



## **WikiLeaks Project\* – The Taliban's Assets in the United Arab Emirates**

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As the US's War on Terrorism continues through its first decade, much of the focus has been placed on the geographical regions of Afghanistan and Iraq. The Taliban, identified as one of the main perpetrators of the attacks of 9/11, having aided al Qaeda in many of their preparations, has been under attack in Afghanistan since 2001. Being a non-state actor and a complex terrorist group, the cells of the Taliban, among other places, stretch far and wide throughout both Eastern Asia and the Arabian Peninsula. Although the Taliban had been weakened as a result of the more than ten years under siege, they still continue to operate as a predominantly Afghan terrorist group. While not a battlefield tactic, the funding for any terrorist group is a crucial vein from which the organization is sustained. Without proper funding from an outside source, many terrorist groups would find it difficult to sustain operations – the Taliban is no exception. Sources will show that a dominant amount of the Taliban's funding is channeled through the United Arab Emirates (UAE). Wikileaks has provided an opportunity to examine the correspondence between the U.S. State Department and the American embassy in Dubai. While the link between the UAE and the Taliban is not necessarily new, the American presence in Afghanistan is – the relevance of this situation has therefore been rapidly upgraded since September 11. This paper will attempt to uncover the link between the UAE and the Taliban's financial dependence. Furthermore, it will explore the extent to which these operations are being conducted, in what manner, frequency and volume. This paper will first introduce a brief outline of the Taliban's presence in the UAE, then outline the overall threat and finally explain the response and problems within it. The cables provided on Wikileaks allow for a great deal of insight as to the exact scope and detail of both the Taliban's operations and the response from both the U.S. and the UAE governing bodies.

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## Overview: Taliban's Presence in the UAE

In order to fully comprehend the issue at hand a short review of the historical relationship between the Taliban and the UAE must be summarized. The Taliban began in 1995 and has since played a dynamic role in shaping the pre-September 11<sup>th</sup> environment of Afghanistan. Until 2001 the Taliban had slowly grown and gained influence within regions of Afghanistan. However following the invasion of Afghanistan in 2001 the group has since lost some of its influence, but continues to be active within both Afghanistan and Pakistan.<sup>1</sup> Since the re-emergence of the Taliban in 2006 there has been much speculation as to from where the group derives its resources, specifically monetary aid. Some place blame on Iran citing their anti-American agenda as cause for support. While this may be partially true, as the cables from Wikileaks will show, any money aimed to support to Taliban is channeled through the UAE as a junction from which money laundering operations are launched. While the sources of these donations are mostly unknown, the money laundering efforts which support the Taliban can be traced back to the UAE.<sup>2</sup>

A present-day relationship between the UAE and the Taliban still exist. As a result of reasons that will be discussed later, the Taliban agents working within the UAE are relatively unobstructed in their money laundering schemes. As depicted by the embassy cables, the UAE government claims to be working to abate the problem, however is somewhat unable to

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<sup>1</sup> Whittaker, Jean. "The Taliban". Oxford Islamic Studies. Oxford: Oxford University Press, 2008.

<sup>2</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI107>

effectively stop the flow of money leaving from UAE for the Taliban in Afghanistan and Pakistan.<sup>3</sup>

## The Threat

The problem regarding money laundering from the UAE to the Taliban has been a continued source of concern since at least 2004.<sup>4</sup> The problem stems from a weak government and its inability to control and police the country, especially in remote areas. As the Wikileaks cables will show, although it poses a large threat, the UAE government is currently willing, however relatively unable to hinder the Taliban's operations within the UAE. Furthermore, both undercover Taliban agents and Taliban sympathizers within the UAE increasingly inhibit any effort made by the UAE government.<sup>5</sup>

The United States is working with UAE officials, but is not sending any direct aid or further bureaucrats in order to aid this problem. While the US has offered advice and expressed concern, they depend on the government of the UAE to deal with the problem. As of 2010, the US Ambassador to the UAE has expressed continued concern and stressed the important of stopping the money laundering for the Taliban which is occurring in the UAE.<sup>6</sup>

The UAE is a very oil-rich country with a relatively weak government and hence serves as a platform which is quite susceptible for such money laundering operations to occur. While the main threat of these operations lay outside the borders of the UAE, a still very real and

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<sup>3</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI39>

<sup>4</sup> <http://www.cablegatesearch.net/cable.php?id=04ABUDHABI905>

<sup>5</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI27>

<sup>6</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI33>

very significant stress is placed on the UAE. Primarily, these operations attract unlawful and generally nefarious characters to the UAE. Secondly, it causes the UAE, and specifically Dubai to act as a hub of illegal money and drug laundering in the Arab Peninsula.<sup>7</sup> Finally, as aforementioned, it generates significant Taliban supporters and propagates extortion, kidnapping and other crimes which can result in a ransom being paid.<sup>8</sup> As a result of these illegal actions, business and businessmen alike can suffer heavy personal and professional loss. These actions carried out by the Taliban within the UAE can cause serious detriment to the business world of the oil-laden UAE.

