of that day nearly led to abandonment of the topic as irrelevant, useless, and simply “overtaken by events.” Yet further reflection suggested that this research was still important. An understanding of the intelligence failures that allow terrorist incidents to occur is absolutely necessary if the United States and all those who believe in the promise of liberal democracy are to predict or prevent future attacks.

⁵⁴¹ Thanks to media coverage and government investigations, so much is now known about the attacks of 9/11 that a historical review at this point of the incident, similar to the reviews in previous chapters, would be redundant at best. For simplicity’s sake, I will hereafter refer to the House-Senate Joint Inquiry as the “Joint Inquiry” and the National Commission on Terrorist Attacks Upon the United States, known as the 9/11 Commission, as the “9/11 Commission.” Various staff statements and transcripts were released throughout the months that the Commission met, and much of that information made its way into the final report; therefore throughout this chapter I cite primarily the Commission’s final report, with references to the staff reports where they differ.

This research has taken four recent cases of mass casualty terrorism and applied a common set of questions to each case in a focused, comparative way. Answering the questions, and informing those answers with theoretical insights, has highlighted some of the most important failures present in many of the cases. Problems with threat assessments, lack of warning information, and organizational obstacles – such as poor information sharing among government agencies, have also been discussed at great length in public thanks to the investigations into 9/11. What is unique about this research effort is that it has also included an analysis of leadership failures, from the ways in which psychology and perception shape the threat environment, and how that in turn determines intelligence planning and collection, to failures of public policy leadership in the executive and legislative branches of government. The reflection and analysis needed in the aftermath of 9/11 are and will remain incomplete as long as we fail to understand all of these failures, including important leadership failures.

6.1.1. What was the nature of the surprise?

Although the events of 9/11 have been described as a complete surprise to many, it is now clear that while they were a major shock, they should not have come as much of a surprise. Americans should not have been surprised at either a behavioral or a tactical level. Osama Bin Laden's plans to attack on American soil were well-known to analysts and policy makers; even the general public knew from experience that terrorism could happen here. And the tactics used by the terrorists on 9/11 had been contemplated by the terrorists – and forecasted by at least some experts – more than five years before the event.

The impact of the surprise was felt nationally and globally – scores of non-Americans were killed in the attacks, anti-American sentiment was greatly reduced for a time, many countries

joined the United States in fighting terrorism, and the world economy entered a mild depression. It is difficult to know so soon after the event what its historical impact and legacy will be; additional bombings in Indonesia, Spain, and Britain in the following years have already shown that 9/11 is but the largest attack *to date*.

6.2. LEADERSHIP FAILURES

6.2.1. Leadership in the 1990's

We have looked at some of the ways in which the psychological biases and mistaken perceptions of policy makers and analysts have contributed to misreading of the threat environment. In the unsettled security environment of the post-Cold War world, policy makers assumed that terrorism could be and had been successfully deterred and that terrorists would not strike inside the United States. Intelligence resources and efforts were dispersed, and intelligence collection did not focus on threats at home. Policy makers failed in other ways. U.S. policy toward Israel and Palestine contributed to Muslim radicalism; signaling and policies toward Iraq were confused; and immigration policy was poorly framed and weakly enforced. Leadership failures contributed directly to the organizational obstacles and analytical challenges (particularly in information sharing and in developing human intelligence assets) that allowed the first bombing of the World Trade Center to occur.

After the 1993 attack, it was well understood that foreign terrorists did indeed pose a threat to the U.S. heartland, but domestic terrorism was not seen an additional threat. Law enforcement did not take seriously the threat from militias, but even if they had, they were constrained by concerns about free speech and the privacy of domestic citizens. Public policy failures were

abundant and clear – from the handling of the farm crisis and gun policy, to the incidents at Waco and Ruby Ridge, to a continued lack of focus on facility security. Most importantly, leaders in Congress and the White House failed to seek an appropriate balance between law enforcement requirements and individual rights; this kept the agencies tasked with internal security, like the FBI and ATF, from fully investigating the militias and the white supremacist movement.

Leadership failures before Khobar Towers are also easy to identify, from poor threat assessment to under-funded facility security. The failure to pursue the links from the World Trade Center bombers to their Middle East sponsors, or even to consider seriously foreign sponsorship for Oklahoma City, left American policy makers with a mistaken comfort level about the terrorist threat. Congressional restrictions on military intelligence gathering meant that the U.S. military forces deployed in Saudi Arabia had a negligible human intelligence network, limiting their ability to detect warning indicators. And mission creep combined with oversensitivity to host country sensibilities created a situation where the Air Force had very little room to expand its security efforts (both intelligence and force protection).

The leadership failures contributing to the bombings in East Africa had all been seen before, such as poor facility security, lack of focus from the White House, and lack of human intelligence to provide warning indicators to analysts. By this time the United States had developed a better conceptualization of post-Cold War security threats, yet it still failed to perceive correctly the threat environment in East Africa in which its military and diplomatic corps operated. U.S. foreign policies toward Sudan and Iran were not unreasonable, but the perception or expectation that the two countries would not indirectly respond and attack the U.S.

was obviously incorrect. The other key leadership mistake leading up to the 1998 bombings was the repeated failure to capture or kill Bin Laden.

6.2.2. Leadership 2001

What year is it? A young President is in his first year in office, determined not to repeat the mistakes of his predecessor. While not unaware of the terrorist threat, the new administration is focused on domestic policy priorities. The major foreign policy issue seems to be the emergence of a post-Communist government in a large, nuclear-armed Asian country that seeks its own sphere of influence. Analysts and the general public assume that terrorists will strike overseas and not against the American homeland. But a threat is growing right at home, and public infrastructure is not being adequately protected. The operations of terrorist networks are not being effectively disrupted. The FBI and CIA share only limited information with each other. Tight restrictions on domestic intelligence gathering prohibit law enforcement from aggressively pursuing cells of foreign terrorists on American soil – terrorists who plan to kill thousands and take down a symbol of American and Western culture and power, the World Trade Center.

1993 or 2001? A review of the leadership failures prior to 9/11 sounds a lot like a review of the failures leading to the first World Trade Center attack. Despite the similarities, however, there are several important differences. The United States should have learned from its experiences in the intervening years, and made changes in threat assessment, domestic intelligence collection and information sharing, and facility and transportation security. Most significantly, the U.S. had adopted an overall strategic response to terrorism based on law enforcement methods rather than military power.

Judging the quality of threat assessments prior to 9/11 has been a particularly divisive issue in the ensuing investigations. For a number of reasons, the FBI had done few strategic analytic reports on terrorism before 9/11; in fact, the FBI never did a threat assessment of the overall terrorism threat to the continental United States.⁵⁴² The CIA produced a National Intelligence Estimate (NIE) in 1995 on terrorism highlighting the emergence of new transient networks of terrorists. But the 1997 update of that NIE did not mention new intelligence that Bin Laden was more than just a financier – he headed his own terrorist network with its own agenda and operatives. As of September 11, 2001, that 1997 NIE was the most recent national estimate on the terrorist threat to the United States. DCI Tenet recognized in late 2000 that the CIA was not doing enough strategic analysis on al-Qa’ida, but the first manager of a new strategic assessments branch within the Counter Terrorism Center (CTC) at CIA only reported for duty on September 10, 2001. The Commission concluded that because the CIA did not write a new NIE, and no high-level decision makers were having discussions about the overall terrorism threat, the United States’ strategic understanding of the threat was limited.⁵⁴³

The only real threat assessments were done informally by the Counterterrorism Security Group within the National Security Council staff. Their message did not get through. Former national coordinator for counter-terrorism policy, Richard Clarke, was publicly critical of the Bush administration’s failure to recognize or deal effectively with the growing threat from Osama Bin Laden despite his persistent warnings. Yet Clarke acknowledged that even if the Bush Administration had followed his advice, it could not have prevented 9/11.⁵⁴⁴ The Commission suggested that Presidents Clinton and Bush both understood that al-Qa’ida was a

⁵⁴² 9/11 Commission, p. 77.

⁵⁴³ *Idem.*, pp. 341-343.

⁵⁴⁴ *Idem.*, p. 348.

danger, but they perhaps did not understand the scope or immediacy of it. “At some level that is hard to define, we believe the threat had not yet become compelling.”⁵⁴⁵

Certainly psychology and perception played a role in this case as in previous incidents. The perception still held that terrorists would only strike overseas despite the earlier attacks on the U.S., based on the more recent attacks in Africa and the Middle East. The Administration had ordered a review of U.S. counter-terrorism policy prior to 9/11, but it was not the top priority.⁵⁴⁶ The transition from one party to the other in the White House devoured a lot of White House energy, as did developing the President’s overall policy agenda. The biggest players in the threat environment seemed to be a belligerent China and an unpredictable North Korea.

Domestic intelligence collection and information sharing were well known problems by 2001. In the aftermath of the 1993 and 1995 bombings, Congress never seriously looked at revisiting the effect of the Church and Pike Commissions on domestic intelligence. One result was that FBI supervisors did not approve a search of a laptop seized from Zacarias Moussaoui, leaving important information that linked him to the 9/11 plot to sit unopened. The FBI and CIA were permitted by both the Executive and Legislative branches to continue their ongoing battle over information sharing. The CIA did not inform the FBI that several suspected terrorists had entered the country in early 2000 until August 2001.

Transportation security should have been improved, as well. Although recent history suggested the terrorists were less likely to hijack airplanes than they had been in the 1970’s, it was clearly a proven method of attack. Intelligence agencies had learned of the Bojinka plot, involving Ramzi Yousef and Khalid Sheikh Mohamed, to hijack and blow up twelve airliners

⁵⁴⁵ Idem., p. 343.

⁵⁴⁶ Senior advisors may have been guilty of mirror imaging, as well, assuming that Islamic terrorists harbored the same disrespect for Clinton; they failed perhaps to recognize the terrorists’ dislike of all Americans, not just the former President.

over the Pacific. Everyone expected that terrorists would use explosives to take down a plane, or hijack the plane and make negotiable demands. But there were warnings that the terrorists might try another tactic. Analysts were aware that terrorists had considered flying an airplane into CIA headquarters, perhaps inspired by the lunatic who flew a single engine plane into the exterior of the West Wing of the White House in 1994.

One other key difference between 1993 and 2001 is that in the intervening years, Osama Bin Laden had openly declared war on the United States, but the United States did not really declare war on him. The threat from his al-Qa'ida network was clear, and indeed intelligence agencies were working hard to thwart him. But during the 1990's the U.S. policy towards terrorism had focused more and more on a law enforcement strategy backed by judicial (and extra-judicial) means. The 9/11 Commission made several comments on the ultimate failure of this strategy:

An unfortunate consequence of this superb investigative and prosecutorial effort [after the first WTC bombing] was that it created an impression that the law enforcement system was well-equipped to deal with terrorism....

[T]he successful use of the legal system to address the first World Trade Center bombing had the side effect of obscuring the need to examine the character and extent of the new threat facing the United States....

The law enforcement process is concerned with proving the guilt of persons apprehended and charged.... The process was meant, by its nature, to mark for the public the events as finished – case solved, justice done. It was not designed to ask if the events might be harbingers of worse things to come. Nor did it allow for aggregating and analyzing facts to see if they could provide clues to terrorist tactics more generally....

Legal processes were the primary method for responding to these early manifestations of a new type of terrorism.⁵⁴⁷

⁵⁴⁷ 9/11 Commission, pp. 72-73. The Joint Inquiry also addressed the “law enforcement approach,” highlighting both pros and cons of the approach, particularly the conflict between obtaining convictions and gathering intelligence; see Steven Strasser, ed., *House-Senate Joint Inquiry Report on 9/11* (New York: Public Affairs, 2004), pp. 459-462. The report will hereafter be referred to as the Joint Inquiry report, not Strasser.

To reiterate the Commission's analysis, the law enforcement approach created false perceptions of its own adequacy, obscured the strategic threat, failed to create opportunities to further investigate terrorist networks, and restricted or forestalled other kinds of counterterrorism efforts. The law enforcement approach thereby effectively – even if unintentionally – avoided serious confrontation with Bin Laden and his sponsors. The limited cruise missile strike on Bin Laden's training camps in Afghanistan following the East Africa Embassy bombings did nothing to deter or harm al-Qa'ida. Despite some strong efforts by the CIA, the United States did not inhibit his plans in any serious way. It failed to interrupt his financial systems or his fundraising through American NGO's, to disrupt his communications or training, or to capture or kill him on several occasions. The law enforcement approach was simply ineffective.

6.2.3. Bush Administration Policies before 9/11

A discussion of American leadership failures prior to 9/11 would be incomplete without a brief review of what the Bush Administration was doing to counter terrorism. There are several areas for which Bush has been criticized: first, his overall understanding of the threat environment and the development of an overall strategy in response to al-Qa'ida; second, his failure to respond to the *USS Cole* attack; and third, the role of the transition between administrations in shaping the first two areas.

6.2.3.1. The Pre-9/11 Threat Environment The new administration's perception of the threat environment was complex, in that it faced the collapse of the Middle East peace process, a significant public incident with China over the collision between a Chinese fighter and a U.S. spy plane, and major developments in Europe, Mexico, and the Persian Gulf. The President's

advisors were also interested in developing a new nuclear strategy for the United States that would allow the deployment of missile defenses.

In March 2000, the NSC began a broad review of U.S. policy towards South Asia. President Bush wanted a more offensive approach to combating terrorism, but recognized that policy needed to be developed slowly to ensure that diplomatic and military efforts could be coordinated. Rice felt that a regional approach was needed, covering both Pakistan and Afghanistan; it would address not only diplomacy, intelligence operations, and military options, but also new efforts at disrupting terrorist financing and promoting public diplomacy. Following discussions between the CIA and the NSC in late May, Rice asked Clarke to draft a new presidential directive on fighting al-Qa'ida. The resulting document was much like Clarke's previous long-term plans for wide-ranging measures, and it included all of the tools Rice sought.⁵⁴⁸

About that time, Clarke asked to switch from counterterrorism to cyber-security because, as he told the Commission, he was frustrated with his role and with the Administration for failing to be "serious about al-Qa'ida."⁵⁴⁹ But he never said that to Rice, and he continued to head the CSG. He wrote a lengthy memo to Rice on September 4, 2001, complaining about the failure to act on his advice and warning that disaster was not far away. The Commission described the memo as a "jeremiad" but concluded that it was in part a culmination of his years of experience

⁵⁴⁸ 9/11 Commission, pp. 202-205.

⁵⁴⁹ Clarke's complaints about the Bush Administration were highly publicized during the Commission's hearings because he was presumably in the best position to evaluate Clinton and Bush White House counterterrorism efforts. But FBI Director Louis Freeh names him the "self-appointed Paul Revere of 9/11," suggesting that Clarke never really had the access to high-level officials he claimed; argues that he remembered "nothing of any significance" about Clarke; and accused Clarke of manufacturing stories about top-level conversations and playing loose and fast with other facts. Louis Freeh, *My FBI: Bringing Down the Mafia, Investigating Bill Clinton, and Fighting the War on Terror* (New York: St. Martin's Press, 2005), pp. 297-300.

and frustration.⁵⁵⁰ Clarke's frustration was understandable because the policy review process was slow, and his ideas and policy plans required the cooperation of executive branch counterterrorism officials with whom he had dealt for many years.

While the NSC staff was still working through the new presidential directive and policy options, the Administration was working on other fronts. Diplomatic efforts continued with the Taliban and the government of Pakistan, though to small effect, the Pakistanis seeming to have heard it all before. The CIA continued to work on plans for covert action, including the use of an armed unmanned aerial vehicle to kill Bin Laden. The Defense Department did not fully engage, since many military options had been considered and rejected previously and the President believed only an unthinkable invasion of Afghanistan would be effective. DOD also was embarking on its Quadrennial Defense Review, a time-consuming review of all DOD operations.⁵⁵¹ By September 2001 the broad outline of a new, more aggressive policy towards al-Qa'ida and the Taliban was taking shape, and the planning, legal documentation, and funding for the programs were being developed. But all of this took place in a complex decision-making environment, where the President was focused on a variety of other domestic priorities like tax cuts and foreign policy priorities like the ABM treaty and China.

6.2.3.2. No Response to the *USS Cole* The October 2000 bombing of the *USS Cole* in the port of Aden, Yemen occurred just three weeks before the Presidential election. U.S. counterterrorism officials immediately assumed that al-Qa'ida was behind the attack but sought additional evidence to confirm their suspicions. On October 30, National Security Advisor

⁵⁵⁰ 9/11 Commission, p. 213.

⁵⁵¹ *Idem.*, pp. 205-209. In August 2001, Attorney General John Ashcroft's deputy, Larry Thompson, reviewed and reaffirmed the 1995 rules on intelligence sharing between the FBI and criminal prosecutors; p. 210.

Sandy Berger agreed to have the State Department contact the Taliban with a message that would be “stern and foreboding” – the third time the U.S. had tried the same warning. If diplomatic efforts failed, military force might be considered.

Both Clinton and Berger told the Commission that in order to justify a retaliatory attack they needed intelligence and law enforcement officials to have “concluded” who had directed the bombing. Despite the emergence of strong evidence in November from the CIA, FBI, and the Yemenis that al-Qa’ida was directly tied to the bombing, Berger referred to the theory of al-Qa’ida responsibility as an “unproven assumption.” The CIA would not confirm – at least in the terms the White House wanted to hear – that Bin Laden was behind the attack. DCI Tenet told the Commission that nobody said they were waiting for the “magic words” to launch a retaliatory strike. So in a series of briefings in November and December, CIA officials told the White House that the information was not “definitive,” that there were only ambiguous indicators of al-Qa’ida direction. CIA analysts apparently believed that they should give only a “preliminary judgment,” so that if the government later prosecuted suspects in the Cole bombing, it could not be accused of having assigned culpability before it was proven. The FBI did not provide solid confirmation, either, perhaps because FBI Director Freeh and Attorney General Janet Reno knew that Clinton, Berger, and Secretary of State Albright were more interested in a final push for a Middle East peace agreement. Clarke and other counterterrorism officials at the FBI and State Department were all disappointed that no military response took place.⁵⁵²

The Bush Administration did not launch military strikes, either. President Bush told the Commission that he feared that a limited air strike would give Bin Laden a propaganda tool, and that only the use of ground forces – inconceivable and totally unsupported by the American

⁵⁵² The suggestion that Clinton was more interested in a “legacy” project like Middle East peace was made by Richard Clarke. 9/11 Commission, pp. 192-197.

people at the time – would have been effective. Bush’s advisors agreed that “tit-for-tat” responses would be counterproductive, some even feeling that the Cole attack was “stale.” Any response to the Cole would be part of the larger review of American policy toward Afghanistan.⁵⁵³

But the failure to respond to the bombing of the *USS Cole* was not crucial to 9/11. Bin Laden was unlikely to be deterred by the threat of force; the cruise missile attacks of 1998 did not deter him from sponsoring the Cole bombing. It is unlikely that a military attack against Bin Laden’s training camps by either President would have done anything to stop the 9/11 plot, unless it had happened to kill Khalid Sheikh Mohamed, the key planner in Afghanistan. Several of the “muscle” men slated to help with the hijackings did go through the camps in the summer of 2001, but they would have been easily replaced. Certainly a military response to the Cole bombing was in order, though it is unlikely that it would have had any effect on plans for 9/11.

