

designed to facilitate the removal from the United States of aliens engaged in international terrorism should be enacted. ~~(S)~~

Provisions of this legislation might also include a provision to:

- Prohibit further entry of Iranian and Libyan nationals into the U.S. with exceptions only for refugees seeking asylum and bona fide UN representatives. This should also apply to members of the PLO. ~~(C)~~

The Departments of Justice and State should also consider utilizing existing authority to accomplish the following:

- Further restrict and possibly close the two centers of official Iranian and Libyan presence in the Washington area: The Iranian Interests Section of the Algerian Embassy, the People's Committee for Libyan Students in McLean, Virginia, and the Palestine Information Offices in Washington and New York. ~~(S)~~
- Initiate deportation proceedings against a select and manageable number of identified Iranian, Libyan, and PLO activists in this country whose conduct violates their visa status. ~~(C)~~
- Control and monitor the financial activities of the Libyan, Iranian, and PLO missions to the U.N. ~~(S)~~
- Prohibit the Libyan, Iranian, and PLO UN missions from undertaking unauthorized political, propaganda, or consular activities that have nothing to do with legitimate representational functions. ~~(C)~~

REVIEW EVALUATION

A new study by the Department of Justice on foreign terrorist activities in the US will be completed by June 1987. ~~(S)~~

There are difficult problems of coordinating the myriad of agencies that have some responsibility for this task, including the FBI, Immigration and Naturalization Service, CIA, the U.S. Marshal, Customs, Immigration, and Department of State. ~~(S)~~

The Alien Border Control Committee, intended to help coordinate among these agencies, may be a step in the right direction. ~~(S)~~

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There are also difficult matters of sharing intelligence to identify possible terrorists threats to U.S. territory and interests while maintaining security for methods and sources. (For bright spots in this regard, see Recommendation 20.) ~~(S)~~

The Task Force recognizes the complexities of implementing this recommendation, but emphasizes that speedier progress is essential for protecting the United States. ~~(S)~~

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RECOMMENDATION NO. 41

SUBJECT: Private Sector Activities That Aid/Abet Terrorism

DISCUSSION: Some individuals and private companies are known to have provided funds to terrorists through the payment of ransoms for the return of kidnap victims or property. Selected activity of this nature while it may be legal contributes to the financial support of terrorist organizations. An example is insurance underwriters who pay a state that is sponsoring terrorism some amount of money (less than the face value of the policy on an aircraft) to have the state return to the parent company an aircraft damaged in a hijacking incident. (Thus the insurance underwriters pay less money than if they had to pay the airlines for a destroyed/lost plane.) Another example is policies and actions by U.S. companies regarding the kidnapping of their executives overseas. Many U.S. companies buy kidnapping insurance (e.g. from Lloyd's of London) and in so doing are required to retain the advice and services of security firms. The bottom line is that many U.S. companies are prepared to negotiate with and pay ransoms to terrorists, even though U.S. Government policy is not to make concessions or pay ransom to terrorists. This conflict of objectives has the potential to place the U.S. Government in an awkward and embarrassing position. (U)

RECOMMENDATION: The Department of Justice should consider whether such payments and activities by U.S. companies or individuals to terrorists, terrorist organizations, or states sponsoring terrorism could be made illegal. (Special attention would have to be devoted to the problem of enforceability of these laws, particularly to the potential for successful prosecution of such cases.) (C)

REVIEW EVALUATION

The Department of Justice continues a review of the legality of paying ransom in kidnaping cases. (S)

The Task Force concludes that this recommendation needs to be more effectively dealt with. More work needs to be done to cut back the extent to which the private sector can legally comply with terrorists' demands.

-- Ransom payments should be made illegal. The FBI maintains that ransom payments encourage more hostage-taking. By making such payments illegal, this would at least make it clear to kidnapers that their ability to extract ransom is limited and beyond the the control of the target of the ransom demand.