The Arab Peninsula and Eastern Asia, specifically Afghanistan are the most affected areas of the money laundering operations. A steady flow of money into the hands of the Taliban allows them to carry out their motives against the Afghani government as well as the US forces stationed within Afghanistan. Although a specific amount was not determined, the estimated amount of money arriving into Afghanistan since 2004 is in the millions.<sup>9</sup> These funds enable the Taliban access to most resources they would need to carry out their operations.<sup>10</sup>

The worldwide threats of this money laundering are also quite significant. Primarily, while Afghanistan is the main destination for the money being laundered, other Taliban sources are known to have received funds which were channeled through the UAE. Many Taliban cells

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<sup>7</sup> Drug laundering specifically will be discussed within the following pages in detail.

<sup>8</sup> <http://www.guardian.co.uk/world/us-embassy-cables-documents/242756>

<sup>9</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI33>

<sup>10</sup> Ibid.

within both eastern and southern Asia are recipients of money laundered through the UAE.<sup>11</sup> No evidence has been found of Wikileaks of money laundered through the UAE arriving in North America or Europe.<sup>12</sup> Finally, although the Taliban seldom commits large acts of terrorism outside the borders of Afghanistan, the funding flowing through the UAE can aid the Taliban in offering a helping hand to other organizations as was seen in their cooperation with al-Qaeda in the attacks of September 11<sup>th</sup>.

The actual money laundering operations are carried out in various manners. One of the main problems found is the ease at which cash couriers are able to enter and exit the country relatively undetected. As aforementioned, the somewhat lax policing of the UAE's borders have led the Taliban cash couriers easy access to financiers within the country and are able to return to Afghanistan unhindered.<sup>13</sup> The cause of this problem is seldom bribes or other such underworld trading, but rather is rooted in a lack of training in border guards to identify false passports.<sup>14</sup>

The money is physically laundered by cash couriers which as previously depicted can enter and exit the country undetected. These cash couriers meet their contact, typically a Taliban representative permanently residing in the country, picks up the money and promptly returns to Afghanistan.<sup>15</sup> Money laundering via official banking institutions is rare, however does occur on an irregular basis. The aforementioned extortion by the Taliban operatives can

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<sup>11</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI29>

<sup>12</sup> This fact simply has not been disproved via research conducted on Wikileaks and cannot be proved or disproved with any high degree of certainty within the context of this paper.

<sup>13</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI9>

<sup>14</sup> Ibid.

<sup>15</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI39>

sometimes exacerbate this; however the primary method of cash transportation is via couriers.<sup>16</sup>

Aside from cash, drugs are another large source of income for the Taliban. Much alike for cash, the UAE and specifically Dubai act as a hub of transit for drugs bound for the Taliban. The main drugs transported is heroin and the DEA estimates that since 2006 over \$2 billion USD-worth of drugs have been smuggled through the UAE both on land and air through the international airport in Dubai.<sup>17</sup> These drugs typically originate from Northern Africa and the Middle East.<sup>18</sup>

A third manner in which the Taliban generates funds from within is, as aforementioned, extortion. Taliban agents within the UAE will kidnap, blackmail and hold other items or information for ransom. The targets for such attacks are typically wealthy businessmen. Again, these agents are able to operate relatively uninhibited due to the weak police force of the UAE.<sup>19</sup> The money generated, which has a high percentage of being paid out is then filtered through Dubai, given to a cash courier and taken back to Afghanistan. Although exact amounts are unknown, the estimated cash-on-hand per courier is estimated to be over \$11,000 USD.<sup>20</sup> Contrasting cables report that rather than few high-cash couriers, huge amounts of couriers are being used to transport smaller and therefore less detectable amounts of cash.<sup>21</sup>

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<sup>16</sup> <http://www.guardian.co.uk/world/us-embassy-cables-documents/242756>

<sup>17</sup> <http://www.cablegatesearch.net/cable.php?id=09ABUDHABI877>

<sup>18</sup> Ibid.

<sup>19</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI53>

<sup>20</sup> <http://www.cablegatesearch.net/cable.php?id=09ABUDHABI877>

<sup>21</sup> <http://www.guardian.co.uk/world/us-embassy-cables-documents/242756>

One of the main manners in which the Taliban can raise support and funds from within the UAE is by sending fundraisers to the UAE from Afghanistan. The cables indicate Taliban fundraisers infiltrating the country and targeting specific wealthy Emirates in order to bolster support, the eventual goal being monetary support – they are often times successful.<sup>22</sup> Several specific cases can be viewed to exemplify this. Haji Khalil is a known Taliban operative working out of Kabul. Wikileaks cables claim Khalil has made several visits to the UAE, presumably to rally financial support. This known member of the Haqqani network is suspected to have set up business fronts in the UAE in order to launder money back to the Taliban.<sup>23</sup> Furthermore, the same cable depicts Mullah Zaif; a former Guantanamo Bay inmate frequents the UAE in order to receive financial support from unknown sources within Dubai.<sup>24</sup> While there are many suspects regarding this area of Taliban support, it is very difficult to produce concrete evidence and hence quite difficult to prosecute any presumed launderers.