6.2.3.3. Administrative Transition The Commission evaluated the effect of the transition between Presidential Administrations on counterterrorism policy. In December and January, CIA and Clinton Administration officials briefed President-elect Bush and his senior advisors on terrorism and other national security threats, focusing more on the Middle East and North Korea. Clarke felt that the President’s advisors had a steep learning curve after spending eight years out of power. The 36-day recount battle over the November election results meant that the new administration had half the usual amount of time for its transition. There were also delays in getting Senate approval for a large number of new Bush appointees at sub-cabinet levels. But the Commission concluded that because National Security Advisor Rice kept Clarke and the

⁵⁵³ Idem., p. 202.

entire CSG staff as holdovers, and because key counterterrorism officials remained in place at the CIA, FBI, State Department, and DOD, U.S. counterterrorism policy actually enjoyed “significant continuity” that was probably unprecedented.⁵⁵⁴

A related issue was the level of access that Clarke had to the National Security Council at the level of the Principals. Incoming National Security Advisor Condoleeza Rice decided that Clarke’s CSG should report through the more deliberative Deputies Committee instead of the Principals Committee, just as all the other interagency committees had to do. Clarke perceived this as a demotion, which perhaps colored his later comments. Although Clarke feared that working through the Deputies Committee would slow decision making, the delays in early 2001 in developing new plans for battling al-Qa’ida appear to have been the result of Rice’s determination to include those plans in a larger evaluation of U.S. policy towards Afghanistan and Pakistan.⁵⁵⁵

6.2.4. Congressional Responsibility

The Commission was pointed in its criticism of Congress and its failures leading up to 9/11. Congress “took too little action to address institutional weaknesses” in the intelligence community after the Cold War ended. It “adjusted slowly to the rise of transnational terrorism as a threat to national security. In particular, the growing threat and capabilities of Bin Ladin were not understood in Congress.” While the Commission recognized that Congress usually takes the President’s lead in addressing and budgeting for foreign affairs, it also pointed out that the Congressional committee structure had not adapted to the new security environment. At least fourteen different House committees had some oversight over terrorism issues. “Little effort was

⁵⁵⁴ Idem., pp. 198-200.

⁵⁵⁵ Idem., pp. 204-205.

made to consider an integrated policy toward terrorism... the piecemeal approach in the Congress contributed to the problems in the executive branch in formulating such a policy.” Congressional oversight of intelligence had atrophied, focusing on crisis events or scandals, not strategic direction. The Commission bluntly concluded:

Each of these trends contributed to what can only be described as Congress’s slowness and inadequacy in treating the issue of terrorism in the year before 9/11.... Its attention to terrorism was episodic and splintered across several committees. Congress gave little guidance to executive branch agencies, did not reform them in any significant way, and did not systematically perform oversight to identify, address, and attempt to resolve the many problems in national security and domestic agencies that became apparent in the aftermath of 9/11....

Terrorism was a second- or third-order priority within the committees of Congress responsible for national security.⁵⁵⁶

The Commission even went so far as to accuse Congress of abdicating its oversight responsibilities to outside commissions, which made dozens of recommendations on how to improve homeland security and fight terrorism but which were also ignored by Congress. The 9/11 Commission itself was created in large part at the insistence of Congress and its Joint Inquiry.

Thus we see a sad continuity of leadership failures from 1993 to 2001, from threat assessment to intelligence collection to transportation security to Congressional oversight. The threat from Bin Laden was clear in 2000 and 2001, but understanding did not lead to timely or effective action.⁵⁵⁷ According to the Commission, “Even officials who acknowledge a vital threat intellectually may not be ready to act on such beliefs at great cost or at high risk.”⁵⁵⁸

⁵⁵⁶ *Idem.*, pp. 102-107.

⁵⁵⁷ We will return to a discussion of warning indicators in the summer of 2001 and what they did or did not indicate.

⁵⁵⁸ 9/11 Commission, p. 119. It is little wonder that if Congress did not make a priority of terrorism, the executive branch did not elevate it any higher, either.

6.3. ORGANIZATIONAL OBSTACLES

Many of the organizational obstacles seen in previous cases were also present in the prelude to 9/11, including ancient technology at the FBI, risk-averse organizational cultures at the FBI and CIA, lack of information sharing, poor immigration enforcement, and inattention to infrastructure security.

6.3.1. FBI Structure and Technology

We have already discussed the FBI's risk-averse culture and focus on prosecution at the expense of intelligence. Organizational obstacles at the FBI also included a decentralized system for allocating resources and a woeful lack of technology.

FBI Director Louis Freeh declared counterterrorism to be a high priority, but the FBI never got its organization and resources in line with its stated priorities. FBI headquarters did not change its spending patterns to fully support counterterrorism.⁵⁵⁹ The FBI had thousands of skilled investigators and analysts, experts in forensic science and psychological profiling, and financial analysts who could have been involved in tracking down al-Qa'ida. But they were scattered in field offices across the country, their individual assignments determined by each field office's Special Agent in Charge (SAC). This decentralized authority meant that SAC's did not have to shift their focus or their personnel to comply with Freeh's directives. Many simply assigned their counterterrorism analysts to work on criminal or drug cases.⁵⁶⁰ As of August 2001, the FBI acknowledged that it had only 70 field investigations into terrorist activity in the

⁵⁵⁹ Here we see the results of conflicting sets of priorities between the President, the FBI, and the Congress, and the failure of Congress to oversee how its budgeted monies were being spent.

⁵⁶⁰ *Idem.*, pp. 76-77.

United States, though that included both basic contacts as well as full investigations. Allocation of resources and effort never matched the Bureau's rhetoric.

Technology was another major obstacle. Although it has a tremendous forensics lab and experts in the complicated accounting of white collar crime, the FBI has never been known as a high-tech institution. When Louis Freeh became Director in 1993, the first thing he did was have staff remove the computer from his desk. Freeh eventually asked for money to update the FBI's workplace technology, but Congressional battles limited what ultimately was made available. The Commission was blunt in its assessment of the FBI's technology problems.

[A]nalysts had difficulty getting access to the FBI and intelligence community information they were expected to analyze. The poor state of the FBI's information systems meant that such access depended in large part on an analyst's personal relationships with individuals in the operational units or squads where the information resided....

Finally, the FBI's information systems were woefully inadequate. The FBI lacked the ability to know what it knew: there was no effective mechanism for capturing or sharing its institutional knowledge. FBI agents did create records of interviews and other investigative efforts, but there were no reports officers to condense the information into meaningful intelligence that could be retrieved and disseminated.⁵⁶¹

Until recently even the headquarters division in Washington, DC only had one Internet-accessible computer per floor. In 2000, the Bureau began a program to update its technology, known as Trilogy. The new computer network was finally completed in 2003, the first major workflow re-engineering done at the Bureau since the 1950's.⁵⁶² A new virtual case file system that was intended to store case-related data and allow agents across the country to access and

⁵⁶¹ Idem.

⁵⁶² Sara Michael, "FBI's Trilogy Network Completed," *Federal Computer Week (fcw.com)*, April 3, 2003.

cross-check others' case files was shelved in early 2005, and a different system is now slated to be completed by 2009.⁵⁶³

6.3.2. CIA Culture and Priorities

Like the FBI, the CIA developed a culture that was risk-averse and reluctant to share information. While the CIA had dealt with Soviet penetrations during the Cold War, the CIA became more concerned than ever before about the compartmentalization of information after the espionage case of Aldrich Ames became public in the early 1990's. The result was that agents and analysts were reluctant to share information within or outside the agency, including via e-mail. Information sharing problems were compounded by the decentralization of the agency, which allowed significant autonomy to its overseas stations and their Chiefs. The CIA perceived headquarters as a support function to the field, meaning that crucial information was not always sent back to Washington. Perhaps most importantly, the CIA played what one intelligence analyst called "zone defense" covering its country or region assignments rather than "man-to-man" defense keeping a close tab on individuals.⁵⁶⁴ In 1999 the CIA lost track in Kuala Lumpur of several terrorists connected to the Cole bombing (and who later participated in 9/11), but the regional station only pursued the matter for several months and then dropped it.

CIA culture also valued certain kinds of collection and analysis over others. The chief of the Bin Laden unit at the CTC did not want analysts focusing on financial transaction analysis because it did not reveal much about terrorists' intentions or plans. Although the CIA did

⁵⁶³ Michael Arnone, "FBI Puts its Modernization Bets on Sentinel," *Federal Computer Week (fcw.com)*, May 30, 2005.

⁵⁶⁴ 9/11 Commission, p. 268.

eventually gain a better understanding of Bin Laden's funding sources, it never found or disrupted his money supply.⁵⁶⁵

The CIA was required to collect information on a wide variety of threats that were all deemed to be priorities. DCI Tenet told the Joint Inquiry that at the time he "declared war" on al-Qa'ida in 1998, the CIA had been dedicating many of its resources to Operation Southern Watch for more than five years, to nuclear weapons developments in India and Pakistan, and in early 1999 to support the NATO bombing campaign in Yugoslavia. Everything was a priority.⁵⁶⁶

And although the CIA was publicly "at war" with terrorism, its budgets never matched its stated priorities. The agency's budget was cut each fiscal year from 1990 to 1996, and remained flat during the rest of the 1990's. Counterterrorism in particular was funded poorly. DCI Tenet wanted to leverage the need for funding for counterterrorism into funding for across-the-board improvements at CIA that were genuinely needed but not part of the counterterrorism fight. The NSC staff felt that CIA was not allocating its money correctly, and had kept counterterrorism funding close to its baseline. Ultimately Tenet got some additional money for fiscal year 2000, but he still believed that counterterrorism at CIA remained underfunded.⁵⁶⁷

6.3.3. Information Sharing

The decentralization of the FBI and CIA left vital information sitting in field offices and overseas stations without adequate review and coordination. The CIA knew that several terrorist leaders were together in December 1999 in Kuala Lumpur, Malaysia, for a planning meeting,

⁵⁶⁵ Idem., pp. 185-186.

⁵⁶⁶ Joint Inquiry, pp. 470-471.

⁵⁶⁷ 9/11 Commission, pp. 90-91 and 184.

and flew from there to Thailand. When they lost the trail in Thailand, the local station basically filed away the information and did nothing with it. They did share some information about the meeting with the FBI, but did not notify the FBI that two of the terrorists – who happened to be two of the four pilots on 9/11 – had possibly entered the country in January 2000. A CIA officer told the Joint Inquiry that the two men’s travel was unimportant to him; what mattered was their connection to Yemen.⁵⁶⁸ Only in August of 2001 did an alert FBI agent start to piece the information together and conclude that two dangerous terrorists might be in the United States.

There were two key developments in the 1990’s pertaining to information sharing that exacerbated the problem. First, as a result of the Aldrich Ames case in 1994, Attorney General Reno issued new rules governing how the FBI and federal prosecutors could share information. The new rules came to be seen as a “wall” between intelligence and criminal investigation. As part of the process, the Department of Justice’s Office of Intelligence Policy and Review (OIPR) became more heavily involved in screening FBI requests for FISA authority to initiate wiretaps. The OIPR’s new role as gatekeeper between the FBI and federal prosecutors caused delays and frustration with the Bureau; the FBI consequently made far fewer requests for FISA authority.⁵⁶⁹ The FBI allowed two-thirds of its FISA orders against al-Qa’ida suspects to expire in 2001 because the process simply took too long. This was why FBI supervisors were reluctant to request authority to crack Zacarias Moussaoui’s laptop when he had been arrested by the Minnesota field office.

⁵⁶⁸ Joint Inquiry, p. 487.

⁵⁶⁹ 9/11 Commission, pp. 78-79. Although the FBI had overcompensated for earlier mistakes and allowed a culture of fearfulness to develop in response to external restrictions on intelligence collection and sharing, there were genuine restrictions, and OIPR’s aggressive pursuit of a central role in the FISA process was an obstacle in reality not just in perception.

One of the ironies of the 9/11 Commission investigation was that it asked for testimony from both the current and former FBI Directors and U.S. Attorney Generals in regards to the domestic intelligence collection restrictions imposed on the FBI – restrictions which were made significantly tighter by one of the commissioners, Jamie Gorelick. Gorelick authored the new 1995 rules, which acknowledged that they went beyond what was legally required in order to avoid the appearance of improper activity by DOJ. Then-Attorney General John Ashcroft was pointed in his criticism of Gorelick’s apparent conflict of interest. Some observers called for Gorelick to recuse herself, but the other commissioners backed her up and she stayed on the panel.

Second, “the wall” came to be understood by FBI agents as restricting their ability to share intelligence information even within their own squads. FBI leaders warned agents that sharing too much information could damage their careers. Agents came to believe that they could not share any intelligence information – gathered through FISA or not – with anyone working on a criminal case. Important information from the NSA and CIA that was available to the national security and counterterrorism units of the FBI was not shared with criminal investigators. Similarly, agents mistakenly believed that any grand jury information could not be shared with anyone. The Commission concluded that these various problems “blocked the arteries of information sharing.”⁵⁷⁰ According to Ashcroft:

The 1995 guidelines and the procedures developed around them imposed draconian barriers, barriers between the law enforcement and intelligence communities. The wall effectively excluded prosecutors from intelligence investigations. The wall left intelligence agents afraid to talk with criminal prosecutors or agents. In 1995, the Justice Department designed a system that was destined to fail.⁵⁷¹

⁵⁷⁰ Idem., pp. 79-80. Even if blockage was not the point of the legal restrictions, it was an effect.

⁵⁷¹ Testimony of John Ashcroft, Staff Report, p. 308.

The Commission heard testimony from several policy makers who shared their view.

National Security Advisor Condoleezza Rice told the Commission that:

In hindsight, if anything might have helped stop 9/11, it would have been better information about threats inside the United States – something made very difficult by structural and legal impediments that prevented the collection and sharing of information by our law enforcement and intelligence agencies.⁵⁷²

Attorney General John Ashcroft concluded:

We did not know an attack was coming because for nearly a decade our government had blinded itself to its enemies. Our agents were isolated by government-imposed walls, [and] handcuffed by government-imposed restrictions...⁵⁷³

The Commission concluded: “The government’s ability to collect intelligence inside the United States, and the sharing of such information between the intelligence and law enforcement communities, *was not a priority before 9/11.*”⁵⁷⁴

6.3.4. Immigration Enforcement

In 2001, as it had been in 1993, the Immigration & Naturalization Service was one of the frontline organizations capable of assisting in counterterrorism. With more than 11,000 Border Patrol and INS agents across the country, the agency was responsible for tracking visitors to the United States. The agency was directed by the White House, DOJ, and Congress to focus on stopping illegal immigration on the southwest border, deporting criminal aliens, and expediting applications for naturalization. Thus the agency was tasked with both encouraging immigration

⁵⁷² Testimony of Condoleezza Rice, Staff Report, p. 215.

⁵⁷³ Staff Report, p. 306. Ashcroft did not mention that his office had reviewed “the wall” and did nothing to it in the summer of 2001.

⁵⁷⁴ 9/11 Commission, p. 328. Emphasis added.

and restricting it. But the INS lacked the human resources and technology to be successful in most of those missions.⁵⁷⁵

Although the number of Border Patrol agents increased during the 1990's, the agency's most glaring weakness was its technology. In 1993, border inspectors still had paper watchlists, and Border Patrol agents still used manual typewriters. By 2001 the INS had failed to implement either of two computer systems helpful in detecting potential terrorists – one to track compliance of foreign students with visa requirements, and the second to track both the entry and exit of visitors to the United States. One of the potential “muscle” men for the 9/11 plot was turned away by an immigration inspector when he landed in Florida. But the lack of an entry-exit system meant that several terrorists in both WTC cases who over-stayed their visas could have been spotted and expelled from the country long before the attacks occurred.

6.3.5. Transportation Security

Like the INS, the Federal Aviation Administration (FAA) had competing missions. It was mandated by Congress to both promote airline travel in the U.S. and to provide regulatory oversight of safety and security for the civil aviation industry. Although FAA could make recommendations, aviation security was implemented by the airlines and airports themselves, in a sort of “layered” defense. But according to the Commission, each of those layers that might have prevented a hijacking – intelligence, passenger pre-screening, checkpoint screening, and onboard security – was seriously flawed prior to 9/11.

The FAA's intelligence unit did not receive information it needed from the FBI and CIA about terrorists inside the United States, and senior administrators paid little attention to

⁵⁷⁵ Idem., pp. 80-81.

intelligence anyway. The working assumption within the agency was that terrorists were more likely to use sabotage (bombs) rather than commit hijackings. Thus threat assessment at the FAA was weak, and any intelligence reported to the airlines was given as an advisory or warning, not a directive.

The three layers of defense left almost entirely to the airlines were even weaker than intelligence. Passengers were screened prior to embarkation, but there were only 12 names on the “no-fly” list as of 9/11; the FAA was unaware that the State Department had a list of 60,000 potential terrorists available for screening. Even the Computer Assisted Passenger Pre-Screening (CAPPS) system, meant to flag potential hijackers, only required an additional search of a passenger’s checked baggage for explosives; carry-on items were excluded. Checkpoint screening was ineffective, thanks to faulty x-ray machines and different interpretations of what constituted prohibited items (such as the length of knife blades). Onboard security was not meant to handle suicide hijackings; flight crews were instructed to cooperate with hijackers’ demands in the hopes of prolonging the incident until a peaceful resolution could be found.⁵⁷⁶

Essentially, transportation security was left up to the airlines, which were far more concerned about safety and commercial concerns. The CAPPS system did flag nine of the 9/11 hijackers, but nothing was found in their luggage, and they were allowed to board the aircraft. Nowhere else did the aviation security layered defense prevent the 9/11 hijackers from boarding and commandeering four airliners from three airports.⁵⁷⁷

⁵⁷⁶ Additionally, there were only 33 air marshals as of 9/11, and they were not deployed on domestic flights for the most part since the hijacking threat was perceived to be overseas. See 9/11 Commission, p. 85.

⁵⁷⁷ *Idem.*, pp. 82-85. See also Staff Report, p. 40.

6.3.6. Organizational Obstacles Remain

Five years after 9/11, the prognosis is not good. Organizational obstacles that have been clearly identified since before the first World Trade Center bombing continue to leave the United States vulnerable to intelligence failures and mass casualty terrorism.

- The FBI still cannot get a handle on technology. Its newest virtual case file system will not be completed for another three years, nearly a decade after the Bureau received its first information on several of the 9/11 hijackers.
- A year after their report was published, the former commissioners of the 9/11 Commission were still concerned that problems they identified at the FBI had not been addressed, including attitudes. A former CIA officer and chairman of the National Intelligence Council, John Gannon, told commissioners that FBI culture still denigrates analysts vs. agents. “If you are not an agent, you are furniture,” he testified.⁵⁷⁸
- The National Counter Terrorism Center (NCTC) is meant to centralize intelligence data, but it seems to gather more information than it disseminates, leaving front-line analysts and agents without information they need.⁵⁷⁹
- Although the majority of terrorist watchlists generated by various agencies have been integrated into one list (with the key exception of the ICE and FBI biometric databases), it will still take several more years before the combined database is fully functional.⁵⁸⁰
- Airline security has been significantly improved, but persistent complaints about privacy and “profiling” have delayed implementation of some critical components of the overall security plan. Progress has been far slower in improving security for mass transit, railroads, and ports.
- Although Congress has created new committees on Homeland Security, oversight of counterterrorism efforts is still provided by multiple committees in each house.

6.4. THREAT AND WARNING INFORMATION

The intelligence community missed many of the warning indicators of the impending attacks – the signals about who, what, when, where, and how. It also failed to varying degrees to perceive the threat indicators that were present in the strategic threat environment.

⁵⁷⁸ Stephen Dinan, “Panel fears shortcomings remain in intelligence,” *The Washington Times*, June 7, 2005.

⁵⁷⁹ Sara Michael, “9/11 Panel Told of IT Failures, Hopes,” *Federal Computer Week (fcw.com)*, April 19, 2004.

⁵⁸⁰ Burt Helm, “The Terror Watch List’s Tangle,” *Business Week Online*, May 11, 2005 (online).

6.4.1. Threat Indicators

In every case it seems that the intelligence community as a whole was not fully in tune with the actual threat environment facing the United States. In 1993, analysts could look to the recent history of terrorism, including attacks against U.S. interests; and to the rise of militant Islam, witnessed by calls for *jihad* against the West in late 1992. In 1995, there were significant threat indicators – the militias were engaged in illegal activities, were heavily armed, were actively committing violent acts, and were involved in plans to commit even greater violence. In 1996, much was known of the extremist Islamic groups in the Kingdom; Iranian intelligence operatives were active in the region; and U.S. forces were the source of anger for Iraq, Iran, and Osama Bin Laden. In 1998, Iran and Sudan were moving to expand Islam in East Africa; al-Qa’ida was known to have operational cells in the region, which had historic ties to the Middle East; and recent violence in the area had a religious tone to it.

