

Ambassador Pearce Opening Remarks
ACSS-CAERT Combating Terrorism Financing Conference
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Ambassador Diarra, Minister Messahel, Dr. Le Sage, and distinguished participants of this Combating Terrorism Financing Conference, good morning. I want to thank Ambassador Diarra and his staff at the African Center here, in partnership with Dr. Le Sage's group from the Africa Center in DC for hosting this conference. I especially want to thank the Algerian government for supporting this conference and this Center. And, of course, we very much appreciate the presence, and the hard work, of all the participants engaging in the discussions this week on combating terrorism financing. The representation from so many countries here this week is encouraging, because terrorism knows no boundaries and defeating trans-national terrorism requires all our combined efforts.

As a multilateral venue, the African Center for Studies and Research on Terrorism provides an excellent forum to discuss and exchange ideas on how we all can join our efforts in order to stem terrorist funding sources and mechanisms in North and West Africa. We know that defeating terrorists cannot be done by military might alone. Combating terrorist financing is one important part of the fight. Bullets and tanks cannot interdict, trace, or prosecute financing sources and mechanisms. Another is education and development – which creates opportunity for our young -- because if terrorists cannot attract recruits, they cannot act. So institutes like this Center, which bring together academic, political, and social thinkers and strategists, are key to seeing beyond military solutions.

I would like to share with you, if I may, my most vivid personal experience with terrorism, which was 9/11. On September 4, 2001, I started work at the State Department in Washington in the Iran-Iraq office, working with Ryan Crocker, currently our Ambassador in Iraq. On the morning of September 11, the two of us boarded a flight in Washington to head to New York, to the United Nations. We took off at 8am, and I was sitting by the window on the left side of the plane. I remember thinking what a clear, beautiful day it was. Now, I don't know how many of you have flown into New York's LaGuardia airport, but when you do, you approach the city from the west, turn around lower Manhattan, and approach the airport on Long Island. I had a perfect view.

I looked out the window and saw the first tower on fire, and remember thinking how difficult it would be for firefighters to reach a blaze so high up. Maybe it was the journalist in me, but I also thought, the journalist in me, I hope this is not terrorism. I looked at my watch and it was 8:55 am. We landed at LaGuardia airport inbetween the two attacks – the first plane hit at 8:45 am and the second plane struck at 5 minutes past 9 am. Ambassador Crocker and I got off the plane, we still did not really know what was going on. We hailed a taxi and

headed for Manhattan, but of course the traffic was blocked as authorities were closing down the bridges and tunnels. We as far as the the Queensboro Bridge over the East River to Manhattan, and it was from there that Ambassador Crocker and I together watched both towers collapse. So the fight against terrorism is something very real for me, as it has affected my career and work since that day, and we have all been called upon to work with greater urgency than ever before with our partners and allies across the entire region.

Combating terrorism means denying the terrorists' ability to recruit, finance, and execute their activities. It is difficult because terrorists exploit weaknesses in our different financial, law enforcement and judicial systems. They traffic money, weapons and drugs across long and remote borders, where patrolling and monitoring is challenging under any circumstances, and especially so with limited resources.

Terrorists seek to exploit our financial and judicial systems, working in those gaps between our need to interdict financial transactions and sources and our need to maintain free and open societies. To exploit these gaps, terrorists evolve continually. And that means cooperative effort among nations is required to deny them the ability to fund their operations.

Which brings us to the focus of this week's seminar, combating terrorist finance, a vital element in depriving terrorists of their ability to move resources and execute their operations. An integrated global financial system presents an effective means of moving capital across borders, allowing nations to trade, conduct commerce and develop their economies. But this expansive, and at times loosely regulated system also offers ample opportunities to launder money and conceal transactions intended to support terrorist networks.

By developing our ability to detect and prevent these types of transactions we can neutralize current terror operations and freeze the resources terrorists rely on to conduct future activities. U.S. efforts to combat terrorist financing focus on denying terrorists the use of the financial system as a safe haven for their operations. Through a coordinated process among U.S. government agencies our strategy seeks to isolate sources of terrorist finance diplomatically, economically and operationally.

In the United States, law enforcement agencies work proactively to share information on suspicious transactions by establishing specialized financial crimes units and task forces. Since 9/11, the United States and its allies have successfully frozen over \$140 million in terrorist funds. This underscores the vital importance of domestic and international cooperation.

The U.S. is also an active participant in the UN 1267 Committee, a key component of multilateral efforts to identify entities and individuals known to support terrorism. Our financial intelligence unit, FinCEN, is an active member

of the Egmont Group, which brings together the expertise of 106 financial intelligence units. As we expand our international cooperation to combat terrorist finance, the United States looks to strengthen and formalize partnerships with governments, improve information gathering and sharing, and better coordinate law enforcement actions.

That is why I am pleased that we are able to support initiatives like those organized at the African Center for Studies and Research on Terrorism which offers such an excellent platform for bringing together regional experts to discuss and evaluate how the international community can best aid counter-terrorism efforts in Africa. Preventing terrorist financing is one aspect of what must be a multifaceted strategy to eliminate terrorism. But by cooperating regionally and internationally we can use the intelligence gathered in financial investigations to detect, disrupt and dismantle terrorist networks.

I am pleased that the United States is able to provide support for today's meeting. I am confident that this event and future gatherings hosted by the Center will enhance our capacity to combat terrorist financing in North and West Africa.

Thank you.