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-- Work is also needed on reducing the incentives for compliance with terrorist demands and practices on the part of U.S. businesses. It should no longer be possible to take tax deductions for ransom payments since this only passes the cost to the American taxpayer and institutionalizes the practice as an unexceptional cost of doing business. If businesses are forced to bear more of the costs directly, they may become more security conscious. If they avoid places where they are vulnerable it may increase incentives for host governments to stop terrorism. (S)

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RECOMMENDATION NO. 42

SUBJECT: Improved Security for Nuclear Reactor Facilities

DISCUSSION: Most background checks by nuclear power reactor licensees are limited to State and local files. These files do not include information about an individual's criminal record, if any, in other parts of the country. (U)

The Security of nuclear power facilities is critical to the prevention of a nuclear terrorism incident. At the present time, power reactor licensees only have access to State and local files. These licensees need access to certain information in FBI criminal history files to assist in screening prospective nuclear facility employees. Additionally, there are no current provisions calling for a background investigation on any individual having unescorted access to nuclear reactor facilities. (U)

A commission report indicated that between 1974 and 1982 there were 32 possible deliberate acts of damage at 24 operating reactors and reactor construction sites. A 1983 Commission memorandum concluded that the major threat of sabotage to a nuclear plant is associated with the insider. By giving the nuclear power reactor licensee access to FBI criminal history files and thus give the Bureau the authority to help screen individuals having unescorted access to sensitive areas of the nuclear plant, we will greatly aid in preventing sabotage from within. Legislation has been introduced (Anti Nuclear Terrorism Act of 1985, S274). (U)

RECOMMENDATION: The Justice Department should pursue legislation to permit nuclear reactor licensees access to FBI criminal history files. (U)

REVIEW EVALUATION

This recommendation has been effectively accomplished by the passage of the Omnibus Diplomatic Security and Antiterrorism Act of 1986, which created a new section of the Atomic Energy Act of 1954. This new section allows the Nuclear Regulatory Commission (NRC) to fingerprint employees that have unescorted access to nuclear facilities and to check these against FBI records for identification and for criminal histories. (C)

Because of the deep concern for nuclear terrorism coupled with the effects of releasing fission products from a nuclear facility demonstrated by the Chernobyl experience, the Task Force recommends

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increased and continuing priority attention in this area. ~~(S)~~

Specifically the Task Force recommends that:

-- An appropriate interagency forum should be explored to institutionalize the cooperation that currently exists among the FBI, DOE, and the NRC. (The FBI prudently continues its liaison with these agencies in the area of nuclear security.)

-- U.S. nuclear weapons sites abroad may face the highest risk of terrorism; therefore, the IG/T should complete an in-depth study of the terrorist threat to these facilities. The report should assess the threats to, vulnerabilities of, and the relative merits of existing or currently-researched countermeasures for each facility.
~~(S)~~

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PROPOSED RECOMMENDATION NO. 2 (SUBMITTED BY DOD)

SUBJECT: New NSC Policy Planning and Operations Coordinating Boards

DISCUSSION: Events have repeatedly demonstrated that the lead agency concept is inadequate to address the full range of responses required to deal with terrorism. What is required is an overarching authority capable not merely of managing crises flowing from terrorist actions, but of directing and coordinating multi-agency planning to confront terrorism by other than reactive measures. Such authority resides exclusively in the White House. The Eisenhower Administration offers a precedent for the structuring of and a system to meet the requirement through a variant on the Policy Planning Board/Operations Coordinating Board model. (S)

PROPOSED RECOMMENDATION: There is proposed a CT management scheme which retains the essentials of Cabinet government and provides authoritative control of the process by re-creating for combatting terrorism a Terrorism Policy Planning Board (TPPB), and a Terrorism Operations Coordinating Board (TOCB). (S)