Certainly there were intelligence officers and analysts, military officers, security experts, and others who observed these threat indicators. But not enough was done by way of strategic analysis. Conventional wisdom was allowed to prevail over serious, critical thinking. “Terrorists would never strike the American homeland.” “The militias are not that serious about violence against the government.” “Saudi Arabia is a benign environment for U.S. troops.” “East Africa is a backwater with little potential for terrorism.” If there were any who disagreed with the conventional wisdom, their voices were not heard by supervisors or policy makers responsible for intelligence planning, counterterrorism, or security.

6.4.2. Threat Indicators Prior to 9/11

At the highest levels of government of the terrorist threat, the understanding of the threat environment was inconsistently held and incomplete at best. The Commission was critical of both the FBI and the CIA for failing to conduct much by way of strategic analysis of al-Qa'ida. The FBI had only two analysts assigned to al-Qa'ida, and the CIA's strategic analysis unit (within the Bin Laden Unit) was only established in the summer of 2001. Thanks to Clarke and his team, the NSC had a much clearer picture by 2001 of Osama Bin Laden and al-Qa'ida's structure and operations. That picture was largely shared by the Principals Committee, and Presidents Clinton and Bush both had a reasonable intellectual grasp of the overall threat.

Yet the Presidents' understanding of the strategic threat was deficient in several specific ways. First, it understated the deadly intentions of Bin Laden. Despite the bombing incidents of the 1990's (and the disclosure that Ramzi Yousef had hoped to kill 250,000 people by bringing down the World Trade Center), there were two schools of thought on the threat posed by al-Qa'ida. One held that al-Qa'ida was an annoying group that killed a small number of Americans overseas every other year or so. The other held that al-Qa'ida was a first-order threat that required urgent action. But even Clarke himself saw the threat as the possible death of hundreds, not thousands, of victims.⁵⁸¹

Second, the terrorist threat was still presumed to be overseas. Recent history suggested that attacks would come overseas, like the African Embassies and the *USS Cole*. Jordanian authorities broke up a plot to attack multiple Western targets in Amman timed to coincide with Millennium celebrations. The American Embassy in Yemen was closed briefly in the summer of 2001 after threats were made against it. Although there was a significant increase in warning

⁵⁸¹ 9/11 Commission, pp. 343-344

indicators that summer, officials presumed that attacks would be overseas. They acknowledged that attacks could come in the United States, but their public warnings suggested that the threat was not domestic. But the intelligence community was not watching for all the right indicators – intelligence was looking for foreign cells and foreign targets, law enforcement was looking for sleeper cells and domestic targets, but nobody was looking for foreign cells and domestic targets.⁵⁸²

Even the reading of recent history was somewhat misleading. The public had feared the arrival of the new millennium because of the presumed Y2K computer crisis, and officials were concerned that terrorists might take advantage of the situation. Intelligence and law enforcement were remarkably effective at sharing information in the months leading up to New Year's Day of 2000. In retrospect, the arrest of al-Qa'ida operative Ahmed Ressam as he attempted to enter the United States on December 14, 1999 should have been seen as a harbinger – al-Qa'ida was attempting to get operatives inside the U.S. to carry out attacks. Two other Algerians were also arrested attempting to cross from Canada. Although the public was alarmed initially by the reports from Jordan and the arrest of Ressam,⁵⁸³ the fact that the Millennium celebrations did go off without a hitch allowed the public – and perhaps the intelligence community – to forget what had happened. DCI Tenet later testified before the Joint Inquiry:

[T]he one thing that strikes me that we all just let pass from the scene after the Millennium threat was this fellow who tried to cross the border from Canada into the United States. There were no attacks. There were no Americans killed. We didn't have any hearings. We didn't talk about failures. We didn't talk about accountability. We just assumed the system would keep working because it prevented the last attack. He tried to cross the border; and I think one of the things that everybody should have done is say, 'what does this mean?,' more carefully, rather than just moving from this threat to the next. Assuming that it

⁵⁸² Idem., pp. 258, 263.

⁵⁸³ Idem., pp. 174-180.

had been disrupted, what does it mean for the homeland? Should we have taken more proactive measures sooner? Hindsight is perfect, but it is the one event that sticks in my mind.⁵⁸⁴

What Tenet failed to point out was that Ressam was caught only because a Customs inspector, based on her own experience and training, thought he was acting suspiciously and inspected his bomb-laden vehicle. The intended terrorist was not caught as a result of intelligence gathering or a national strategy to counter terrorism in the homeland.⁵⁸⁵

While there were weaknesses, the overall reading of the threat environment prior to 9/11 was appropriately shaped by the increased tempo of intelligence reporting on terrorist threats and plots in the spring and summer 2001. Reports surged in the spring to the highest level since the Millennium. In May came a report that al-Qa'ida planned to hijack an airplane to win the release of blind Sheikh Rahman from prison. The largest increase in reporting came in June and July of 2001, resulting in a terrorist threat advisory suggesting a "high probability of near-term 'spectacular' attacks resulting in numerous casualties." DCI Tenet told the Commission that "The system was blinking red." But by mid-July reports suggested that the impending attacks had been delayed, and by late July the reporting subsided considerably. Nearly everything reported to the President and his Cabinet seemed to point to attacks occurring overseas, though Clarke and CIA officials remained concerned about attacks in the United States. But senior officials knew something unprecedented and terrible was about to happen. They just did not know when or where or how.⁵⁸⁶

⁵⁸⁴ Joint Inquiry, p. 428.

⁵⁸⁵ 9/11 Commission, p. 179. It is true, however, that the Customs agent was perhaps more alert to suspicious behavior because the NSC and all Cabinet agencies were actively involved in "shaking the trees" on a daily basis prior to the Millennium, trying to locate terrorist plots.

⁵⁸⁶ Idem., pp. 254-263.

6.4.3. Warning Indicators

In each case we have reviewed, warning indicators were available within the grasp of intelligence analysts. With the benefit of hindsight, the signals seem very clear. At the time, in all the noise of intelligence reporting on terrorism threats, clearly those signals were lost. Or, as suggested above, nobody was listening for those particular signals because the perceived threat environment did not suggest those warning indicators. However, this study suggests that many of the pieces of information needed to interrupt the bomb plots were indeed known to intelligence analysts or law enforcement officials, but the data was not collated, shared, and analyzed fully. If the pieces had been put together, it is possible, although not at all certain, that each of the incidents might have been prevented or averted.

The World Trade Center bombing in 1993 probably exhibited the clearest set of warning indicators that should have led to responsive action. In the months leading up to the bombing, there was specific, credible information available concerning the likely method, the intended target, possible timing, and certainly the instigators themselves. Law enforcement authorities were aware of many of the bomb plotters and their clear connections to terrorism and assassination, but missed a number of opportunities to intercept or arrest them and disrupt the plot.

The warning indicators were not as clear in Oklahoma City, however. Although militia literature advocated the bombing of federal buildings and killing government officials, there were too many available targets. Domestic terrorists had typically used small-scale pipe or letter bombs, not truck bombs. Two under-employed drifters and Army buddies making the gun show circuit basically stayed below the radar screen. If there were others involved in the bomb plot, the larger group of actors might have made a mistake of some sort to garner attention from law enforcement. But clearly the attack was carried out by a relatively small group of people, who

were naturally careful (even paranoid). Thus any warning indicators were few and far between. It would have taken more than the best technology and the best analysts to uncover the Oklahoma City plot in time to avert the disaster.

At Khobar Towers there were warning indicators of an impending attack, less clear than New York but better than Oklahoma City. Investigators later determined that while tactical details were difficult to acquire, there was plenty of information about the capability and intention of terrorists to strike at US forces, specifically at Khobar Towers. Intelligence did find clues about the preparations for a terrorist attack, from surveillance of the military complex to the smuggling of explosives and experts into Saudi Arabia. But conventional wisdom about the threat environment and about terrorist tactics kept analysts from looking for possible indicators of a larger attack.

Intelligence could have observed a number of tactical warning indicators about the 1998 embassy bombings. These included: information from informants about the intended bombing; warnings from Bin Laden and from Hezbollah; reports of surveillance of the embassies; the withdrawal of Iranian diplomats from Kenya and Tanzania; another commemorative date; and the repeated use of a vehicle bomb. Perhaps most important was the information contained on Wadih El-Hage's seized computer indicating the presence of a larger terrorist cell in the area. Between the State Department and the CIA, neither developed a clear picture of the threat or warning indicators in East Africa.

6.4.4. Warning Indicators Prior to 9/11

Senior officials from both the Clinton and Bush Administrations testified before Congress and the 9/11 Commission that there really was nothing by way of warning indicators given before

September 11. Critics of both Presidents tried to find the “smoking gun” indicating that one or the other knew beforehand what would happen. Critics pointed to an August 2001 Presidential Daily Briefing (PDB) indicating that Bin Laden was intent upon attacking the United States as proof that the President did know or should have known that an attack was coming. President Bush told the Commission that the PDB was historical, confirming much of what he already knew about al-Qa’ida.

Bush’s defenders can point to a PDB delivered to President Clinton on December 4, 1998, warning of possible aircraft hijackings in the near future. That report noted that al-Qa’ida members were training for hijackings and had successfully evaded airport security on a practice run. The FBI later could not substantiate the intelligence, and in the event, nothing happened and the temporary FAA alert status ended January 31, 1999.⁵⁸⁷ Neither PDB provided tactical details, so any suggestion that either Administration knew an attack was coming but did nothing are ridiculous. It is clear from the investigations that a number of warning indicators were available – the problems were with coordination, analysis, and dissemination of the warnings.

6.4.4.1. Likely Methods Perhaps the most important indicator, and the earliest available, concerned the method used on 9/11 – suicide hijackings of commercial aircraft. In the previous seven years, intelligence analysts had come across several different plots with similar methods. Algerian terrorists intended to fly a hijacked plane in 1994 into the Eiffel Tower. The 1996 Gore Commission on aviation security looked into the danger of explosives being planted on aircraft, though it failed to consider suicide hijacking. Iran apparently considered hijacking a Japanese plane and crashing it into Tel Aviv. In August 1998 the intelligence community learned that a

⁵⁸⁷ 9/11 Commission, pp. 128-130.

group of Arabs planned to fly an explosives-laden plane into the World Trade Center, but the FAA and FBI thought it unlikely, and filed away the information. In 1999 an Egyptian pilot flew a crowded airliner straight into the sea after taking off from New York. There were rumors that terrorists planned to crash an airplane into a U.S. city, the Nairobi Embassy, or into an airport; variations included the use of hang gliders or unmanned aerial vehicles.⁵⁸⁸

The most extensive terrorist planning for a suicide mission was the “Bojinka” plot involving Ramzi Yousef and his uncle, Khalid Sheikh Mohammed. Yousef planned to blow up twelve American airplanes in midair over the Pacific. Financial support for the plot came from Mohamed Jamal Khalifah, Bin Laden’s brother-in-law.⁵⁸⁹ Yousef did plant a bomb on a Japanese airplane on a practice run, killing one and nearly bringing down the plane but for the extraordinary efforts of the pilot to bring the plane in for an emergency landing. The plot was disrupted by an accident with bomb chemicals and the capture of one of his fellow plotters, Abdul Hakim Murad, before he could fully execute the plot. The plan was intended to include the assassinations of President Bill Clinton and Pope John Paul II and flying a small airplane into CIA headquarters. After 9/11, the CIA learned that in 1996 Khalid Sheikh Mohammed and Mohammed Atef, Bin Laden’s deputy, perhaps inspired by the Bojinka plan, had studied the feasibility of hijacking airplanes and blowing them up in flight. They proposed to Bin Laden that they hit the World Trade Center with a small plane filled with explosives, but Bin Laden wanted an even bigger plan. Unfortunately, because the plane-into-the-CIA element was not crucial to the FBI’s case against Murad, it did almost nothing with the information.⁵⁹⁰

⁵⁸⁸ 9/11 Commission, pp. 344-345. See also Joint Inquiry, pp. 431-434, 442-445.

⁵⁸⁹ Joint Inquiry, p. 377.

⁵⁹⁰ Idem., pp. 379, 424.

Then there was the famous July 2001 “Phoenix Memo” from an FBI field agent to headquarters. The agent suggested that there seemed to be a large number of “persons of interest” – potential terrorist suspects – taking flight classes at area flight schools. He did not indicate that it was a particularly urgent threat, and headquarters did not perceive or act on it that way. Immediate investigation might not have led to the 9/11 plotters, but would have provided an opportunity to alert the airlines and the public and possibly forestall the event.

But it was not for lack of imagination that the suicide hijacking scenario was not developed and analyzed further. Clarke had tried to implement air defense plans for the 1996 Atlanta Olympics, and asked an inter-agency group to evaluate possible responses to an airplane loaded with explosives being flown toward Washington, D.C. After the Millennium crisis, Clarke held a CSG meeting focusing largely on possible airline hijackings by al-Qa’ida. The FAA’s Civil Aviation Security intelligence office identified a suicide hijacking as a possible, though unlikely, scenario. A DOJ trial attorney analyzed a theoretical airplane plot and the legal authorities needed to shoot down such an aircraft. And DOD had included a suicide hijacking of a plane – being flown into the Pentagon – in one of its wargaming exercises. So there were several agencies that had thought about the suicide hijacking scenario. What they failed to do was to develop indicators of what such a plot would look like from the outside, so that they could target intelligence resources on those indicators.⁵⁹¹

6.4.4.2. The Plotters Khalid Sheikh Mohamed (KSM) and Bin Laden were cautious about who they selected for the plot. They chose young jihadists who did not have known terrorist connections. Many were Saudi citizens, who could enter the U.S. more easily than Yemenis and

⁵⁹¹ 9/11 Commission, pp. 344-346.

others, and they were given new (forged) passports. The men entered the country mostly on tourist visas that would be vetted by the local embassy – but only for indications that they planned to immigrate and not just visit, a rare problem among Saudis. KSM trained the 9/11 hijackers to be careful about their activities inside the United States. They did not associate with known radicals already in the U.S., although several of them had contact with an imam in California who moved to Northern Virginia at about the same time as several of the plotters. The hijackers shaved their beards, wore Western clothes and jewelry, and even traveled to Las Vegas, where they were sure to encounter forbidden sights and activities. They engaged in no suspicious banking activities, keeping all of their transactions to small amounts.⁵⁹²

Yet there were opportunities to interdict several of the key plotters, including Khalid al Mihdhar and Nawaf al Hazmi. The two men were present at a terrorist gathering in Kuala Lumpur in 1999, and though the CIA lost their trail in Thailand, it was later confirmed that Hazmi had flown to the United States in January 2000 and that Mihdhar also had a U.S. visa. (In fact, Mihdhar had flown to the United States on the same flight as Hazmi.) But the CIA failed to place either man on the TIPOFF list at the State Department, which meant that neither embassy staff nor port of entry personnel would know to stop them (which they had an opportunity to do with Mihdhar in 2001).⁵⁹³ Hazmi and Mihdhar shared several apartments in California in early 2000, using their real names and even listing Hazmi in the phone book. But the CIA did not share enough detail about the men with the FBI until too late in 2001.

Effective immigration enforcement might also have caught pilot Hani Hanjour. He entered the United States through San Diego on December 8, 2000 to study English as a second language in Oakland, California. Instead, he immediately moved with Hazmi to Arizona to take refresher

⁵⁹² *Idem.*, pp. 221-241.

⁵⁹³ *Idem.*, p. 266.

flight training. If either the ESL school or the flight school had reported this immigration violation to the INS, and if the INS had located Hanjour in Arizona, they might have been able to remove him from the country.⁵⁹⁴

One of the lingering mysteries of 9/11 is whether the intelligence community might have had information about the ring-leader, Mohamed Atta. In the late 1990's the U.S. Army had started a program known as Able Danger with a small group of analysts, utilizing data mining technology to extract information from open sources. In February 2000 they apparently identified Atta by name, and incorporated him in a large link-chart showing transnational terrorist connections. The chart was presented in briefings to Chairman of the Joint Chiefs of Staff General Hugh Shelton, who had authorized Able Danger in the first place, and to (then-Deputy) National Security Advisor Stephen Hadley. Neither could later remember having seen anything about Atta. Two analysts from the Able Danger program were interviewed by the 9/11 Commission and confirmed that they had identified Atta, but the final Commission report made no mention of the program. Commission members were publicly defensive about their failure to include an analysis of Able Danger in the report, but Co-chairman Lee Hamilton acknowledged, "We looked at over two million documents and had a very good staff, but it's possible we missed something."⁵⁹⁵

Yet it is almost impossible to say with certainty whether the Commission missed the most important data answering the question of what intelligence analysts knew about the 9/11 plotters before the attack. The truth about Able Danger is still a mystery because the chart was destroyed

⁵⁹⁴ Idem., pp. 225-227.

⁵⁹⁵ James Rosen, "General Confirms al-Qaida Data Hunt," *Sacramento Bee*, December 7, 2005, p. A1. See also Andrew McCarthy, "It's Time to Investigate Able Danger and the 9/11 Commission," *National Review*, December 8, 2005; Douglas Jehl, "2nd Lawmaker Credits Secret Intelligence Program," *The New York Times*, October 1, 2005, p. A11.

and the data was purged from computer systems at DOD, in violation of rules on the destruction of classified data; to compound the problem, the Defense Department in September 2005 issued a gag order to prevent any of the Able Danger analysts from testifying before Congress about the program. If indeed Able Danger did uncover the identity of Atta, it might have led to the discovery of other members of the plot; public records available on 9/11 listed names, addresses, and phone numbers of several plotters. As in other cases, however, that information would have to be shared, analyzed, and acted upon, to have made any difference before the attacks.

6.4.4.3. Estimated Timing & Possible Targets We have already discussed how in the spring and summer of 2001 threat reporting reached its highest level ever, much of it suggesting an impending “spectacular” attack with heavy casualties. Even when the 4th of July and the anniversary of the Embassy bombings came and went without incident, federal agencies remained on the alert. In mid-July intelligence reports started to suggest that whatever the big plans were, they had been postponed for as long as two months – putting the new date in mid-September. But by the end of July, the reporting had dropped off to almost nothing.⁵⁹⁶

Intelligence similarly had little evidence of where the attack would occur. Law enforcement and intelligence advisories in 2001 suggested that although an attack in the United States could not be ruled out, most likely any attack would target U.S. interests overseas. The most widely known plot involving airliners – Bojinka – had targeted flights over the Pacific originating in countries with less effective airport security. As to specific targets? Ramzi Yousef had promised that someone would be back to “finish” his work at the World Trade Center. The PDB of August 6 mentioned that the FBI had detected surveillance of federal buildings in New York,

⁵⁹⁶ Idem., pp. 259-260.

but that was hardly indicative of the terrorists' plan (and in the event it was most likely unconnected to 9/11).

6.4.4.4. Last-Minute Indicators The 9/11 Commission highlighted several significant opportunities to scrutinize several plotters and possibly to interrupt the plot in 2001.

