Editorial

Good intentions may not be enough!

Since the horrific attack on the USA on 11th September, 2001, a major weapon in the 'war against terrorism' has been the interdiction of terrorists' funds. By freezing property associated with those suspected of being associated with or supporting terror, the ability of terrorists to operate is curtailed. Indeed, as President Bush has stated on a number of occasions, if such a strategy has long been employed against drugs and other forms of organised crime, why not use it against terrorists? First, because the success that law enforcement agencies have had around the world in 'taking the profit out of crime' is very limited and does not commend itself as a particularly efficient strategy. Secondly, there are very important differences between property in the hands of criminal organisations and those who can be considered as terrorists. While the US and UK authorities have had some success in freezing funds associated with the Taleban and groups identified in previous criminal investigations as being 'involved' in supporting terrorist outrages, it remains to be seen whether sufficient resources will be committed over a period to enable this strategy to reap any benefits.

Disrupting the funding of terrorist organisations is not a new strategy. The expertise, such as it is, was first developed in the 1960s by the intelligence and security community to disrupt the activities of subversive organisations. The UK government, until relatively recently, has, since the early 1980s, achieved some degree of success in disrupting the funding of terrorist organisations in Northern Ireland. The United Nations and other inter-governmental organisations have also been concerned with the funding of terror. It is not without interest that the International Convention for the Suppression of Financing Terrorism was opened for signature at the UN, in New York, on 10th January, 2000.

Few countries considered this a priority until Mr Bush's 'crusade'.

Experience indicates that the best that the initiative against terrorists' property can achieve is disruption. The problem with disruption, is that it is often not noticeable and therefore, politically unpopular as a strategy. Furthermore, effective disruption involves a host of legal and, in particular, human rights issues, which are not always easily resolved. Another important factor is that not all terrorist property will be derived from illicit sources. In the case of subversive organisations, some of their wealth will be the result of lawful activity and donations. This is why it is so important to render the giving of support to terrorists a specific criminal offence. It is also equally important to outlaw the 'laundering processes' which hide terrorist funds. While the UN Convention successfully addresses the first issue, it does not adequately address the creation and maintenance of 'secret money'. Terrorist organisations will often avail themselves of 'underground' banking and financial systems, almost impossible to penetrate.

It is likely that the real war against terrorist funds will be fought at an intelligence rather than law enforcement level. The problem is that law enforcement and regulators, in the final analysis, require the security of legally admissible evidence. Frankly, we have not excelled in fighting the known enemy of organised crime. A largely 'unknown' and 'unfettered' enemy is a very different adversary!

Professor Barry A. K. Rider

Director of the Institute of Advanced
Legal Studies,
University of London
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