The present Intergovernmental Group on Terrorism chaired by State would be the correlative of the Terrorism Policy Planning Board (TPPB), but would be subordinate to NSC and obliged to submit on a regular basis the results of its deliberations. Following the original model, differences within the Planning Board would be submitted by NSC for Presidential resolution. As a practical matter, the gravity of such a step would assure that only the most profound and irreconcilable differences would ever go to that level, and the present workings of the IG/T make it difficult to imagine any issue requiring Presidential adjudication. (S)

The Terrorism Operations Coordinating Board (TOCB) would be a new entity in the proposed scheme. Its predecessor consisted of people at the Under or Deputy Secretary-level addressing operational plans prepared by intergovernmental groups pursuant to policy established by the TPPB. Such a Board would be chaired by the Central Intelligence Agency with Justice and Defense as Vice-Chairman. This Board, too, would be subordinate to NSC on the same terms as the TPPB. It would formalize and streamline the present unwieldy and unresponsive system for addressing other than a reactive response to terrorism. As to the latter, the Terrorist Incident Working Group would remain as established. (S)

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The essential elements of this proposed recommendation were adequately treated in the evaluation of Recommendation 3. ~~(S)~~

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PROPOSED RECOMMENDATION NO. 3 (SUBMITTED BY FBI)

SUBJECT: Federal Jurisdiction in Terrorist Incidents

DISCUSSION: Terrorism is clearly an area of overriding Federal interest and responsibility. Responding to domestic terrorist activity and preventing terrorist incidents are a top priority in the FBI. At times, effective response to terrorist incidents and efficient management of the counterterrorism program have been hindered because of overlapping Federal, state, and local authority. The Federal government should have primary investigative and prosecutive jurisdiction in terrorist incidents involving Federal officials and U.S. property as well as foreign officials and establishments inside the United States. This assertion of Federal authority would allow the Attorney General the option to suspend the exercise of state or local jurisdiction until the federal action is terminated. At the same time, it does not preclude request for assistance from state and local authorities. During a fast moving terrorist incident involving a principal U.S. interest of the possibility of policy consequences, the incident should be managed by the Federal Government and assigned to the agency which has the primary Federal responsibility. (C)

PROPOSED RECOMMENDATION: The Department of Justice should consider pursuing legislation which provides for discretionary exercise of exclusive Federal jurisdiction. The decision to assert this jurisdiction should be predicated on facts and circumstances reasonably indicating that the matter involves terrorism. (C)

REVIEW EVALUATION

The question of exclusive federal jurisdiction is a very delicate one touching on the basic federalist structure of the nation. The Task Force concludes that the IG/T should initiate a formal approach to the Attorney General to decide whether this proposal should be further pursued and what further action may be necessary. (S)

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PROPOSED RECOMMENDATION NO. 4 (SUBMITTED BY USIA)

SUBJECT: Private Sector Data Base

DISCUSSION: Public diplomacy products (print features, pamphlets, television and videotape programming, VOA features, background materials, etc.), as well as private sector research and analysis, suffer from the absence of a coherent centralized source of statistics and facts on international terrorist movements and incidents, perpetrators and victims. Data that does exist in the U.S. is often either random or based on classified intelligence that could compromise sources. One comprehensive source does exist in Israel, but an Israeli imprimatur would affect credibility in many parts of the world, particularly those in the Middle East whom we most want to reach. (S)

A U.S. based computerized data bank, housed in a respected research or academic institution, could bring together the large amounts of data readily available from a wide range of international sources, into one reliable and comprehensive source. As needed, material used directly in United States Government public diplomacy efforts can be corroborated by information available from intelligence sources. (S)

Examples of appropriate institutions are The Fletcher School of Law and Diplomacy (Tufts), the Center for Strategic and International Studies (Georgetown) or the School for Advanced International Studies (Johns Hopkins). Care should be taken to choose an institute that would encourage continuing strong wide-based and bipartisan support for the counterterrorism effort. (U)