- January 2001: The CIA identified a key conspirator in the Cole bombing known as "Khallad," but the agency did not share with the FBI the fact that Khallad had been at the Kuala Lumpur meeting with Mihdhar and Hazmi. If the CIA had shared the information with the FBI or put Mihdhar on the State Department's TIPOFF list, he might have been caught either when he applied for a U.S. visa in June 2001 or when he flew back to the United States on July 4, 2001.
- May 2001: In the midst of the surge in threat reporting, a CIA official detailed to the FBI began looking again at details about the meeting in Kuala Lumpur. But he focused on the connections in Malaysia and did nothing with the information about Hazmi and Mihdhar's travel to the United States; the CIA's Bin Laden unit had been aware of the travel since March 2000 but took no action.
- June 2001: CIA and FBI analysts met in New York to discuss connections to the *Cole* case, but the FBI agents did not have access to information from the NSA and the CIA that would have tied Mihdhar to Khallad and raised their interest in locating him. The CIA analyst and a lead FBI analyst at the meeting did not share many of those details because of the "wall" between intelligence and criminal investigations. Two days after the meeting, Mihdhar got his U.S. visa.
- July 2001: The "Phoenix Memo" presented a more limited opportunity. The only action that the agent recommended that might have been productive was that the FBI should seek the authority to obtain visa information about flight school applicants. If the FBI had been able to interview foreign students at aviation schools in Arizona, they would have run into students who knew Hani Hanjour. He took flight classes in Mesa as late as March 2001, and might have been remembered by students and instructors just four months later. While in Arizona he had been rooming with Hazmi, who was known to the CIA from the Kuala Lumpur meeting. Unfortunately it is unlikely that the FBI could have gotten the authority in time, or that it could have begun interviewing flight students in time to uncover the 9/11 plot. The Commission did conclude that the Phoenix Memo probably should have "sensitized" the Bureau, perhaps leading it to handle the Moussaoui case differently the next month.
- August 2001: The CIA official who had started to review the Kuala Lumpur meeting in May turned to an FBI analyst assigned to the Bin Laden unit to do some additional

research. She quickly discovered the cables indicating that Mihdhar had a U.S. visa and that Hazmi had traveled to the United States. The INS confirmed that Mihdhar had just re-entered the country on July 4, but could not verify whether Hazmi was in the country. The FBI began to try to track down Mihdhar, but labeled the search “routine.” There simply was not enough time between August 23 and September 11 to locate Mihdhar.⁵⁹⁷

- August 2001: The Minneapolis FBI office opened an investigation into Zacarias Moussaoui on August 15, 2001, when it was reported that he wanted to fly a 747 but had virtually no knowledge of flying. Agents quickly discovered that he was a radical Islamist, had cash for which he could not account, wanted to buy a global positioning system receiver, and had traveled to Pakistan and perhaps Afghanistan. The lead FBI agent was convinced that Moussaoui wanted to hijack a plane, but without any evidence, he had to rely on an INS deportation order to keep Moussaoui from getting further training. To get at possible evidence on Moussaoui’s laptop, he needed either criminal probable cause, or proof that Moussaoui was an agent of a foreign power in order to get a FISA warrant. FBI headquarters and the National Security Law Unit decided not to request FISA authority. The FBI supervisor in Minneapolis told headquarters that he was making a big deal because he was “trying to keep someone from taking a plane and crashing into the World Trade Center.” Later investigation determined that Ahmed Ressam (of the Millennium plot) had seen Moussaoui at terrorist training camps in Afghanistan, and that further information about his links to al-Qa’ida was available from British, French, and German authorities. If Moussaoui’s terrorist connections had been uncovered, the 9/11 plot might have been disrupted or delayed indefinitely.⁵⁹⁸

The Commission concluded that “no one working on these late leads in the summer of 2001 connected the case in his or her in-box to the threat reports agitating senior officials and being briefed to the President. Thus, these individual cases did not become national priorities.”⁵⁹⁹

Nobody was in charge of connecting the dots.

⁵⁹⁷ Idem., pp. 266-272.

⁵⁹⁸ Idem., pp. 273-276. The Commission also reported that new intelligence arrived in the summer concerning the identity of Khalid Sheikh Mohammed and his recruitment of terrorists to travel to the United States and join colleagues already plotting attacks there. Discovering what KSM had planned for 9/11 would have required not only substantial assistance from the other governments, but also a very different mindset at the FBI and CIA about sharing information and pursuing suspects.

⁵⁹⁹ Idem., p. 277.

6.5. ANALYTICAL CHALLENGES

Failures at several stages of the intelligence cycle contributed directly to the surprise of 9/11.

6.5.1. Intelligence Planning

The first step in the cycle is intelligence planning, including the development of collection plans, budgeting, and assigning personnel and tactical resources.⁶⁰⁰ Such planning does not take place in a vacuum; it is heavily influenced by the perceived threat environment. Resources generally flow to where priorities are perceived to be greatest. Despite increases in funding for counter-terrorism in the 1990's, it is clear that the threat of terrorism was not a significant part of the national threat assessment prior to 9/11. If it had been, then the resources of the law enforcement and intelligence communities would have been focused on it. The Joint Inquiry and the Commission were critical of both the FBI and the CIA for persistently failing to allocate resources (both money and manpower) in accordance with their stated concern for terrorism.

DCI George Tenet acknowledged that the CIA had a lot of competing priorities. Even after the attacks of the 1990's, the Millennium threats, and the *USS Cole* bombing, the Counter Terrorism Center (CTC) at CIA still had only 40 analysts assigned to it prior to 9/11.⁶⁰¹ Only 17 of those were assigned to al-Qa'ida. The military had roughly 30 analysts assigned to Sunni extremism, though not all focused on al-Qa'ida.⁶⁰² The FBI had fewer than 10 tactical analysts

⁶⁰⁰ This is where the intelligence cycle is really a cycle, because intelligence planning will depend in part on previous assessments resulting from the last go-round in the intelligence cycle.

⁶⁰¹ Joint Inquiry, p. 471, 478 ff.

⁶⁰² Military intelligence assets in Saudi Arabia prior to the Khobar Towers bombing were focused on combat mission support, not force protection.

and one strategic analyst on it, most of them in the New York Field Office.⁶⁰³ There were a handful of Arabic linguists available at the NSA, and only one analyst on al-Qa'ida at the State Department's INR.⁶⁰⁴

Terrorism was merely one of many priorities for the intelligence community. The tasking of intelligence assets (technical and human) is based on customer requirements, and the White House had a lot of them. The NSA alone had been given more than 1,500 formal requirements for intelligence collection by the White House, covering more than 200,000 items of interest.⁶⁰⁵ There were other issues competing for attention, threats other than Osama Bin Laden, like Iran and Hezbollah, Operation Southern Watch (the no-fly zone over Iraq), the nuclear weapons race in India and Pakistan, and support for NATO bombing in Yugoslavia. Richard Clarke testified that the White House “never really gave good systematic, timely guidance to the Intelligence Community about what the priorities were at the national level.”⁶⁰⁶

6.5.2. Collection

We have seen how limited human and technical intelligence kept intelligence analysts from developing insights into active terrorist cells. These problems, particularly in technical collection, persisted prior to 9/11. The NSA and the FBI failed to coordinate on communications intercepts of potential hijackers; even if they had acquired some intercepts, neither had enough Arabic linguists to translate the messages in a timely fashion. FBI supervisors refused to seek FISA approval to search Zacarias Moussaoui's laptop. And the FBI had allowed two-thirds of its

⁶⁰³ Clarke testified that other than New York, FBI field offices were “clueless” as to terrorism, and Berger testified that the FBI clearly was not focused on the counterterrorism mission. See Joint Inquiry, p. 472.

⁶⁰⁴ Idem., p. 497.

⁶⁰⁵ Idem., p. 494.

⁶⁰⁶ Idem., pp. 455-457, 470-471.

FISA orders against al-Qa'ida suspects to expire in early 2001 because the process had become too long and unwieldy.⁶⁰⁷

6.5.3. Collation and Information Sharing

The collation problem evidenced in the earlier cases had even larger effect leading up to 9/11. We have already reviewed the problems with the FBI's inaccessible case files. Many times agents refused to share case-related data even within the Bureau, not to mention with other agencies. But the FBI was not alone. Information about several of the 9/11 plotters gathered by the CIA in early 2000 was not shared until August 2001, too late to do anything. The CIA firmly maintained its lack of interest once a subject arrived on U.S. shores, reinforced by its decentralized system of overseas stations that valued local operations over strategic awareness.

The Joint Inquiry determined that the "system" was to blame for the collation problems:

[O]ne can see how hard it is for the Intelligence Community to assemble enough of the puzzle pieces gathered by different agencies to make some sense from them, and then coordinate needed action – to collect or to disrupt....

[W]e find these accounts more telling about the system than about the people. In this system no one was managing the effort to ensure seamless handoffs of information or develop an overall interagency strategy for the operation.⁶⁰⁸

Although the Commission neatly passed the buck on collation, clearly there was warning information available that, if it had been collated and shared with other agencies, might well have led to the disruption of the 9/11 plot.

⁶⁰⁷ Idem., pp. 487-488, 498, 503.

⁶⁰⁸ Idem., p. 487.

6.5.4. Analysis

In several of these cases, intelligence agencies showed evidence of bias, selective perception, and other analytical pathologies. But generally there was precious little data from either technical or human sources on which to base analysis. What these cases and 9/11 share in common is a lack of *strategic* analysis. Analysts interpreted threat indicators in light of the erroneous and persistent U.S. perception of the threat environment. Assumptions based on the conventional wisdom about terrorist tactics made analysts unreceptive to other possibilities, like a new method of flying airplanes into buildings. Based on the limited intelligence available, it is not surprising that strategic analysis was unimaginative and uninspired.

But how did this work in practical terms? The Joint Inquiry pointed out that nobody had drawn together in a single listing all of the al-Qa'ida related threats. The FBI had only one strategic analyst assigned to evaluating al-Qa'ida. The CIA had never done an NIE specific to al-Qa'ida (although it had created and updated one on international terrorism in 1995 and 1997). The needed people and processes were not in place, and policy makers were not asking for their assessments. Strategic analysis simply was not happening within the intelligence and law enforcement community.

6.5.5. Dissemination

There has been significant public debate – and conspiracy theories abound – about the dissemination of warnings about the 9/11 attacks. Based on the high volume of warning intelligence in the spring and summer of 2001, intelligence and law enforcement officials in Washington disseminated a number of warnings nationwide, but they lacked specificity. The messages warned of likely attacks, but the particulars were just not there to provide any real

detail; what detailed information they had seemed to be pointing to an overseas attack. The FAA issued warnings to the airlines about threats to commercial aviation, but did not demand action on the part of the airlines, which were still responsible for most airport security measures. Although Richard Clarke wrote to Condoleezza Rice after 9/11 that the CSG had taken a number of steps to notify domestic authorities of a possible attack in the United States, the FBI and other agencies did not react as if they had gotten a call to action. The Commission concluded:

In sum, the domestic agencies never mobilized in response to the threat. They did not have direction, and did not have a plan to institute. The borders were not hardened. Transportation systems were not fortified. Electronic surveillance was not targeted against a domestic threat. State and local law enforcement were not marshaled to augment the FBI's efforts. The public was not warned.⁶⁰⁹

To reiterate, the threat indicators were loud and clear, but the warning indicators were not of sufficient clarity to mobilize action by any of the key players to protect against the attacks of 9/11. In this case as in the others, the failure to perceive correctly the threat environment led to inappropriate intelligence planning and a lack of intelligence collection – reducing the role that collation, analysis, and dissemination might have played.

6.6. KEY FINDINGS PERTAINING TO 9/11

6.6.1. Findings of the Joint Inquiry and the 9/11 Commission

Many of the findings of the Joint Inquiry are incorporated into this narrative, or were taken up by the 9/11 Commission and expanded upon in its report. The Joint Inquiry produced twenty findings, many pertaining to systemic problems including: poor organization of the intelligence

⁶⁰⁹ 9/11 Commission, pp. 263-265.

community; lack of a counterterrorism strategy; inadequate funding and technology; lack of strategic analysis, translation capabilities, and signals and human intelligence; failures in information sharing; and restrictions imposed by the FISA process, among others. Because the Joint Inquiry effectively handed off responsibility to the 9/11 Commission, its findings were to a certain extent overtaken by the Commission.

Chapter Eleven in the Commission Report provides an overview of the four kinds of failures that the 9/11 attacks demonstrated: imagination, policy, capabilities, and management. In brief:

- Imagination. Policy makers and the intelligence community largely understood the threat of al-Qa'ida, but did not “institutionalize imagination” – that is, nobody used proven historical methods for assessing potential surprises to think through what the next attack might look like and what the indicators of that attack might be.
- Policy. “[T]he large, unwieldy U.S. government tended to underestimate a threat that grew ever greater.” Policy makers did not deploy the full range of policy options available to them. In the wake of the East Africa Embassy bombings, the government did not do a strategic reassessment of the threat from Bin Laden.
- Capabilities. “Before 9/11, the United States tried to solve the al-Qa'ida problem with the same government institutions and capabilities it had used in the last stages of the Cold War and its immediate aftermath. These capabilities were insufficient, but little was done to expand or reform them.” Important government agencies like DOD never got into the fight against al-Qa'ida, and many others remained passive and defined away the hardest parts of their missions.
- Management. The problems seen before 9/1 in information sharing, analysis, planning, and communication were “symptoms of the government’s broader inability to adapt how it manages problems to the new challenges of the twenty-first century.” Operational management was especially difficult in transnational cases, but ultimately nobody took responsibility for coordination of effort. Institutional management failed as government leaders failed to match priorities and resources, and to develop a management strategy for the war on terror.⁶¹⁰

Perhaps due to controversy over the witnesses and their competing statements before the Commission, media coverage of the Commission’s findings seemed to focus on only two of the four areas: imagination and management. The lack of imagination in envisioning and countering

⁶¹⁰ Idem., pp. 339-360.

suicide hijackings was laid at the feet of the Bush Administration; much was made of the purported value of the August 6 PDB. The key management issue was seen to be poor information sharing between and within agencies, leading to significant discussion of the recommendation to create a new National Director of Intelligence. And although the Joint Inquiry and the Commission did not focus their findings on aviation security, the media also focused heavily on the failings of that system. Both investigations did conclude that there were serious and pervasive problems in the intelligence community that contributed to the attacks of September 11, 2001.

6.6.2. Additional Findings

It is clear that the four main areas of concern for the Commission contributed significantly to the failure to predict, prevent, or deter the 9/11 attacks and others before it. In particular, the failures of information sharing within the FBI and between the FBI and CIA were crucial. However, there are two other major problems that the Joint Inquiry and Commission did not adequately address which we have seen in every case: poor threat assessment, and restrictions on intelligence collection.

6.6.2.1. Threat Assessments We have seen in every case that the intelligence and law enforcement communities and/or policy makers failed to perceive accurately the real strategic threat environment facing the United States. It is perhaps difficult to develop an accurate and balanced view of the strategic threat environment; there are many questions one might ask. To what extent is information chaotic, complex, or knowable? What factors or indicators are truly important? What are the indicators of a new and previously unknown threat? If a threat fails to

emerge as expected, was the perception wrong or did some other force intervene to affect the outcome? What level of uncertainty is acceptable, or *required*? To what extent are potential enemies using denial and deception to affect your perceptions? Who has to share the perception of the threat environment for it to be useful – individuals at certain agencies, agency leaders, the NSC, the President? How does one *measure* the accuracy of the perception of the threat environment?

Yet there is a process in place for doing just that. The perceived threat environment, as understood at the highest levels of government, is usually described in classified threat assessments (like National Intelligence Estimates), or in Presidential directives prescribing executive branch responses to the threat. It is difficult in hindsight to evaluate U.S. threat assessments regarding terrorism, although we get an indication of their inadequacy from the failure of the CIA to develop a new NIE on terrorism after 1997 and the failure of the FBI to do a strategic assessment of the terrorist threat to the American homeland. The Presidential Decision Directives (PDD's) of the Clinton Administration lend more light on high-level perceptions of the terrorist threat.

In response to the Oklahoma City bombing and the Tokyo sarin gas attack, President Clinton issued PDD-39 in June 1995, directing that the U.S. government should “deter, defeat and respond vigorously to all terrorist attacks against our territory and against our citizens.” It made terrorism both an issue of national security and a crime (clearing the way for the law enforcement approach to handling it.) While PDD-39 created the position of national coordinator for security, infrastructure protection, and counterterrorism (the “counterterrorism czar” role filled by Richard Clarke), it gave it no authority. Significantly, the main concern was terrorist use of weapons of mass destruction. In 1998, before the Embassy bombings, Clinton

issued PDD-62, fleshing out the role of agencies in counterterrorism first outlined in PDD-39 and expanding the role, though not the power, of Clarke's Counterterrorism & Security Group (CSG). It left the FBI and DOJ in charge of domestic counterterrorism and the CIA and the State Department in charge of tracking foreign terrorism; only Clarke and National Security Advisor Sandy Berger would or could coordinate between the two groups of agencies.⁶¹¹ The Joint Inquiry concluded that while PDD-62 contained "the seeds of an integrated, comprehensive government-wide strategy for countering the Bin Laden threat..." it did not "appear to have had much impact." Clarke was the only witness to reference PDD-62 in testimony before the Joint Inquiry.⁶¹²

The Commission's argument that both Presidents Clinton and Bush understood the threat is somewhat generous. Both men were briefed regularly on the strategic threat from terrorism – Clinton by Berger and Bush by Tenet – but neither saw it as persuasive enough to take personal responsibility for oversight of counterterrorism efforts. If DCI Tenet understood it, he failed to direct CIA resources accordingly. Leaders at the Department of Justice – both Attorneys General Reno and Ashcroft and FBI Director Louis Freeh – did not get it. The only person who really seemed to understand fully the threat environment was Richard Clarke. But he had no authority, the number of warnings he did issue led to a perception of his being a "Chicken Little," and perhaps his abrasive personality made it more difficult to get his message across. He could do or say nothing to make the terrorist threat seem more "compelling" to either President; only Bin Laden could do that.

The inability of the broader intelligence community to grasp the strategic threat environment manifested itself in the failure to develop appropriate warning indicators. Fundamentally, the

⁶¹¹ 9/11 Commission, p. 101.

⁶¹² Joint Inquiry, pp. 473-474.

U.S. intelligence community failed to think deeply enough about where and how the enemy was likely to operate. Possible – and not unimaginable – methods of attack like suicide hijackings were not fully evaluated. Analysts assumed mistakenly which countries and regions would be the most likely locations for terrorists to find targets, to plan, and to meet together. The CIA perceived terrorist financing to be unimportant in assessing terrorist intentions. Agencies failed to put pressure on another key resource needed by terrorists: the ability to travel internationally, which depended in turn on identity crimes. These failures of imagination all point back to misunderstandings of the threat environment, including the actors and their methods and intentions, as well as American policies and vulnerabilities.

6.6.2.2. Restrictions on Intelligence Collection We have seen how restrictions on foreign and domestic intelligence collection have limited the government’s ability to detect many warning indicators. Although key pieces of warning intelligence were available in each case, there would have been much more available if collection had been more comprehensive. We have discussed the intelligence community’s collection problems before 9/11 particularly in light of Justice Department restrictions on domestic intelligence gathering. But we have seen the effect of intelligence collection restrictions in each case. The blame for these restrictions should fall onto several organizations and individuals: DOJ and the FBI; CIA and the DOD; the President; and Congress.

The Department of Justice and the FBI, whose mission it is to protect all Americans from criminal acts, are recognized, criticized, and rewarded for capturing and prosecuting individuals after an evil deed has been done. Prior to 9/11, the leadership of the Department of Justice and the FBI had no burning motivation (intrinsic or extrinsic, i.e., Congressional) to tear down “the

wall” between intelligence and criminal investigations. A series of Attorneys General and FBI Directors did not seize repeated opportunities to enhance the security of the country by clarifying and improving the flow of information between intelligence and investigations, and thereby enhance intelligence collection.

As a result of the Congressional hearings of the 1970’s, the CIA and the Defense Department, like the FBI, became risk-averse when it came to intelligence collection. The CIA came to depend more and more on foreign intelligence services for human intelligence because it feared (the public response to) making contact with nasty characters, and lacked the resources to do better. DOD did not see its theater of operations as including the American homeland, and it steered clear of anything that smacked of domestic intelligence activity unless it pertained to base security. The military services had only limited human intelligence operations overseas because of the fear of being linked to unseemly contacts like criminals and terrorists. The NSA was reluctant to listen in on phone conversations where either party was inside the United States. The outcry from these agencies over the restrictions imposed on their intelligence collection methods, if it existed, was not public.