Further examples described by Wikileaks cables show that known Taliban finance coordinators Tayeb Agha and Mullah Jalil have made numerous visits to the UAE presumably to Abdul Bari, a Dubai-based businessman. Insufficient evidence was gathered to sufficiently charge any of the parties presumed to be laundering money.<sup>25</sup>

A final problem which complicates this issue is the use of many different Taliban agents to access money sources from within the UAE. By not using the same “runners,” the Taliban aims to confuse the US and Emirati authorities attempting to track down the financial source of

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<sup>22</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI9>

<sup>23</sup> <http://www.guardian.co.uk/world/us-embassy-cables-documents/242756>

<sup>24</sup> Ibid.

<sup>25</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI27>

the Taliban. Cables express frustration when two presumed Taliban money launderers, Tayyeb Agha and Mullah Jalil, suspected Taliban supporters, are seen in the UAE in 2010, but due to lack of prior intelligence on these operations, no action can be taken.<sup>26</sup>

## The Response

To counter the cash courier operation in the UAE, the US and Emirate governments have been working together to try and enforce stricter laws in order to slow the flow of drugs and cash to Afghanistan. The US has pledged to aid the UAE in conducting exercises that will test border guards and customs controllers in detecting both drugs and illegal cash couriers.<sup>27</sup> Since the commencement of these enhanced training programs, cables from the UAE indicate an increased effectiveness against the Taliban operations leaving the UAE.<sup>28</sup> Finally, the DEA has developed a relationship with corresponding UAE officials and have taken an advisory position in order to aid the UAE with this increasingly problematic situation.<sup>29</sup>

Another large problem that helps these couriers move undetected is the lack of information sharing between the US and the Emirate governments. Cables have displayed a desire both on the American and Emirate side to increase the amount of information sharing.<sup>30</sup> For example, the UAE has requested US intelligence on possible cash couriers and monetary

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<sup>26</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI9>

<sup>27</sup> <http://www.cablegatesearch.net/cable.php?id=09ABUDHABI890>

<sup>28</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI69>

<sup>29</sup> <http://www.cablegatesearch.net/cable.php?id=09ABUDHABI877>

<sup>30</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI39>

donors. While the US is able to oblige the majority of the time, for security reasons or otherwise, the US must withhold information.<sup>31</sup>

Other responses to the problem are regarding customs control. The US has advised the UAE to lower the allowable amount of cash on a person without declaring it. Although one can assume that an unlawful cash courier would not declare any cash anyways, this preventative cautionary measure could theoretically make it more difficult to cross borders undetected, however is practically hard to enforce. A second recommendation was to require every person exiting the country to file a customs declaration rather than just those entering the country.<sup>32</sup> This proposed measure would make it significantly more difficult for couriers to enter undetected.

Although it is overall difficult to accurately evaluate, both the UAE and US governments have reported an increase of cooperation between the two governments and therefore and increased effectiveness against the Taliban's money laundering efforts.<sup>33</sup>

## Difficulties with the Response

One of the main difficulties with the aforementioned responses is that there are many various actors which are unknown to both the UAE and the US. Due to the illegal nature of the business, the Taliban agents working from within the UAE must live a secretive life in order to prevent being revealed. Furthermore, those Emirates who aid the Taliban monetarily are

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<sup>31</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI9>

<sup>32</sup> <http://www.cablegatesearch.net/cable.php?id=09ABUDHABI877>

<sup>33</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI39>

typically kept as anonymous donors, so even those cash couriers who do get caught have no information regarding the exact names of those who pledged the money. Even those US and UAE intelligence agencies working to fight this case have sometimes identified potential donors or aides to this Taliban operation are most of the time going in a misleading direction.<sup>34</sup>

A further difficulty with the response is the problems regarding information sharing. Simply put, there is no standard in-place for the quick and efficient transfer of intelligence and information. Even more important is the lack of a structure in which to transfer real-time data between US and UAE agencies.<sup>35</sup> Language and culture disconnects further this rift between intelligence agencies making it even more difficult to share information without it being a lengthy and inefficient process.

## Conclusions

The cables between the US State Department and the US Embassy in Dubai have given insight into an increasing problem that plagues the UAE. For several previously mentioned reasons the UAE has become a perfect platform from which to launch money laundering operations. The Taliban capitalizes on many deficiencies within the structure of the UAE's internal and border control in order to exploit both their local as well as using the UAE, Dubai in particular, as a hub to channel illegal funds and drugs from several sources back to Afghanistan and other worldwide destinations.

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<sup>34</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI9>

<sup>35</sup> <http://www.cablegatesearch.net/cable.php?id=10ABUDHABI39>

The response to this problem has been somewhat limited and as of 2010 has presumed limited results. By tightening border security as well as many other policing and training exercises, the UAE can begin to inhibit the amount of illegal money and drugs that flow through the UAE. Additionally, information sharing between both American and Emirate governments is as of now a lengthy and hindered process by several factors. Being that there is no standard in place as well as no means by which to transfer intelligence in real-time, cooperation between the two governments is difficult.

Moving forward, there is still much work to be done. However, if the actions as prescribed by cables are carried out along with furthering developments and policies enacted, the UAE can effectively abate a huge allotment of the Taliban's funding that flows through the UAE.