PROPOSED RECOMMENDATION: The Interdepartmental Working Group on Public Diplomacy, in concert with the IG/T, THE IIC and participating agencies, prepare a proposal for staffing and funding of a private sector data base for submission to the NSC. The proposal should be complete and anticipate substantive specifics for a State Department grant to stimulate the formation of a comprehensive, reliable data bank on terrorist incidents, movements, networks, psychological profiles and trends. (U)

REVIEW EVALUATION

The USIA proposal to establish a central repository of articles, research reports, pamphlets, video tapes, statistics, speeches and press reports on terrorism is a good one and would provide valuable

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support to an effective interagency public diplomacy effort. There is, however, no IG/T proposal for staffing and funding this initiative. The Task Force believes the office of the Ambassador-at-Large for Counter-terrorism is a logical place to establish such a repository. As with other public diplomacy efforts, staff for this project should come from the various foreign affairs agencies. We should not expect the private sector to be able to provide comprehensive, reliable, unclassified information on terrorism until the U.S. Government can do so. (S)

The Task Force concludes that this recommendation should be placed on the agenda of the IG/T for consideration in conjunction with Recommendations 28 and 29. While progress on this proposal is important, it should follow the more urgent tasks of developing a national public diplomacy strategy for terrorism. (S)

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PROPOSED RECOMMENDATION NO. 5 (SUBMITTED BY STATE)

SUBJECT: Anti-Terrorist Assistance Program

DISCUSSION: As terrorist threats to American citizens and property have grown abroad, it has become increasingly clear that many governments are unable to provide a safe security environment without assistance in the form of training and security-related resources. While it is essential that we do as much as possible for ourselves to assure the safety of our personnel and facilities abroad, governments everywhere are responsible for protecting diplomats and dignitaries and other visitors and residents in their countries. Cooperation among governments particularly the sharing of technologies, tactics, incident management approaches and related disciplines through training programs, is thus a vital element of our efforts to protect our own people abroad. (U)

To meet the needs of other friendly governments for anti-terrorism training, United States agencies have been offering three different programs. Under State Department leadership the Anti-Terrorism Assistance program provided access to aviation security training programs of the Federal Aviation Administration, border control and related techniques and systems of the Immigration and Naturalization Service, investigative and incident management techniques of the Federal Bureau of Investigation, and various other training opportunities for civilian foreign government officials concerned with combatting terrorism. Under Central Intelligence Agency leadership, training is provided to counterpart organizations abroad in investigative methods electronic surveillance systems, negotiating methods, hostage rescue, VIP protection and other terrorist incident management techniques. Under the Joint Special Operations Agency training is provided in military and paramilitary assessment of a situation, in deployment and approach by stealth, in collection and assessment of information, and in forceful resolution of terrorist incident with minimum harm to hostages or other bystanders. (S)

These programs are all well-received by other governments. The training they provide not only enhances indigenous capabilities and thereby strengthens both local governments and their ability to protect others. It also creates an ongoing basis for continuing cooperative working relationships with the government officials concerned with terrorism. The associations these programs provide with such officials greatly facilitate the entry of American officials, including terrorist incident managers, into other countries during an incident. Such associations also help to sustain a dialogue on methods, technologies and other matters which, in itself, enhances common political understanding and the basis for future international

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cooperation. (U)

PROPOSED RECOMMENDATION: The Departments of State, Defense, Justice, and Transportation, the Central Intelligence Agency, and other agencies concerned should continue to develop and to expand training programs to assist friendly governments in their efforts to combat terrorism. (C)

The State Department ATA program which is now at \$7.5 million should be expanded to \$20 million over a two year period, and should include the provision of considerably more equipment than is now the case. Training activities of the other agencies involved should be similarly expanded. (C)

REVIEW EVALUATION

The Task Force concludes that this proposal has been satisfactorily implemented and urges continued strong support of this valuable antiterrorism program. (S)

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