All of these agencies report to the President, and Presidents Clinton and Bush must bear some of the burden of blame. Because he was in office when most of the incidents discussed here were taking place, and thus had the most opportunities to make improvements, Clinton bears more responsibility than does Bush. But neither President made it a personal priority to ensure that the front-line defenses against terrorism – the intelligence and law enforcement communities – were effectively talking to each other and were aggressively collecting the information needed to stop the next terrorist act. They relied on their Cabinet members to do so, but perhaps failed to recognize the institutional and bureaucratic imperatives that often drive the

behavior of department Secretaries. The 9/11 Commission, representing Republican and Democratic political interests, unsurprisingly was not harsh in its criticism of either President, instead largely blaming “the system” for the failure to collect better information. Neither man directed the Attorney General, the DCI, or the Secretary of Defense to report on problems with intelligence collection, and take those concerns to Congress for legislation and funding to remedy the problems.

And so we turn to Congress. The Joint Inquiry, also not surprisingly, gave Congress a free pass on 9/11. Its report mentions problems with the intelligence community’s budget, but blames it on poor allocation, not inattention from Congress. The Congresses of the early 1990’s approved the Clinton Administration’s cuts in overall intelligence funding. While they did provide some supplemental appropriations for counterterrorism, Congress in those years never took a very active interest in counterterrorism or how the money was being spent. By the late 1990’s Congress freed up more money for counterterrorism and intelligence, but never in the amounts needed to make a notable difference. With rare exceptions, like Senators Jon Kyl and Richard Shelby and former Congressman Porter Goss (now DCI), Congressional leaders did not see the need to reallocate resources and establish priorities that would position the intelligence community to be successful in its fight against terrorism.

Additionally, throughout the 1990’s, leaders of the intelligence committees in both houses and from both parties did not review and address the restrictions imposed on intelligence collection by earlier Congressional investigations. They had the opportunity in 1993 and 1995 to reevaluate domestic intelligence collection limits, and in 1996 and 1998 to review intelligence restrictions on DOD, CIA, and State. None of those opportunities were seized. The structure of the Congressional committees overseeing the intelligence community, while commented upon by

the 9/11 Commission, is perhaps a secondary issue. Fundamentally, Senators and Members of Congress have abdicated their responsibility to legislate, to fund, and to oversee the execution of an effective strategy for counterterrorism (including intelligence collection) in the United States.

7. CONCLUSIONS AND RECOMMENDATIONS

7.1. SURPRISE, AGAIN AND AGAIN

None of the terrorist attacks studied here should have surprised analysts and policy makers. The intentions and tactics of terrorists had been studied in detail by American analysts for more than two decades, and top policy makers were briefed frequently on new developments. However, in each case the surprise was genuine, if not total, because psychological bias and poor threat assessments prohibited policy makers from recognizing the attacks as consistent with existing knowledge and expectations of terrorist activities. The relative degree of surprise did vary among these cases, with perhaps Oklahoma City and 9/11 being the “most” surprising of the five because of their origin and/or destructiveness.

The cases may also be classified as behavioral or technical surprises. Oklahoma City was probably the biggest behavioral surprise, because few expected the Patriot movement to produce such a violent act. Khobar Towers was the least surprising from a behavioral perspective, since terrorist threats against U.S. military installations in the Middle East were well-known. The other cases fall in between those two, though the first and second World Trade Center attacks fall close behind Oklahoma City because policy makers and the public were surprised at terrorist attacks on U.S. soil. Such behavioral surprises are inevitable. Policy makers are not going to

admit “we should have seen this coming,” and terrorist attacks inevitably cease to be a vivid image in the public’s consciousness as time passes.

The intelligence community was persistently surprised on technical grounds at the increasing complexity and lethality of the attacks. Analysts were surprised at the size of the truck bombs used at Oklahoma City and at Khobar Towers, at the coordination of the Embassy attacks, and at the careful planning that went into 9/11. These surprises may have been due to analytical bias, a failure to learn from past experience, or a failure to credit the terrorists with the strategic thinking and requisite skills for such attacks.

As suggested in the first chapter, we should not lose sight of the fundamental nature of surprise as it relates to terrorism. Even if one believes that terrorist attacks should be “predictable surprises,” one must still acknowledge both that the initiative is always in the hands of the attacker and that the victim cannot be on the defensive everywhere all the time. Yet in each case we have studied, there were opportunities for intelligence and law enforcement authorities to either interrupt the initiative of the attackers or to defend more carefully a clear strategic target.

7.2. INTELLIGENCE FAILURES

This study has utilized the following definition of intelligence failure: *Policy makers or analysts knew, or reasonably should have known under the circumstances, and relative to the complex decision-making environment and priorities of policy makers, enough information to assess accurately the probability and consequences of the eventual action or incident.* Under the circumstances in each case, policy makers wrongly underestimated both the probability of attack

and its consequences. In some cases, at least, such as Oklahoma City and 9/11, analysts had predicted with absolute certainty that terrorist attacks would occur on U.S. soil. But even with that certainty, policy makers did not appropriately marshal and allocate resources to prevent or deter such an attack. Where analysts were less sure of the timing or target of an attack, such as at Khobar Towers and the East African embassies, policy makers had less to go on but still failed to comprehend the likelihood of attack.

The consequences of terrorist attacks had long been underestimated, as long as attacks occurred overseas and resulted in little loss of money or life to the United States.⁶¹³ With the 1993 attack on the World Trade Center, perhaps the limited loss of life (six dead) allowed Americans to ignore the potential disaster which would be shockingly perpetrated on September 11, 2001. The Oklahoma City bombing, however, which killed 168 people, should have revealed the potentially catastrophic consequences of terrorist attacks in the United States. Not only should policy makers have confronted the initial physical consequences of an attack, they should have considered what effect any attack would have on U.S. national interests as well as on U.S. foreign and national security policy, intelligence, and domestic policy.

An appropriate understanding of the probability and consequences of an attack is a key element of an accurate assessment of the threat environment, which in turn permits intelligence analysts to search for potential warning indicators. The degree to which policy makers failed to perceive accurately the strategic threat environment, and the impact that had on intelligence collection, are discussed in following sections of this chapter. Here we are concerned with answering the guiding question that attempts to identify each case as either an intelligence failure

⁶¹³ Again, this is not to ignore the loss of 241 U.S. Marines in Beirut in 1983, or other Americans killed in a series of terrorist attacks over the years. But Americans have a short memory, and the most vivid event in recent memory prior to 1993 probably was the 1988 Pan Am bombing over Lockerbie, Scotland.

or a policy failure. In the end, this is perhaps a false dichotomy. Each case was more than just an “intelligence failure” – in the conventional understanding of analysts failing to provide policy makers with sufficient warning that an attack was likely to take place. In every mass casualty terrorist incident we saw a combination of intelligence failure and policy failure. The previous chapters have assessed how the weight of responsibility due to either intelligence or policy should fall. We are less interested in the precise balance in the individual cases than in the lessons we can draw from the four key factors identified throughout this study that lead to failure and surprise – leadership, organization, threat and warning information, and analysis.

7.3. FAILURES OF PUBLIC POLICY LEADERSHIP

There are four areas of public policy leadership that were particularly important in these cases. First, policy makers consistently failed to assess accurately the real threat environment in which the United States was operating. This was due in part to the proliferation of threats and the overtaxing of intelligence assets and analysts. More importantly, the failure was due to psychological bias on the part of leading policy makers, particularly the President. In each of the first four cases, President Bill Clinton exhibited motivated bias – drawing inferences from intelligence that advanced his own perceived needs rather than the truth of the situation. Throughout the 1990’s, other issues and needs topped the importance of terrorism. In 1993 it was the economy and domestic social issues; in 1995 it was gun control and the Oslo peace accords; in 1996 it was Bosnia and his own re-election; in 1998 it was the Monica Lewinsky scandal. President Clinton never truly engaged the terrorism problem enough to provide the leadership and guidance needed to push the intelligence community to probe and scan the

environment for terrorist threats. Likewise, President Bush failed to respond to the bombing of the *USS Cole* in October 2000 and to provide similar guidance for the intelligence community before 9/11, in part because he had other priorities like tax cuts and relations with China. In the bitter partisanship of the contested 2000 election and the transition between Administrations, he and his advisors also may have allowed partisan feelings and critiques of President Clinton's mishandling of terrorism to affect their perception of the threat environment. The result of consistently poor threat assessments was that the intelligence community was not as attuned as it should have been to the related warning indicators.

Second, we have seen a consistent failure on the part of policy makers and their top advisors to evaluate the possible outcomes of public policy decisions. That is, they seem to have done poor policy analysis, failing to include all the relevant stakeholders and to consider possible outcomes. They have failed to recognize how their policies could influence or even contribute to the threat environment.

On the domestic front, this problem was clearly seen in the prelude to Oklahoma City. Although some damaging farm policies originated in the Carter and Reagan years, the Clinton White House in particular failed to see the possible negative effects of its gun control, environmental, and social policies on heartland America. Despite having skilled advisors who were well attuned to the polls, like Dick Morris, George Stephanopoulos, and James Carville, the Administration did not recognize the warning signs of discontent and violence that heralded the rise of the militia and Patriot movement in the early 1990's. The militias would not have emerged as they did had it not been for these policies as well as the government's mishandling of the Ruby Ridge and Waco incidents and its failure to acknowledge or apologize for them.

Much of President Clinton's foreign policy in the Middle East made sense. The U.S. and Britain were the only countries with enough backbone to maintain the sanctions regime and the no-fly zone in Iraq; without U.S. pressure, Saddam Hussein undoubtedly would have resumed his WMD programs. On the face of it, the policy of "dual containment" towards Iraq and Iran could reasonably have been hoped to limit their expansion. There was no very good way to deal with the lukewarm Saudis, supporters of Wahhabism but also suppliers of much of America's petroleum and our best link to the Taliban. Sudan was led by a rogue regime, from which we could expect little help. Most importantly, continued pressure on Israel and the Palestinians to move forward with a peace plan would remove one of the greatest sources of conflict and terrorism in the Middle East.

But U.S. foreign policy also contributed to the threat environment it faced. It was inevitable that regimes in Iraq and Iran and Sudan, known sponsors of terrorism, when squeezed by the United States, would try to find ways to lash out.⁶¹⁴ Not surprisingly, they would attack important, symbolic U.S. targets near home, in Saudi Arabia, East Africa, and Yemen. The failure to respond militarily after many of the attacks, and to attack only with stand-off cruise missiles when the U.S. did respond, only emboldened Bin Laden. The tremendous focus that Clinton put on Bosnia and on Israeli-Palestinian peace talks, and that Bush put on China, distracted both Presidents and the foreign policy bureaucracy from dealing with terrorism. All of these were reasonably predictable consequences of the shape of American foreign policy throughout the 1990's and at the dawn of the 21st century.

⁶¹⁴ While Iraq's relationship with al Qaeda has been questioned since the U.S. invasion of Iraq in 2003, in 1999 ABC News was confident that the two men were linked, and that Hussein had in fact offered Bin Laden asylum in Iraq. ABC also asserted that for many years Saddam Hussein harbored terrorists such as Abu Nidal, Abu Abbas, Carlos the Jackal, and the MOK, and provided them with training and weapons, false identity documents, and other support. See transcript of "Crime and Justice" from ABC News Saturday Night, January 14, 1999.

Third, there was a persistent lack of accountability, not only within the related intelligence and law enforcement bureaucracies that were part of the failures, but also in Congress and the White House. As we have focused on the importance of accurate perceptions of the threat environment, a great deal of the blame should fall on the policy makers. But none of the investigations after any of the incidents made more than token reference to Congressional oversight or mistakes by either President. There are several important areas where these two branches should have been held accountable.

Both branches failed to legislate and fund appropriate immigration policies, contributing to both tragedies at the World Trade Center. They failed to provide adequate funding for U.S. facilities at home and abroad, contributing to the damage at Oklahoma City, Khobar Towers, and the East African embassies. They provided inadequate or misdirected funding for intelligence and counterterrorism throughout the 1990's. They did not provide guidance, leadership, and funding for transportation security before 9/11. They allowed unnecessary restrictions on intelligence collection to continue and even to expand for years without reevaluation. Congress maintained (and still continues) a clumsy system of oversight that created confusion and poor coordination of intelligence efforts. They abdicated responsibility for intelligence and homeland security functions to a series of commissions and blue-ribbon panels on airline security, terrorism, and intelligence reform, and failed to act on most of their recommendations. The Legislative branch is intended to check the other two branches, and it is closest to the people; yet when it fails, it is difficult to hold the institution or its members to account.

Fourth, we return to the shortcomings of the law enforcement approach to addressing terrorism. Former FBI Director Louis Freeh described the overall approach of the 1990's:

The realization that we were at war [after 9/11] altered the equation entirely. Until that moment, we dealt with terrorist attacks against U.S. targets as if the assaults were a law enforcement issue like organized crime or white collar crime. We were sifting through bomb sites, looking for the evidence that would help us secure indictments, then arming ourselves with arrest warrants. I don't know an agent who thought that was sufficient to the cause, or anyone who believed that a criminal investigation was a reasonable alternative to military or diplomatic action, but those are the tools we had available to us, the ones our legal system and our political system outfitted us with to wage the war on terrorism.⁶¹⁵

While the first four cases studied here fell under Clinton's watch, Freeh faults not only President Clinton but also President George W. Bush for utilizing a law enforcement approach. "[U]ntil 9/11, we lacked the political leadership and more important the political will to do what had to be done, and that ran right across both administrations I served under.... [T]he nation's fundamental approach to Osama Bin Laden and his ilk was no different after the inauguration of January 21, 2001, than it had been before. We were fighting criminals, not an enemy force."⁶¹⁶

The failure of the law enforcement approach is more than the simple after-the-fact nature of legal investigations. Forensic investigation requires ascertaining questions of fact, assigning responsibility, understanding motivations, securing witness testimony, and so on, all under a presumption of innocence and conducted within strict guidelines about the admissibility of evidence in court. Preventing terrorism requires ascertaining probabilities, understanding capabilities, probing and scanning the threat environment, and taking direct action to interdict or prevent a plot, all under a rough presumption of "guilty until proven innocent" necessary to capture and interrogate potential terrorist plotters and forestall an attack. The law enforcement approach utilized throughout the 1990's created false perceptions of its own adequacy, obscured

⁶¹⁵ Freeh, p. 290.

⁶¹⁶ Idem., pp. 291-292.

the strategic threat, failed to create opportunities to further investigate terrorist networks, and restricted or forestalled other kinds of counterterrorism efforts.

Since 2001 the U.S. strategy for counterterrorism has become a more comprehensive military, intelligence, diplomatic, and law enforcement effort. However, critics now complain that the United States has moved too far from the underlying principles of the law enforcement approach by utilizing most notably kidnappings known as “extraordinary renditions” (a term and concept coined by Clinton’s National Security Advisor Sandy Berger), long-term detention of a newly created legal class of enemies known as “enemy combatants,” military tribunals, and more invasive searches and surveillance technologies. While the use of these tools might well have prevented some of the major attacks of the 1990’s, it is likely that only in the aftermath of an event like 9/11 would Americans have agreed to support such activities. However, there was support throughout the decade for stronger military responses which were never carried out.⁶¹⁷

These leadership failures, from the pernicious effect of perception and bias on threat assessments to poor policy analysis, from a lack of accountability to a misguided approach to combating terrorism, have not been fully appreciated or discussed publicly. The problem of psychological effects on threat perception is a particularly difficult one to solve, but until we begin to account for these leadership failures, recommendations and hopes for reducing intelligence failures and surprise will be missing a key element.

⁶¹⁷ Even those who criticized the 1998 cruise missile strikes against Afghanistan and Sudan felt that the question was one of the choice of target and the means of execution, not the fact that strikes were conducted.

7.4. ORGANIZATIONAL OBSTACLES

Many of the criticisms by the 9/11 Commission focused on organizational problems at the CIA and FBI. Many of the recommendations from other commissions and special panels on intelligence reform and terrorism have similarly focused on organization as a root cause of intelligence failure, although few of the reforms have been implemented.⁶¹⁸ In each of the cases reviewed here, organizational problems revolved around what seem to be typical bureaucratic behaviors – lack of coherent planning, turf battles, poor communication, and so forth.

These problems seemed to be particularly evident at the FBI.⁶¹⁹ The FBI has a history of not working well with other agencies, including the ATF, but especially with CIA. Certainly the problem was exacerbated in its early years by J. Edgar Hoover's politicking, but it has continued long after his passing. Relationships between the FBI and other agencies were clearly a problem in 1993 (INS and CIA), 1995 (ATF), 1998 (State and CIA), and 2001 (CIA), with the greatest impact being in the area of information sharing.

The problem of interagency information sharing has received a lot of attention, especially since 9/11. The failure of the CIA and FBI to communicate better and to share information is a product not only of organizational cultures but also of legal restrictions pertaining to evidence and testimony. But in both attacks on the World Trade Center, relevant information was available to parts of the FBI which could not (or *believed* that it could not) share the information

⁶¹⁸ Zegart points out that only 35 of the 340 recommendations from the dozen or so major commissions on intelligence reform were ever implemented; no action was taken on eighty percent of the recommendations; *op cit.*

⁶¹⁹ The FBI provides the most egregious example, but clearly the CIA, NSA, State Department, and DOD had their own organizational and leadership problems. The 9/11 Commission went so far as to suggest that the State Department had difficulty keeping its efforts against terrorism "coherent" and that counterterrorism simply wasn't a priority for many Secretaries of State. See 9/11 Commission, pp. 94-95.

within the Bureau.⁶²⁰ Information sharing was not only a horizontal problem but also a vertical one in several of these cases; important information did not make its way from Saudi Arabia or Kenya to Washington, or from FBI field offices and CIA field stations to Washington before 9/11.

Several aspects of FBI culture have also contributed to intelligence failures. Because of their focus on prosecution rather than intelligence-gathering, FBI managers interfered with the handling of an important confidential informant prior to the first World Trade Center bombing. That same focus on prosecution – and the statistics that go with it – caused the Bureau to abbreviate investigations once they had made a case against some of the suspects, even though there were other suspects involved and further intelligence could be gathered; this was true in the first WTC bombing, Oklahoma City, and East Africa. A related problem is that intelligence has been at best a second-class profession within the FBI, an attitude reinforced by inadequate training, inappropriate tasking, bad hiring decisions, and the lack of a career path. Intelligence is seen merely as a support function to investigation (and ultimately to prosecution), not an area presenting opportunities to be exploited.

FBI culture also became risk-averse as it over-learned the lessons of the Church and Pike era and reacted to the tight intelligence collection restrictions imposed by several Attorney Generals. Agents and supervisors became reluctant to open investigations into potentially dangerous groups. It created a Catch-22: agents could not establish a “criminal predicate” that a group was intending violence unless they used tactics or tools (such as wiretaps) that could only be approved if a criminal predicate had already been established. When this problem is added to the

⁶²⁰ It is also true that major technological problems at the FBI contributed to this internal information sharing problem.

cultural divide between investigations and intelligence, it is easy to understand why relatively few counter-terrorism intelligence cases were pursued.

To be fair, the FBI was in large part reacting to the intelligence collection restrictions imposed on it by the executive, legislative, and judicial branches. Of all the organizational obstacles reviewed in these cases, this is probably the most significant.⁶²¹ Thanks to the very real restrictions on domestic intelligence gathering, potentially dangerous terrorists in New York City and across the country were not pursued very aggressively prior to the first WTC attack because they were tied to Islamic mosques and charity organizations. Similarly, law enforcement agencies were reluctant to collect information on militias and white supremacist groups because they did not want to be seen as targeting the militants based on their First Amendment rights.

The legacy of the Church and Pike Committees was felt not only by the law enforcement community, but also by the military. Military intelligence received intense public scrutiny from the Church and Pike Committees because it had been involved in illegally observing and tracking anti-Vietnam protesters. As a result, the military intelligence community was reluctant to engage in human intelligence overseas unless it was directed at a nation-state like China or Russia. Spying on friendly countries would never do. So there was very little by way of a human intelligence network in Saudi Arabia that could provide clues in advance of the Khobar Towers

⁶²¹ We have addressed the impact of legal restrictions in each case, but it is also useful to consider the “null hypothesis.” That is, one might ask what difference it would have made if there had not been *any* restrictions on intelligence collection or sharing. But to address that counterfactual condition, one has to ignore FBI and CIA behavior that led to restrictions on intelligence collection, forget the effect of the Robert Hanssen and Aldrich Ames cases on information sharing, and so forth. It might be argued that the IC was not terribly ineffective before the restrictions, and that they would also be ineffective in the absence of such restrictions. There is no way to prove or disprove that suggestion. Informal discussions with analysts from the FBI, DIA, NSA, and DOD lead this writer to conclude that while agencies may have overreacted, the legal restrictions are/were important, real, and operative. This view is supported by many of the official investigative commissions cited elsewhere in this study.

bombing. The CIA and DOD did share threat information with each other, but neither agency had enough resources to uncover the warning indicators.

Bureaucratic woes within the Defense Department also contributed to that failure. As the role of U.S. forces in Saudi Arabia after the Persian Gulf War expanded and changed – mission creep – the accompanying legal arrangements (a Status of Forces Agreement) were never made. A complex chain of command was in place for U.S. forces in the Kingdom, making it less clear who was responsible for security and intelligence coordination. Force rotation policies ensured high turnover among security and intelligence personnel, resulting in a lack of institutional knowledge and awareness of threats. The Defense Department had very little guidance to offer any of its facilities on what appropriate force protection and security should look like. But even with better guidance, there was not enough money available to make all the security improvements needed to protect Khobar Towers from attack.

Long before the 1998 bombings in East Africa, the State Department had established its own reputation for bureaucratic bungling in facility security and intelligence collection. Chronic under-funding for facility security left the American Embassy in Nairobi in a very dangerous place (far more so than the embassy in Tanzania). State Department intelligence apparently failed to recognize the significance of important Iranian diplomats (known to be terrorism coordinators) leaving hastily from posts in Kenya and Tanzania immediately prior to the bombings. The State Department's Bureau of Intelligence and Research (INR) had only one analyst assigned to studying al-Qa'ida. And diplomatic culture is not particularly friendly to intelligence operations, anyway, since they have the potential to damage host-country relations.

Policy makers were not completely unaware of these kinds of organizational pathologies within the intelligence community; they bear some blame for the problem. Amy Zegart argues

that the failure to implement reforms – and consequently to adapt institutionally to the new threat environment of the 1990's – was due to three factors: the nature of bureaucratic organizations; self-interest of leading decision makers; and the fragmented structure of the federal government. Regarding the rational self-interest of decision makers, Zegart suggests that institutional incentives and constraints are powerful, making some decisions easier and less costly than others. In fact, while Presidents may be motivated by the voters to improve organizational effectiveness, their capabilities and agendas are limited. They are “especially reluctant to push for agency reforms in the absence of a crisis or in the presence of anticipated resistance.” Legislators, in turn, have little incentive to reform the intelligence bureaucracy because it brings few benefits to their constituents. While in part she seems to be blaming “the system,” Zegart clearly focuses on the human factor in the failure of reform efforts. She concludes that all of these forces continue to stymie reform after 9/11.⁶²²

In conclusion, it is difficult to assign primary responsibility to “organizational obstacles” for any of the cases studied here. The organizational problems highlighted here persisted throughout the 1990's and are found to varying degrees in every one of the cases. It is highly likely that such organizational obstacles were also present in cases of intelligence success. That suggests either that the obstacles are not all that helpful in explaining failures, or that occasionally the intelligence community is able to rise above those obstacles. That in turn leads to the question of under what conditions analysts are able to do so – a question that requires greater access to the inner workings of the intelligence agencies.

⁶²² Zegart, *op cit.*

7.5. THREAT AND WARNING INFORMATION

This section captures the answers to the third and fourth guiding questions for this study, which focused on the availability of warning indicators and the nature of the threat environment. Two areas of concern stand out among the threat and warning information challenges reviewed in this study: the interaction between the perceived strategic threat environment and warning indicators, and the problem of signals vs. noise.

If law enforcement and intelligence accurately perceive the strategic threat environment in which they are operating,⁶²³ it is easier for them to define and operationalize the warning indicators for which they should be looking. Any failure to perceive accurately the available threat indicators causes analysts to miss warning signals. Without understanding the terrorist threat at home, law enforcement and intelligence were not particularly focused on Muslim extremists operating in suburban New Jersey and New York. Before Oklahoma City, law enforcement did not perceive white supremacists to be a threat, and so it gathered little intelligence and conducted few operations against the militias. Failing to comprehend the complexity of the dangers in Saudi Arabia, the military prepared for one kind of bomb threat but did not detect the warning signs of a much larger attack. Using the assumption that East Africa was a sleepy part of the world meant that analysts were not attuned to the warning signals about the 1998 embassy attacks. And the failure to envision a foreign threat hitting a domestic target led agencies to ignore important signals prior to 9/11. The intelligence community failed to perceive correctly the strategic threat environment, and consequently was poorly positioned to catch the warning indicators that were present in each case.

⁶²³ See the previous discussion on how policy makers' perceptions and biases affect their perception of the threat environment, which in turn shapes how they allocate resources to intelligence.

The Commission was critical of the intelligence community for failing to identify potential warning indicators. It suggested that the rigorous analytical methods developed during the Cold War to detect and prevent surprise attack – including the identification of “telltale indicators connected to the most dangerous possibilities” – did not simply fail, “they were not really tried.”⁶²⁴ Some of those warning indicators, the necessary elements of a terrorist plot, would include: finance, communication, surveillance, personnel, technology (explosives), cover (identities) and operational security.

One common warning indicator present in each of these cases was surveillance of targets conducted by the plotters. In New York City and Oklahoma City, the surveillance was only discovered after the fact (confirmed by video footage of Terry Nichols’ pickup near the Murrah Building on the Sunday before the bombing, and investigation of the WTC bombers). At Khobar Towers and the East African Embassies, however, the surveillance was detected before the attacks occurred. The famous President’s Daily Brief describing Bin Laden’s plans to attack in the American homeland included reference to indicators that surveillance of federal buildings was being conducted in New York prior to 9/11. The intelligence community was not focused sufficiently on such potential warning indicators.

Second, filtering out the signals from the noise is a well-known problem. But a surplus of noise is not the same thing as an absence of signals. There was enough clear information available to authorities in almost every case to conduct deeper analysis that would have led them to the bomb plotters. The signals were perhaps loudest in New York in 1993; they were fairly loud at Khobar Towers and East Africa but nobody picked up on them. Clearly there were some loud signals before 9/11, even in the midst of the heavy threat reporting. Oklahoma City is

⁶²⁴ 9/11 Commission, pp. 346-348. The Commission did point out that such warning indicators had been developed as they pertained to al Qaeda’s attempts to acquire weapons of mass destruction.

perhaps the only case where there were almost no warning signals. Many of the signals associated with terrorist attacks are transmitted at the individual level, meaning that intelligence agencies need more human intelligence from inside terrorist cells and they need better coordination and targeting of signals intelligence by NSA.

7.6. ANALYTICAL CHALLENGES

Failure to recognize and resolve breakdowns in the intelligence cycle can have insidious effects throughout the entire process, corrupting the final intelligence product and affecting policy making. Failures at several of the earliest stages of the intelligence cycle contributed to many of the failures discussed here.

7.6.1. Intelligence Planning

Intelligence planning is heavily influenced by the perceived threat environment, and resources generally flow to where priorities are perceived to be greatest. The threat of terrorism was not a significant part of the national threat assessment, and the resources of the law enforcement and intelligence communities were not focused on it. The FBI and the CIA failed to apportion both money and manpower in accordance with their purported focus on terrorism. The misallocation of resources began right after the end of the Cold War, and continued to be a problem throughout the 1990's. Additionally, intelligence planning to meet the terrorist threat required an understanding of the warning indicators being sought; without that understanding, intelligence collection was destined to miss important signals.

7.6.2. Collection

We have seen how intelligence community knowledge of active terrorist cells was sketchy at best because of the failure to develop fully the needed human intelligence sources. The FBI mishandled its informant that was inside the group planning the first WTC bombing, and the ATF did not fully utilize its informant inside Elohim City who had information about the targeting of Oklahoma City. And it seems that an FBI informant had contact with at least two of the 9/11 hijackers in California, but was never asked for more information about the men. But law enforcement in each case did not have other human intelligence assets in place either to corroborate what little they did suspect or to explore further what was happening among the bomb plotters. Less is known publicly about human intelligence networks in Saudi Arabia and in East Africa, but the military and the State Department did not have extensive human sources and had to rely primarily on host country intelligence services for such information. At least in Saudi Arabia, local authorities downplayed the significance of Muslim extremists and terrorist cells.

Technical collection of intelligence information was also weak. The FBI did seek wiretap authority for the Blind Sheikh, but turned up nothing before the first WTC attack. Because of its general reluctance to make FISA wiretap requests, the FBI had little or no signals intelligence in 1993 or 1995. Technical intelligence was never even cited in the Khobar Towers and embassy cases, and as we have seen, technical collection problems persisted prior to 9/11.

Even open source intelligence collection was limited; the FBI could not even do a newspaper search on someone without criminal predicate. Almost all of these limits on intelligence collection are a product of the legacy of the investigations of the 1970's. Agencies were reluctant to touch informants, wiretaps, surveillance, or just about anything that might land

them in trouble again. Not only senior level bureaucrats but regular agents and analysts feared being sued personally for official actions. Their default strategy was risk avoidance, and the result was that intelligence collection against potential terrorists was limited at best.

7.6.3. Collation and Information Sharing

Collation is really about putting all the pieces together, and it depends in part on technology and in part on the willingness of analysts and agents in disparate offices and agencies to get together and share information. Because so little tactical intelligence on the terrorist plots was being collected by law enforcement and intelligence, the collation of information was in some ways that much more important. In 1993 the CIA failed to notify properly the FBI and the INS that Sheikh Rahman, even then known for his connections to terrorism, had entered the country. And although the Bureau did collect evidence that helped later convict the Sheikh of the New York landmarks plot, it did not put together sufficient information on him or his followers to interrupt the WTC bombing plot. In early 1995, no amount of collation or cross-referencing of case files would have helped law enforcement track down McVeigh and Nichols. There was limited but important information to be shared in Saudi Arabia or East Africa; the best opportunity for information sharing was in acquiring the data from el-Hage's computer, but it did not happen. In the previous chapter we discussed the effect of the collation and information sharing problem on 9/11, particularly the sharing of crucial CIA information about terrorist suspects entering the United States. Although little information was collected about the terrorist plots, clearly there was information available in each case that, if it had been collated and shared with other agencies, might well have led to the disruption of each plot.

7.6.4. Analysis

In the previous chapter we highlighted the lack of strategic analysis – or misdirected or erroneous judgments where such analysis did occur – within the U.S. intelligence community. We have seen a whole range of analytical pathologies contribute to this problem in these cases. In 1993, wishful thinking about the blind Sheikh and selective perception of foreign terrorism made both threat and warning analysis less accurate. Bias and selective memory led military intelligence analysts to underestimate the threat to Khobar Towers. In East Africa, analysts had amnesia – the vehicle bombings of the U.S. Marine barracks, the embassies in Beirut and Kuwait City, the Israeli embassy in Argentina, OPM/SANG, and Khobar Towers did not help them think concretely about the danger of vehicle bombs. Prior to 9/11 there was no single listing all of all al-Qa'ida related threats, and the relevant intelligence agencies had assigned few if any analysts to al-Qa'ida. In all of the cases, however, so little warning information was collected that tactical analysis was nearly fruitless.

7.6.5. Dissemination

There is some evidence of failure in the dissemination phase in several cases. In 1993 the State Department and CIA did not share with the FBI and INS information they had about Sheikh Rahman and the capabilities of his Egyptian terrorist network. Additionally, the FBI-Joint Terrorism Task Force in New York did not disseminate information on terrorist suspects they were interested in, including two of the plotters (unknownst to the FBI) who had run-ins with local law enforcement authorities shortly before the bombing. In Saudi Arabia, military intelligence analysts disseminated assessments of the terrorist threat in the region to field commanders and back to Washington, but they failed to acknowledge what they did not know

about either threat or warning indicators of the Muslim extremists in the Kingdom. Threat indicators were well disseminated before the 9/11 attacks, but given the lack of understanding of warning indicators and the problems with information sharing, the intelligence community did not produce reports with specific warnings in them.

Intelligence and law enforcement agencies need to have either raw intelligence or finished intelligence products in order to disseminate them. Because of the failures in planning and collection, there was little to analyze in most of these cases, and so very little by way of finished intelligence that could be shared. The FBI and CIA are particularly reluctant to disseminate certain types of information outside their own agencies, but in most of these cases they did not have much to share even if they had been willing.

DCI George Tenet told the Joint Inquiry that even with intelligence analysis and dissemination, homeland defense and preparedness is still necessary:

You can disseminate all of the threat reportings you want. You can do the strategic analysis... You can put all of that out there to people. Unless somebody is thinking about the homeland from the perspective of buttoning it down to basically create a deterrence that may work, your assumption will be that the FBI and the CIA are going to be one-hundred percent flawless all of the time. And it will never happen.⁶²⁵

The key breakdowns within the intelligence cycle occurred largely at the two earliest stages – planning and collection. There was such a dearth of information that collation, analysis, and dissemination were not impossible but had very little useful contribution to make.

⁶²⁵ Joint Inquiry, p. 450.

7.7. POLICY RECOMMENDATIONS

7.7.1. Recommendations by the Joint Inquiry and the 9/11 Commission

Both commissions made a number of specific recommendations concerning the structure of the intelligence community; national strategies for combating terrorism; technology and human resources; the role of the FBI in counterterrorism; legal authorities and FISA; Congressional oversight; classification rules; the need for a formal system of accountability within the IC; border security and immigration enforcement; and transportation security. It is worth reviewing several of the more important recommendations.

One of the more important but least noticed recommendations of the Commission concerned America's grand strategy for winning the war on terrorism. The Commission begins Chapter 12, entitled "What to Do? A Global Strategy," by defining the threat – transnational in nature, Islamist in motivation, irreconcilable in its demands. It posits the need for a balanced strategy, including not only military means but also political efforts to win the ideological war – public diplomacy, coalition building, and promoting economic development, an "agenda of opportunity." Such political efforts were significant in winning the ideological Cold War. The Commission rightly points out that America will never persuade the hard-core followers of Bin Laden; we must make our case to the majority of Arabs and Muslims. We can promote moderation, and articulate a vision of the future that "should stress life over death: individual educational and economic opportunity."⁶²⁶

Recognizing the serious problems of information sharing among agencies and of allocating resources (and the difficulties faced by the DCI in doing either), the Joint Inquiry set out to

⁶²⁶ 9/11 Commission, pp.361-376.

address several problems with one recommendation: the creation of the new DNI position. The DNI would be the President's primary advisor on intelligence, and would have "the full range of management, budgetary, and personnel responsibilities needed to make the entire U.S. Intelligence Community operate as a coherent whole."⁶²⁷ The Commission endorsed this recommendation, pointing out the need for "joint intelligence and joint action."⁶²⁸ DCI Tenet understandably opposed it, as did Secretary of Defense Donald Rumsfeld, who actually controlled much of the intelligence community's budget.

Concerning the role of the FBI in counterterrorism, the Joint Inquiry suggested that the Bureau should strengthen and expand its capabilities in domestic intelligence, including better coordination among field offices, timely sharing of intelligence data, and stronger strategic analysis. The Joint Inquiry questioned whether the FBI should retain its central role in domestic intelligence, suggesting that perhaps a new agency should be created,⁶²⁹ modeled on MI-5, Britain's counterintelligence agency. The Commission did not recommend the establishment of a domestic intelligence agency, since its other recommendations addressed many of the reasons for wanting a new agency and it would unnecessarily complicate existing domestic security arrangements. But the Commission also suggested that the FBI needed to improve its intelligence capabilities; to better institutionalize its new-found commitment to preventive counterterrorism; and to make significant improvements in how it recruits, trains, assigns, rewards, retains, and employs intelligence analysts.⁶³⁰

⁶²⁷ Joint Inquiry, pp. 510-511.

⁶²⁸ 9/11 Commission, pp. 401, 411-415. The Commission re-titled the position as National Intelligence Director (NID) and recommended the establishment of a National Counterterrorism Center (NCTC), built on the existing Terrorist Threat Integration Center (TTIC), and reporting to the NID. It also recommended that there should be better incentives for information sharing, a presumption towards sharing rather than secrecy; see pp. 416-417.

⁶²⁹ Joint Inquiry, pp. 516-517.

⁶³⁰ 9/11 Commission, pp. 423-425.

The Joint Inquiry recommended that the FBI receive better training on the use of FISA methods; that the FBI disseminate results of FISA wiretaps throughout the intelligence community; and that the FBI more fully exploit the authority it does have under FISA to track terrorists. It suggested that the Congressional intelligence oversight committees review the implementation of FISA in light of the expanded government surveillance powers provided by the USA PATRIOT Act. Finally, the Joint Inquiry asked the Administration to report to Congress what progress it was making in “reducing the inappropriate and obsolete barriers among intelligence and law enforcement agencies...” including its efforts to ensure that analysts in the intelligence community understood current law and policy on those restrictions.⁶³¹ It did not call on Congress itself to conduct a review of its own history of oversight, or of the legislation it had passed and the hearings it held in regard to FISA and the USA PATRIOT Act. The 9/11 Commission expressed concern for the privacy of U.S. citizens affected by the laws, but recommended only a “full and informed debate” on the PATRIOT Act.

The Joint Inquiry requested that the 9/11 Commission provide it with recommendations on how Congress might improve its oversight of intelligence, from changes in budgetary processes and the structure of the oversight committees to a review of how classification decisions affect oversight.⁶³² The Commission complied, recognizing that “strengthening congressional oversight may be among the most difficult and important” recommendations it would make. Calling existing oversight “dysfunctional,” the Commission recommended that Congress streamline the committee structure for intelligence and homeland security – including the need to

⁶³¹ Joint Inquiry, pp. 516-518.

⁶³² *Idem.*, pp. 522-523.

reduce the number of committees and subcommittees having oversight over homeland security from 88 to two.⁶³³ Not surprisingly, no such streamlining has taken place.

Finally, the Commission made several related recommendations on the need for a biometric entry-exit system for U.S. borders and ports of entry; better exchange of terrorist travel information with friendly governments; and improved standards for the forms of personal identification needed to access facilities and services like air transportation.⁶³⁴ Terrorists must travel in order to plan their attacks, to conduct surveillance, and to carry out their attacks. As the United States improved its tracking of terrorist travel after 9/11, al-Qa'ida turned its attention to other countries where travel was easier. The use of local cadres in the Madrid, Spain and London, England train bombings in 2004 and 2005 may also indicate that U.S. efforts to restrict travel have forced some changes on al-Qa'ida. That is, al-Qa'ida has learned from U.S. efforts and is simply seeking easier targets.

Taken together, the two investigations provided a rich set of recommendations for Congress and the President on ways to improve the ability of the United States to predict, prevent, or deter terrorist attacks. Initial evaluation of the implementation of those recommendations is not encouraging, however.

7.7.2. Recommendations from This Study

There are three important sets of recommendations, touted by the 9/11 Commission and others, which need to be expanded upon or revised. They pertain to the structure of the intelligence community; the importance of updated legal authorities concerning information sharing and

⁶³³ 9/11 Commission, pp. 419-421. The Commission dealt with the budget questions under the NID and with classification issues under information sharing; see note 78 *supra*.

⁶³⁴ *Idem.*, pp. 383-390.

intelligence collection; and the accountability of Congress for some of the failures we have studied. One area that was not addressed to any great extent by the Commission, but which also deserves discussion, is the problem of strategic intelligence analysis.

7.7.2.1. Structure of the Intelligence Community Recommendations on how to restructure the intelligence community have come and gone over the past fifty years. Several of the proposed changes are worthy of further comment. First, the Director of National Intelligence proposed by the Joint Inquiry probably does not have the statutory authority or bureaucratic strength to bring the intelligence community into line, given as example the struggles that the new Department of Homeland Security had with getting cooperation on homeland-related intelligence after 9/11. Entrenched interests and bureaucratic cultures across the intelligence community are already resistant to oversight from the Director of Central Intelligence; it is hard to imagine that the new DNI will be received much more warmly. The first DNI, former U.S. Ambassador John Negroponte, has the President's backing and some authority over at least the FBI's intelligence operations, but he faces a long road in overseeing reform of the larger intelligence community.⁶³⁵ Gerald Posner warns that over-centralization of the intelligence community structure under the DNI will actually exacerbate the problems that led to 9/11, such as making it more difficult for analysts to get important information through the bottleneck at the top of the community. Another potential problem may emerge with the process of developing strategic threat analyses. DNI Negroponte has removed the National Intelligence Council (and its team of National Intelligence Officers (NIO's)) from within the CIA, and they now report to

⁶³⁵ See "An End to Spy Versus Spy?; Negroponte now has the tools to end the FBI-CIA feuding," *Los Angeles Times*, July 5, 2005, p. B10.

him directly. Previously, the NIO's had relied extensively on the CIA's Directorate of Intelligence to support the development of baseline strategic threat assessments known as National Intelligence Estimates (NIE's). Separated from their sources in the CIA, the NIO's may find it more difficult to acquire the analytic support they need to write the assessments.⁶³⁶

Second, we need to pry the NSA away from DOD and allow it to operate with more freedom in what has become a borderless world. The domestic/foreign intelligence divide no longer exists; communications technology has made it obsolete. The NSA's technical intelligence capabilities do pose a privacy risk, but we need to keep developing and refining safeguards for American citizens. Clearly there are citizens who not only sympathize with but are actively supporting and serving al-Qa'ida. The al-Qa'ida suicide bombers who blew up subway trains in London in July 2005 were British-born, middle-class youths of Pakistani descent who became radicalized by the slaughter of Muslims in Bosnia. The terrorists certainly can recruit U.S. citizens, perhaps American-born and -educated, who should not be exempt from electronic surveillance merely because of their citizenship. The NSA must continue to support DOD's mission and operational needs, but it must also be free to cooperate more closely with the FBI, CIA, and DHS.

Third, the profusion of centers for joint intelligence and joint action may have complicated the intelligence process rather than simplified it. The Counter Terrorism Center at CIA has been around since the 1980's, but it was joined (and seemingly threatened) by the new interagency Terrorist Threat Integration Center (TTIC) – now renamed the National Counter Terrorism Center (NCTC). For a time there were at least four separate entities at the FBI involved in counterterrorism: the National Security division, the Intelligence division, the Counterterrorism

⁶³⁶ Personal communication from Dennis Gormley.

division, and the Terrorist Screening Center. At the Department of Homeland Security there are several organizations involved in countering terrorism: the Office of National Risk Assessment (ONRA), the Information Analysis and Infrastructure Protection (IAIP) division, and the Immigration and Customs Enforcement (ICE) division. With this profusion of interagency task forces and centers, there are hundreds of agents cross-assigned to other centers, weakening each agency's core analytical units. In this environment, sharing information means reaching out to a large number of far-flung organizations and individuals – creating problems with classification, security, and timeliness of shared intelligence data.

One step in the right direction was President Bush's July 2005 order that created a National Security Service within the FBI, combining all of the units dealing with counterterrorism and placing the new service under the joint authority of the FBI Director and the DNI.⁶³⁷ Despite its efforts after 9/11 to focus on counterterrorism, the FBI remains, structurally and culturally, most attuned to combating criminal enterprise. The FBI is still the world's premiere law enforcement agency, and when it focuses on its mission of finding and arresting criminals, it does well. It has never been well suited to intelligence work, and this new plan will help to improve its intelligence capabilities and its coordination with other agencies through the DNI. Another appropriate step was the announcement in July 2005 that DHS Secretary Michael Chertoff would appoint a new chief intelligence officer within DHS, who would help coordinate its efforts and improve the department's standing and reputation within the intelligence community.

If DNI Negroponte is able to exercise control over the NCTC and the new NSS at FBI, and if he ensures that DOD plays by the rules requiring it to cooperate on human intelligence with the CIA, then the restructuring has a chance to be effective in the long run. However, it is

⁶³⁷ "Reforms at the F.B.I. and Justice," *The New York Times*, July 1, 2005, p. A16.

important to understand that successful restructuring will also require a change in organizational culture within the intelligence community toward becoming “high reliability organizations” whose collective attitude is one of mindfulness – a rich awareness of both context and detail that embraces complexity, openness to alternate viewpoints and interpretations, and flexibility in the face of changing circumstances. Such mindfulness allows an agency to anticipate and manage unexpected occurrences with consistency and effectiveness.⁶³⁸ Congress and the Executive branch will have to provide strong incentives to push intelligence agencies in this direction.

7.7.2.2. Legal Authorities The USA PATRIOT Act was re-authorized in early 2006, staying roughly in its previous form with only minor modifications to its FISA provisions. The Justice Department conducted roughly twice as many FISA wiretap operations in the three years after 9/11 as it had in the three years prior, so the improvements made by the PATRIOT Act were significant but not as momentous as initially feared by critics.⁶³⁹ Streamlining the FISA process has saved tens of thousands of hours of time for lawyers, agents, and analysts, who can focus more on effective implementation and oversight of FISA approvals. Perhaps the greatest benefit of the Act has been bringing down “the wall” between intelligence and investigations.

But re-authorization of the act was not easy. Critics blamed the PATRIOT Act for a wide variety of unrelated issues – the detention of prisoners at Guantanamo Bay among them. Many seized on what became the most controversial provision of the Act, known as the “library” provision. Section 215 of the Act requires agents to obtain permission from the Foreign

⁶³⁸ See Keith Hammonds, “5 Habits of Highly Reliable Organizations,” *Fast Company* 58:124, May 2002, p.124; also Brian Cracknell, “Gearing up for Uncertainties,” *New Straits Times (Malaysia)*, November 7, 2001, p. 22; the concept of mindfulness originates in Karl Weick and Kathleen Sutcliffe, *Managing the Unexpected: Assuring High Performance in an Age of Complexity*, (San Francisco: Jossey-Bass, 2001).

⁶³⁹ Tom Brune, “Amid Rising Surveillance, Hearings,” *Newsday* (New York), April 5, 2005, p. A20.

Intelligence Surveillance Court (FISC) to order the production of “tangible things” – such as business receipts, medical records, and library records. Through March of 2005 the provision had only been used 35 times, never for library records. Critics complained that no American could have a right to privacy if his or her record of overdue books was accessible to law enforcement. But libraries and bookstores have always been subject to grand jury subpoenas, which have no required judicial oversight, unlike court orders under Section 215. There is no reason to provide terrorists with a “safe haven” at the local library.⁶⁴⁰

The debate over FISC approvals became particularly heated in early 2006 when an NSA employee leaked information to the press about warrantless wiretaps of U.S. citizens who had been in contact with or contacted by foreign terrorists. Though the program only targeted a small number of people, critics charged President Bush with implementing an unconstitutional “domestic spying” program and called for his impeachment. The controversy generated more heat than light; the legal arguments supporting the warrantless wiretap program are complicated and shrouded in secrecy. The short version of the story is that when the FISA Court of Review met for the first time ever in September 2002 to rule on the FISC’s re-imposition of strict rules on information sharing (“the wall”) despite the passage of the PATRIOT Act, it determined that the FISC had overstepped its constitutional bounds, and that the President had the “inherent authority to conduct warrantless searches to obtain foreign intelligence information.” The Supreme Court refused to reverse the Court of Review’s decision.⁶⁴¹ So although the debate over the wiretap program continued throughout early 2006, it is unlikely the program will be declared unconstitutional.

⁶⁴⁰ See Statement of James B. Comey, Deputy Attorney General, before the House Judiciary Committee, June 8, 2005.

⁶⁴¹ Byron York, “Listening to the Enemy: The Legal Ground on which the President Stands,” *National Review*, Feb 10, 2006 (online).

Efforts to reshape and reform the legal authorities pertaining to intelligence collection and sharing should not stop with the reauthorization of the PATRIOT Act. Congress needs to reevaluate its methods for intelligence oversight, continue to work through the issues of balancing privacy and security, and fund and mandate the implementation of recommendations for reforming the intelligence community. The terrorists will continue to adapt their methods to avoid being picked up by surveillance and intelligence, and our legal authorities will need to evolve with developments in terrorism.

7.7.2.3. Congressional Accountability Critics of the PATRIOT Act have argued that it poses a grave danger to democracy – but that label perhaps belongs instead to the U.S. Congress itself. Congress itself is a danger to democracy because elected representatives have failed to protect Americans from threats foreign and domestic, and have refused to accept any responsibility for the failures leading to 9/11. Unfortunately it is up to individual voters to hold their representatives to account, since Congress, the President, and the press will not.

The Joint Inquiry was not about to point a finger back at Congress for its failures to oversee intelligence, aviation security, and counterterrorism. The 9/11 Commission was blunt about the “dysfunctional” oversight of Congress, but made only limited recommendations for change and assigned no responsibility to Congress. Media attention did not seem to focus at all on holding Congress accountable. In a LexisNexis search, news stories that referenced both Congress and “accountability” focused on Congress holding the Administration accountable, but not on anybody else holding Congress accountable.

Members of Congress have allowed a broken oversight and committee system to remain in place for years despite repeated failures of the intelligence community and the committees

themselves. The current system provides tangible rewards to Members – in the form of log-rolling: voting for others’ favorite measures on the basis of what pork barrel project will come in exchange. A seat on a committee guarantees power and prestige, as well as attention from lobbyists; so the more committees the better, for the individual Member.

The effects of having too many committees are clear: wasted time, wasted money, and bad oversight. Representatives of DHS must testify before 88 committees and subcommittees of Congress, expending precious time and resources on preparing and delivering statements. The Commission’s chair and vice-chair have since written that “the intelligence committees are still overshadowed and second-guessed by powerful standing committees whose attention to intelligence oversight is episodic.” Intelligence agencies which dislike what their oversight committee tells them can simply go to a different appropriations committee to get money. Streamlining Congressional oversight is just one of the recommendations by the 9/11 Commission that has not been – and may never be – implemented.⁶⁴²

With all of its available oversight and funding power, Congress failed to oversee adequately either intelligence or counterterrorism policy; it barely feigned to show interest. It did not ask the President and the NSC for more coherent strategies for dealing with terrorism. It did not require the CIA to update its 1997 NIE on terrorism for several years, even after the Embassy bombings. It did not ask the FBI for a strategic assessment of the terrorist threat to the American homeland. It did not encourage the White House to take aggressive action against Bin Laden’s supporters in Sudan or Afghanistan. It did not review “the wall” between intelligence and investigations that had arisen largely as a result of prior Congressional investigations. It did not implement recommendations on structural changes in the intelligence community presented to it

⁶⁴² Thomas Kean and Lee Hamilton, “9/11 Panel’s Report Must not Go Unheeded,” *Baltimore Sun*, June 12, 2005, p. 5C.

by a series of independent commissions. It did not ensure that intelligence agencies had enough trained linguists to handle all of the incoming Arabic message traffic. It imposed sanctions on Pakistan, Sudan, and Afghanistan that made it difficult for the President to apply leverage against their governments.

Congress also failed to address key problems with funding for intelligence and counterterrorism. Members persisted in deficit spending and funding pork-barrel projects while the intelligence community's budgets were slashed in the early 1990's; the best Congress could do was an occasional supplemental appropriation. Counterterrorism funding stayed flat, and Congress never stepped in to determine how the CIA and FBI were spending what money was available. It significantly underfunded Federal building security and embassy security. It did not provide enough funding for human intelligence operations either in CIA or DOD. It did not take seriously the challenge of funding infrastructure protection.⁶⁴³

Some of the key lawmakers from the 1990's responsible for these continued failures by Congress are gone – but many are still in power in Washington today. They have continued to sit as chairs and members on a superabundance of committees, holding redundant hearings and unnecessarily complicating the oversight and budgetary processes. They have followed some recommendations of the Joint Inquiry and the 9/11 Commission by appointing a DNI (although with precious little debate or analysis), but they have failed to implement or fund many of the others. They continue to blame Presidents Clinton and Bush for the policy and intelligence failures that led to 9/11, refusing to acknowledge their own role in those failures.

⁶⁴³ Even after the July 2005 London mass transit bombings, some Members of Congress still supported *cutting* funding for mass transit security from \$200M to \$100M annually.

7.7.2.4. Strategic Intelligence Analysis In each case reviewed here we have seen common analytical pathologies at work, such as bias, selective memory, overconfidence, the vividness effect, mirror imaging, and selective perception. In the first World Trade Center bombing and the East African Embassy bombings we have also seen analytical mistakes involving the failure to follow up on investigative leads (El-Sayyed Nosair's documents and Wadih el-Hage's laptop) and pursue the strong connections to the terrorist networks. But perhaps most important in all of these cases has been the failure of strategic intelligence analysis.

During the 1990's there were several important efforts to develop a stronger sense of the overall strategic threat posed by terrorism, including the 1995 and 1997 NIE's on terrorism, the formation of the Counter Terrorism Center and the Bin Laden center at the CIA, and the creation of the Counterterrorism Security Group under Richard Clarke at the NSC. However, there were too few analysts assigned to do strategic intelligence, and more importantly, there was no structured, focused attempt to assess the overall terrorism threat abroad and/or domestically.

What was needed was more science and less art. Dennis Gormley describes "the decidedly unscientific nature of the intelligence community's approach to analysis," which he says is "largely devoid of scientific rigor."⁶⁴⁴ A structured analysis should have included, for example: a comprehensive listing of all warning indicators of al-Qa'ida activities, from recruitment to training to surveillance; a systematic look at Bin Laden's financing networks, Islamic charities, and the hawallah system; a tabulation of data on travel by known terrorists; a review of all U.S. government terrorist watchlists; a check of new understandings of networks and terrorists among academic and non-government experts; and an effort to incorporate open source information about the terrorists. This indeed would have been a wide range of data types to incorporate in

⁶⁴⁴ Dennis Gormley, "The Limits of Intelligence: Iraq's Lessons," *Survival*, 46:3 (Autumn 2004), p. 14.

one analysis, but there were also many scientific methodologies and tools that could have been used to conduct the analysis and question the hypotheses and conclusions.

Rigorous data collection must be followed by rigorous, scientific analysis of competing hypotheses about the meaning of that data. Yet the intelligence community continues to rely on its intuitive, idiosyncratic, secretive methods of analysis. Gormley concludes that “no formal system for measuring and validating the reliability of various analytic approaches exists within the intelligence community.”⁶⁴⁵ He proposes a solution:

A more scientifically based analytical process ought to include perusing collected information on the subject, establishing several hypotheses consistent with one’s observations, employing hypotheses to make predictions, testing each hypothesis (preferably as independently as possible), and refuting or confirming, in equal measure, each hypothesis.... Formalism must play a more prominent role in the analytical process...⁶⁴⁶

These kinds of suggestions have been made before in the intelligence community, and some efforts have been made to promote a more scientific approach to analysis, including the formation of the Sherman Kent Center for Intelligence Analysis at the CIA, a “college” of the art and science of analysis at the NSA, and calls for a National Intelligence University,⁶⁴⁷ among others. Any real improvement in this area will require not only analyst training but a change in the attitude of much of the analytic community,⁶⁴⁸ new technologies and tools for analysis, and modifications to the rewards and promotion system for analysts. We will continue to pay a high price for failing to address the unscientific nature of strategic intelligence analysis.

⁶⁴⁵ Idem., p. 15.

⁶⁴⁶ Idem., pp. 16-18.

⁶⁴⁷ See, for example, Scott Shane and David Sanger, “Bush Panel Finds Big Flaws Remain in U.S. Spy Efforts,” *The New York Times*, April 1, 2005, p. A1.

⁶⁴⁸ See Rob Johnston, *op cit*.

7.8. FINAL THOUGHTS ON THE INEVITABILITY OF SURPRISE

This study has explored the extent to which the typical factors in intelligence failure (analytical challenges, organizational obstacles, and the inherent problems of warning information) – as well as failures of public policy leadership – contribute to intelligence failure and surprise in counterterrorism. This study also applied existing theory about warning, surprise, and intelligence failures to a new realm – mass casualty terrorism – and tested it in a small set of cases. Existing theory led to new insights into all of the cases studied here, but it left room for a new and more careful evaluation of the important role of public policy leadership failures in surprise. In particular, we have seen the fundamental problem of policy makers’ inaccurate perceptions of the threat environment and the destructive effect that they have on understanding warning indicators and the intelligence planning and collection required to find those indicators.

Perhaps most importantly, this study has endeavored to evaluate whether terrorist surprises are inevitable. Betts has recently argued, “Unfortunately, the historical record of failure to prevent strategic surprises is overwhelming.”⁶⁴⁹ Indeed, this study demonstrates that intelligence failures leading to mass casualty terrorism are inevitable, largely because (a) the strategic threat environment is complex and ever-changing, and because (b) so much of policy making, intelligence, and counterterrorism depend on human psychology and behavior.

In each case, we have reviewed how complex the strategic threat environment was for the United States in the turbulent 1990’s, and how it became increasingly complicated thanks both to the impact of various policy decisions and to the effect of misperception and bias. Such an environment made it more difficult to develop appropriate understandings of threat indicators,

⁶⁴⁹ Richard Betts, “How to Think About Terrorism,” *The Wilson Quarterly*, 30:1, Winter 2006, pp. 44-49.

which were needed to develop the warning indicators for which analysts should have been looking. At least this was the case at that time, before scholars and intelligence practitioners began to develop more fully such concepts as environment scanning, probing, and searching the periphery⁶⁵⁰ that should help analysts separate signals from noise more easily.

While the strategic threat environment was and continues to be very complex, sometimes there are dramatic changes or important events that provide the occasion for a major clarification and reassessment of the threat environment – call them “shifts in strategic context.” Suddenly various trends become clear, warning indicators are better understood, and there is a demand for appropriate action. These shifts usually lead to more effective inter-agency cooperation and execution of intelligence functions. For example, during the heightened security awareness of the 1990-91 Persian Gulf War (when Saddam Hussein threatened to take the war to the American homeland), the U.S. intelligence and law enforcement communities cooperated (along with foreign allies) to foil the plans of thirty Iraqi terror cells. The strategic context at the time clearly required substantial additional effort to find the terrorists.

But the temporary duration of such positive effects can clearly be seen in this study. In the aftermath of the first World Trade Center bombing, the FBI was able to interrupt the plot to blow up the Holland Tunnel and various New York City landmarks; but it failed to maintain that level of alert and prevent the Oklahoma City bombing. Similarly, in the wake of the Khobar Towers bombing in 1996, U.S. facilities worldwide were on high alert and various terrorist plots were thwarted; but the effect wore off before the Embassy bombings in 1998. The tragedy of 9/11 came after a whole series of these strategic shifts in context, yet we failed to learn.

⁶⁵⁰ A fine example of probing the threat environment was the U.S. government’s actions prior to the new Millennium, which Richard Clarke described as “shaking the trees” – which helped prevent several planned terrorist attacks. For more on scanning, see George S. Day and Paul J.H. Schoemaker, “Scanning the Periphery,” *Harvard Business Review*, November 2005, pp. 1-12.

Human nature and its limitations also make surprise inevitable. Government institutions are led by human beings who make individual decisions with corporate ramifications in environments of complexity and change. Human nature has inherent weaknesses, and our psychological biases and misperceptions taint our understanding of reality. We make policy choices without evaluating or planning for many potential consequences. We ignore dangerous threats unless they become compelling, and tend to forget them again once they have passed. The leadership failures we have discussed are all human failings.

Organizational obstacles are also the product of human behavior interacting with bureaucratic structures. We maintain dysfunctional structures because they serve human purposes, like safety and ease. Turf battles may be over institutional reputation but they are also over personal image and prestige. We do not like to share information with others, because holding onto secrets provides us with a certain amount of power. Organizational culture is not the product of institutional arrangements and organization charts, it is the product of human interactions and priorities.

Analytical challenges are created by human failings. Our psychological biases shape our perception of reality. We take incoming information and fit it to existing schema. We fail to seek information that might refute our preconceived notions; we do not like to question the conventional wisdom. We yield to groupthink, mirror imaging, and a variety of other psychological pathologies that shape our analysis of the world around us. We may begin to use technology more effectively to interpret incoming information, but the meaning assigned to that information must still come from within the human mind.⁶⁵¹

⁶⁵¹ For more on how psychological factors affect both organizational culture and analytic culture, see Rob Johnston, *op cit.*

We must not forget that the enemy – the terrorist – is human, as well. That is not an expression of compassion for cold-blooded killers. What that means is that terrorists exhibit human traits: they have mixed motives, they may act on emotion and not reason, they are led astray by radical philosophies, and they even make mistakes. One of the 19 hijackers nearly dropped out of the plot to stay with his girlfriend in Germany; another used the Internet to look for a wife because he was lonely. Their behavior is chilling, misguided, and evil, but it is just as predictable or unpredictable as that of any human.

Although we have looked at leadership failures within the American public policy and intelligence communities, the evidence of such failures is likely to be found in every country and in every bureaucratic institution. Organizational obstacles are likely to be the same everywhere, if perhaps exacerbated in countries and institutions with poor technology, management, or resources. The psychological influences that shape intelligence analysis in the United States are clearly mirrored in foreign intelligence services. Intelligence failures that lead to mass casualty terrorism are not only inevitable here in America, they are inevitable everywhere – and for as long as extremist terrorism remains a threat on this planet.

7.9. EPILOGUE

On July 7, 2005, four suicide bombers exploded backpack bombs on subway trains and buses in central London, killing 52 people and wounding more than 700. The precise timing and coordination of the attacks, as well as the targeting of ordinary citizens instead of military or political targets, appeared to fit al-Qa'ida's "style." Watching the unfolding television coverage

of the attacks, Americans were instantly transported back to 9/11, to the horror and fear of that day. They felt a kinship with the hardy survivors who refused to be intimidated by the terrorists.

But something had changed in the four years since 9/11, perhaps for the better. After 9/11 there were great celebrations in the Arab street, among Palestinians and others, gleefully dancing before television cameras over the destruction wrought on America. Muslim leaders in America and the Middle East did not condemn their joy. This time not only was that celebration missing, but Muslim leaders in Britain, Europe, America, Palestine, and across the Middle East condemned the attacks and expressed their condolences to the British people. Certainly there were those who crowed that Britain had gotten its just desserts for following American policy in Iraq and Afghanistan, but they were largely disregarded by the media.

Critics of the American occupation of Iraq had suggested that U.S. policy would create all kinds of new terrorist threats, pointing to not only the terrorist attacks within Iraq but also the bombing of trains in Madrid, Spain in 2004 that forced the Spanish government out of office. Indeed the war on terror in Iraq will not end terrorism. Despite the election of Hamas to power in the Palestinian Territories, developments like the emergence of democracy in Iraq and Lebanon, new pressures for democracy in Egypt and Kuwait, even the growing unease of Iranians with a new hard line government, have perhaps begun to turn the tide of public opinion in the Muslim world.

But more than that, the Muslim world has seen another side of the United States in what one might call “public compassion.” American military, civilian, and non-profit efforts have restored and expanded education, health care, public transportation, and utilities in Iraq and Afghanistan. The United States also stepped in to provide tremendous relief to a number of countries after a massive tsunami in the Indian Ocean in 2004. A February 2005 nationwide poll in Indonesia, the

world's largest Muslim country, showed a remarkable change in public opinion largely due to American relief efforts. Favorable views of America had increased dramatically, while support for Bin Laden and terrorism declined by half. Clearly, U.S. efforts can make a noticeable and immediate change in support for terrorism.⁶⁵²

So while it is important to reform the intelligence community, enhance our homeland security, fight to counter terrorism wherever it is found, and take responsibility where we fail, we must also engage in public diplomacy and public compassion to win the hearts and minds of those who might otherwise support terrorists and their ideology of fear and hate.

⁶⁵² See Lee Hamilton, "Shifts in Muslim Opinion Possible," *Christian Science Monitor*, March 21, 2005, p. 9.

APPENDIX

GOVERNMENT-IMPOSED RESTRICTIONS ON FBI DOMESTIC TERRORISM INVESTIGATIONS

What follows is a brief history of some of the restrictions imposed on FBI investigators by the courts, Congress, and the Executive branch. It is not a comprehensive review, but focuses instead on how these restrictions affected the ability and willingness of the FBI to conduct investigations of terrorist groups on domestic soil. This was particularly a problem before the first World Trade Center and Oklahoma City attacks.

Court-Imposed Restrictions

The FBI had been retreating from domestic intelligence for many years. Throughout much of J. Edgar Hoover's tenure as Director of the FBI, the Bureau had been engaged in a wide variety of activities focusing on perceived domestic threats, among them Communists, civil rights leaders, and racists. These activities ranged from collecting information to infiltration, disinformation, and other more unsavory tactics. But starting in 1971, severe restrictions were imposed on the FBI as the result of developments in all three branches of government.

In June of 1971, the Supreme Court ruled in *Bivens v. Six Unknown Federal Narcotics Agents* that federal agents could be held liable for monetary damages by citizens who felt that the

agents had conducted an unreasonable search and arrest in violation of their Fourth Amendment rights. Chief Justice Warren Burger noted in his dissent, “There is also a real danger that such suits might deter officials from the *proper* and honest performance of their duties.” Joining him in dissent, Justice Harry Blackmun wrote, “Whenever a suspect imagines, or chooses to assert, that a Fourth Amendment right has been violated, he will now immediately sue the federal officer in federal court. This will tend to stultify proper law enforcement and to make the day’s labor for the honest and conscientious officer even more onerous and more critical.”⁶⁵³ There is some debate over whether the decision may have done exactly what the dissenters predicted.

In 1982, FBI Director William Webster testified before the Senate subcommittee on Security and Terrorism:

My problem is not unleashing the FBI, my problem is convincing those in the FBI that they can work up to the level of our authority. Too many people have been sued; too many people have been harassed and their families and life’s savings tied up in litigation and the threat of prosecution; so that we and others like us run the risk that we will not do our full duty in order to protect our individual selves.⁶⁵⁴

Twenty years later, W. Raymond Wannall, former assistant director of the FBI in charge of intelligence, notes that there were more than 12,000 Bivens-type suits in the following fifteen years, and that despite the fact that few resulted in actual monetary damages, federal employees have become extremely wary of provoking lawsuits.⁶⁵⁵

⁶⁵³ Supreme Court of the United States, *Bivens v. Six Unknown Named Agents of the Federal Bureau of Narcotics*, 403 U.S. 388; pp. 429-430. Emphasis in the original.

⁶⁵⁴ William Webster, Testimony before the Subcommittee on Security and Terrorism of the Committee on the Judiciary, United States Senate, 97th Congress, 2d Session, February 4, 1982, p. 19.

⁶⁵⁵ W. Raymond Wannall, “Supreme Court case institutionalized fear at FBI,” *Washington Times*, June 11, 2002, p. A16 (letters to the editor).

However, Bob Ricks, former Special Agent in Charge (SAC) of the FBI's field office in Oklahoma City, says that fear of lawsuits was not what inhibited investigations prior to the Oklahoma City bombing – it was the fear of Congressional investigations.⁶⁵⁶

Congressional Committees Make Their Mark

In June of 1972 several bungling burglars connected to CIA Cuban operations were caught while breaking into the Democratic National Committee's headquarters at the Watergate apartments in Washington, apparently trying to gather information useful to President Richard Nixon's re-election campaign. What led to Nixon's resignation in late 1974 was not the story itself, but the cover-up he attempted to engineer – utilizing the CIA to influence the FBI investigation – that began to dissolve in early 1973. Nixon's attempts to misuse intelligence operations and the intelligence community for political purposes created a furor in Congress that led to the appointment of a special prosecutor and to the ensuing Articles of Impeachment voted by the House Judiciary Committee.⁶⁵⁷ But the White House was not alone in generating scrutiny from the Legislative branch.

From 1972 to 1975 there was a series of public revelations about the FBI's counterintelligence program (commonly known as COINTELPRO) focused on radical groups from 1956 to 1971. The Bureau had recruited thousands of informants inside these groups, utilized disinformation against their leaders, intimidated members, encouraged conflict between the groups, and carried out hundreds of break-ins or "black-bag jobs" to get information. At the same time there were disclosures from other parts of the intelligence community. From 1967-73 the National Security Agency (NSA) had operated Project Minaret, in which they monitored

⁶⁵⁶ Personal interview with Bob Ricks, September 18, 2002.

⁶⁵⁷ Christopher Andrews, *For the President's Eyes Only*, New York: HarperPerennial, 1995, Chapter 9.

foreign cables and phone calls of more than 1,600 Americans, initially anti-war activists but eventually a wide variety of others. The Pentagon had also investigated anti-war protesters.

Perhaps most damning of all the revelations were those about illegal CIA operations, known as the “Family Jewels” which were collected, and perhaps leaked,⁶⁵⁸ by Director of Central Intelligence William Colby. The activities in question included surveillance of the anti-Vietnam war movement and journalists, CIA connections to the Watergate scandal, programs to intercept mail, experiments with mind-control drugs, and assassination attempts. News of the counterintelligence activities against war protesters first reached the public in a *New York Times* story by Seymour Hersh published on December 22, 1974, details of which had been confirmed to Hersh by Colby himself only days before. President Gerald Ford created a commission to investigate some of the possible domestic abuses, but the other areas of concern – particularly assassinations – came to light in the next few weeks as Colby confirmed many details to the commission and to the Senate Appropriations Intelligence Operations Subcommittee.⁶⁵⁹

Based on DCI Colby’s confirmations to Congress, both houses established special committees to review the activities and budget of the intelligence community. Senator Frank Church was chosen to lead the Select Committee to Study Governmental Operations with Respect to Intelligence Activities, known as the Church Committee. The House Select Committee on Intelligence was headed first by Representative Lucien Nedzi and then later by Otis Pike. The Church Committee included six Democrats and five Republicans, but there was a clear majority of eight members who were moderate to liberal. The Pike Committee was even more left-leaning, including nine Democrats and only four Republicans. Only three members of

⁶⁵⁸ Colby may not have leaked the Family Jewels to Hersh directly, but the effect of the Hersh story was to discredit James Angleton, head of the CIA’s Counterintelligence Staff, who Colby wanted to remove.

⁶⁵⁹ Frank Smist, *Congress Oversees the United States Intelligence Community, 1947-1994*, Knoxville, TN: The University of Tennessee Press, 1994, pp. 26-27.

that committee had been in the House for four or more years, and that lack of experience contributed to security problems, leaks, and naïve decisions.⁶⁶⁰

Although the chairmen managed their committees in entirely different ways and for different reasons, the combined effect of the two lengthy investigations was a huge disaster for the intelligence community. Whether through remarkable lapses of discretion or attempts to grab the public spotlight, committee members and staffers regularly leaked classified information which revealed to the world a wide range of intelligence activities and methods which were not illegal. Through the leaks and public hearings, important covert sources were compromised, and technological capabilities in surveillance and interception were exposed. The public was left not with an understanding of the importance and uses of secret intelligence, but with images of Senators holding a CIA-invented blow dart gun intended for assassinations, and with Frank Church's description of the CIA as a "rogue elephant."⁶⁶¹

Both the process and the results were flawed. The Church Committee's final report contained ninety-six recommendations, including new legislation to guarantee privacy rights, tighter control of the FBI by the Attorney General, and the establishment of a permanent Senate committee to oversee intelligence. While these were reasonable, the committee also recommended that the CIA, NSA, IRS, Post Office, and military be barred from all domestic security activities,⁶⁶² a decision that restricted intelligence gathering prior to the terrorist attacks of 1993, 1995, and 2001. According to a retired senior FBI agent, the committee effectively took

⁶⁶⁰ Smist, pp. 32, 136, 143, 156-157.

⁶⁶¹ Andrews, p. 421.

⁶⁶² Smist, p. 78.

local law enforcement out of the intelligence game; for example, the Justice Department physically seized physical files from the Los Angeles Police Department.⁶⁶³

The Pike Committee ended not with a bang but a whimper. A preliminary draft of the committee's final report had been prepared with responsible recommendations for organizational changes in the intelligence community and in Congress, but it was rejected. The second draft focused on the committee's frustrating experiences with the executive branch and on investigative details.⁶⁶⁴ When extracts from the committee's final report were leaked to the press including information the CIA had requested be deleted, the House voted not to release the report, thereby repudiating much of what the Pike Committee had done.

The committees had a historic opportunity to address some important issues in negotiating the balance between effective intelligence and democratic principles. Both committee chairs came to recognize that secret intelligence was vital to national security, and that the core of the problem was oversight, not rogue agencies. But by that time the damage was done. The committees had failed to understand the world of intelligence, to educate the public, and to protect the secrets that should have been safeguarded. The impetus for reform was retarded, and the shadow of the failed Church and Pike Committees hangs over every ensuing attempt to reform the intelligence community.

The Attorney General's Guidelines on Initiating Investigations

The outcry from the media and from Congress over all these incidents became overwhelming, and in July 1975, Attorney General Edward Levi was forced to issue new guidelines for FBI investigations. The Bureau was prohibited from opening investigations into radical groups

⁶⁶³ Ricks interview, September 18, 2002.

⁶⁶⁴ Smist, pp. 205-211.

unless two criteria were met: the group had to be engaged in activities involving the use of violence or force, and the activities had to involve a violation of federal law. FBI supervisors had to evaluate the magnitude, probability, and immediacy of the threat posed by any group before opening a full investigation. How the FBI was to determine these facts before beginning an investigation was never made clear.⁶⁶⁵

In 1983, Attorney General William French Smith revised the Levi guidelines to relax the “criminal predicate” to include the apparent intent to commit crime, and to permit “preliminary inquiries” into organizations prior to opening a full investigation. The FBI still felt handcuffed. In November of 1988, FBI Director Sessions stated in a press conference:

I feel it's very essential that we not have a criminal element that is required in connection with international terrorism investigations.... It's absolutely essential that we not have a criminal predicate. And the intelligence base and the ability to gather that information means that you must have something other than a criminal predicate.⁶⁶⁶

Attorney General Dick Thornburgh reissued the guidelines in March 1989, clarifying the grounds on which an inquiry or general crimes investigation could be launched, and explaining that: “The standard of ‘reasonable indication’ is substantially lower than probable cause...” though there had to be a factual basis for initiating the investigation.⁶⁶⁷ Thornburgh further outlined important differences between general crimes investigations and criminal intelligence investigations, though the standard of “reasonable indication” was the same for either type.

On April 6, 1995, two weeks before the Oklahoma City bombing, FBI Director Louis Freeh testified before the House Judiciary Committee that the FBI still didn't have enough authority to

⁶⁶⁵ George Archibald, “Left Once Pilloried the FBI for its Monitoring of Groups,” *The Washington Times*, May 6, 1995, p. A4.

⁶⁶⁶ FBI Director William Sessions, press conference at FBI Headquarters, November 10, 1988, transcript.

⁶⁶⁷ *The Attorney General's Guidelines on General Crimes, Racketeering Enterprise and Domestic Security/Terrorism Investigations*, Office of the Attorney General, March 1989; section II C.

carry out some types of terrorism investigations.⁶⁶⁸ However, the guidelines as of 1995 granted the FBI the following authority:

A domestic security/terrorism investigation may be initiated when the facts or circumstances reasonably indicate that two or more persons are engaged in an enterprise for the purpose of furthering political or social goals wholly or in part through activities that involve force or violence and a violation of the criminal laws of the United States.⁶⁶⁹

Given the large-scale organizations of the militias and the visible patterns of criminal activity, violence, and threats of violence, the FBI clearly would have been following the guidelines by investigating the militias in 1993-95. The activities in the mosques of New York and New Jersey prior to the 1993 attack on the World Trade Center were more problematic.

Although the Levi guidelines may have been too restrictive, later revisions to the guidelines had sufficiently relaxed the greatest obstacle to initiating investigations – the criminal predicate requirement – that the FBI clearly had the written authority to open full investigations into the militia movement. There are two likely explanations for why they did not do so. First, the Bureau had little incentive to conduct domestic security investigations, for the reasons already suggested – fear of lawsuits and of exposure before Congressional committees. And it was clear from the AG’s Guidelines that First Amendment rights had to be carefully protected: “Special care must be exercised in sorting out protected activities from those which may lead to violence or serious disruption of society.”⁶⁷⁰ The FBI believed that both the militias and the Muslim communities on the East coast were involved primarily in First Amendment activities, and was

⁶⁶⁸ FBI Director Louis Freeh, Hearing of the House Judiciary Committee, April 6, 1995, transcript.

⁶⁶⁹ *Attorney General’s Guidelines*, March 1989, section III.B.1.a.

⁶⁷⁰ *AG Guidelines 1989*, section III introduction.

unwilling to inquire further into their other activities. As Judge Webster had testified, it was difficult to get the FBI to operate at the level of authority it actually had.

The second possible explanation for why the FBI did not investigate either the mosques or the militias is even less palatable. FBI insiders have suggested that they were not permitted to open investigations because of political decisions made at the highest levels of the Bureau and the Justice Department. At that time only the FBI Director or a designated Assistant Director could authorize the opening of an investigation (this was later expanded to allow the local Special Agent in Charge (SAC) to authorize an investigation). The Attorney General and the FBI Director may have made political determinations to ignore possible avenues of investigation. For example, former FBI supervisor Bob Ricks suggests that when the FBI was investigating a series of bank robberies connected to the racist group the Phineas Priesthood, the Attorney General denied permission to investigate the group further on terrorism charges.⁶⁷¹

It is not clear how often this may have happened, but it is possible that it occurred with some frequency. During the Bush Administration (1989-92) there may have been conflicting demands on the Justice Department – President Bush himself had become DCI in January of 1976 when the Church and Pike Committees were wrapping up, and may have been gun-shy about permitting investigations into emerging domestic threats like radical Muslim communities. At the same time, the FBI certainly would have faced some pressure to investigate those groups because Iraq's Saddam Hussein had threatened terrorist attacks on the U.S. in retaliation for his defeat in the Gulf War. When Bill Clinton was inaugurated in January 1993, his Democratic appointees to the Justice Department maintained the animosity toward the FBI and the CIA that had developed during the Church and Pike hearings. Smart FBI agents were not about to open

⁶⁷¹ Ricks interview, September 18, 2002.

investigations into domestic groups, especially when the FBI Director, the Attorney General, and the President appeared reluctant to defend the Bureau after Waco and Ruby Ridge.⁶⁷²

Thus in the early 1970's the pendulum swung from one extreme to the other – from the aggressive and intrusive Bureau of J. Edgar Hoover towards the reluctant, cautious, and ineffective Bureau of Louis Freeh in the 1990's. The abuses of the Hoover FBI were more than amply illuminated by Congressional investigations, and the courts and the executive branch imposed new restrictions on illegal and questionable intelligence methods. But Congress, the White House, and the FBI failed to find a balance between democratic principles and oversight on one hand and the need for effective domestic intelligence on the other. That failure created an environment in the early 1990's where the terrorist threat environment was clearly defined to exclude nearly any person or group living or acting inside the United States.

⁶⁷² Bob Ricks, SAC of the Waco investigation, was particularly affected by Freeh's lack of support.

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