

ENDOWMENT FOR MIDDLE EAST TRUTH (EMET)

**SEPTEMBER 11TH SAUDI INFILTRATION IN TO AMERICA'S
NATIONAL INFRASTRUCTURE SEMINAR –
PANEL ONE**

**WELCOME:
SARAH STERN,
FOUNDER AND PRESIDENT, EMET**

**SPEAKERS:
FRANK GAFFNEY,
PRESIDENT AND FOUNDER,
CENTER FOR SECURITY POLICY**

**ALI ALIYAMI,
PRESIDENT AND FOUNDER,
CENTER FOR DEMOCRACY AND HUMAN RIGHTS IN SAUDI ARABIA**

**RAY LOCKER,
MANAGING DIRECTOR,
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**SARAH STERN,
FOUNDER AND PRESIDENT, EMET**

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SARAH STERN: My name is Sarah Stern. I'm the founder and president of EMET, the Endowment for Middle East Truth, and I would like to welcome all of you here today for our third annual September 11th memorial seminar dedicated to the memory of those almost 3,000 Americans who lost their lives on September 11th, 2001. Before we begin I think we should take a moment of silence and memory of those Americans. (Pause.) Thank you.

First of all, I would like to thank Congresswoman Shelley Berkley, Democrat of Nevada, as well as her wonderful staffers, Jeremy Kadden and David Marcus, for enabling this event to take place.

Something cataclysmic happened to our nation on September 11th, 2001. It is at that date that we as a nation have lost our innocence. It was the first time in many, many years that our nation had been attacked within our own soil. For those of us who were fortunate enough to survive, it will be eternally etched on our collective memories.

The first time in many years that we had been attacked directly on American soil –it has become the great barrier dividing us between those halcyon days of our youthful innocence and the more somber days of our national maturity.

We all know that 15 of the 19 Arab plane pilots that flew their planes into the Twin Towers of the World Trade Center and the Pentagon were Saudi nationals. We also know that Osama bin Laden himself was a Saudi national and was schooled in the particularly virulent strain of Islam established in the middle 18th century by Muhammad Ibn Abd-al-Wahhab, Wahhabism, which remains the government-backed and dominantly practice form of Islam in Saudi Arabia today.

We also know that many government officials have continuously described the Saudis as, quote, “our moderate allies in the war on terror.” We know also that the Saudis are among the worst human rights violators in the world, where today in a hospital there is a person who is in limbo, wondering if his back will be broken because of Shariah law, where they live by the motto, “an eye for an eye and a tooth for a tooth”, where public stoning is practiced to defend the honor of the families of women that have been raped, and where there is absolutely zero freedom for religions or political minorities, and where someone could be tortured to death by speaking out against the Saudi royal family.

This seminar will describe precisely the nature of America's relationship with this regime, our craven addiction to their fuel and how their vast oil tentacles have so deeply penetrated into many aspects of America's national infrastructure.

In December of 2001, a very courageous Saudi woman, Dr. Sahr Muhammad Hatem, wrote a letter which was published in a British-based Arabic newspaper which described, quote, “The mentality of each one of us was programmed upon entering school as a child that anyone

who is not Muslim is our enemy and that the West means enfeeblement, licentiousness, lack of values and even Jahiliya itself.” Jahiliya is a term used to mean backward pre-Islamic era. “Anyone who escapes this programming in school encounters it in the mosque or through the media or from the preachers lurking in every corner.”

What is being said is not just being said in the schools of Riyadh and Jeddah but the schools that are on our very own American soil and many of us refuse to hear it. Their vast supply of petrodollars has funded a complex and intricate empire for the export of Wahhabist ideas throughout the world to attack Western civilization with the one hand while it has simultaneously funded a sleek public relations campaign to cast the Saudi Kingdom as a moderate ally on the war on terror with the other hand.

But it’s not only some of the Muslim-American schools who have Wahhabist curriculum on our on soil that is of our concern today. The more we investigate, the more we’ve been able to uncover the vast petro money machine that funds Wahhabist schools throughout the world has successfully encroached upon our American shores, influencing our own youth, including those who attend many of the most prestigious universities.

The quote the English-language daily Ain-Al-Yaqeen, “The Kingdom of Saudi Arabia, under the Custodian of the two Holy Mosques, King Fahd Ibn Abdul Aziz, has positively shouldered responsibility and played a promising role to raise the banner of Islam all over the globe and raise the Islamic call either inside or outside the Kingdom.”

As many of you are aware, both Harvard University and Georgetown had each received a \$20 million gift from Prince Al-Waleed bin Talal bin Abdul Aziz Al Saud and millions and millions of petrodollars have been showered onto lesser-known universities including \$20 million to the University of Arkansas, \$11 million to Cornell, \$5 million to the University of California at Berkeley, \$5 million to UCLA, and the list goes on and on and on.

One might do very well to ask, in a country, Saudi Arabia, where the literacy rate is only approximately 50 percent of the population, why are they so concerned about the educations of our American youngsters here?

The answer is too simple: The Saudis have grown to realize that this is a very effective means of deflecting attention away from the real root cause of the problems within the Middle East. The real root cause is the fact that the region is replete with tyrannical autocratic regimes that refuse to develop their nation’s educational systems and infrastructures and instead indoctrinate their children’s minds with hate-filled curricula, condemning their own people to perpetual lives of poverty, of ignorance, of hatred, of violence, and of death.

While doing that, they successfully have managed to indoctrinate many in the West to erroneously believe the fact that the real root cause of all the problems in the region is the Israeli-Palestinian conflict.

By endowing chairs and departments on campuses all across the United States, and by influencing the curriculum of the hearts and minds of the next generation of Americans across

this country, who focus obsessively on the shape and contours of the map of Israel as a means of diverting attention away from the Arab world's abysmal record of human rights abuses and total lack of democracy.

And we all know that you get what you pay for. You would do well to ask yourself the following question: How many pieces of serious scholarship have come out of American universities opening and objectively criticizing the Saudi regime, or any other Middle Eastern autocracy for that matter, and how many have focused on the Israeli-Palestinian question?

Just as the Saudi royal kingdom has kept its own people in ignorance and squalor and have used the Israeli-Palestinian conflict as a smokescreen to deflect attention away from their lack of domestic rights, the development of their national educational technological infrastructure, they're using the Israeli-Palestinian conflict as a decoy to focus our nation's young minds away from serious scrutiny of their own as well as other autocratic regimes throughout the region and their lack of offering young people hope through infrastructure development and economic and educational opportunities. The Saudis are not alone in this pursuit. They just happen to be particularly good at it.

The Saudis have become so successful at their expensive public relations campaign, it has almost become axiomatic in most circles – most foreign policy circles here in Washington – that before we can bring democracy to the Middle East, we first have to resolve the Israeli-Palestinian dispute, diverting the focus away from the scores of internecine Arab and Muslim disputes that plague the region.

The more we investigate, the more we realized that we were dealing with a hydra, a many-headed monster with vast tentacles that extended to many aspects of American society. These tentacles extended to our taxpayer-funded Title VI university outreach programs that educate teachers of American children from kindergarten through 12th grade. They extend into our financial institutions around the country. Some of them have developed programs to become Shariah-compliant, which Frank Gaffney will address.

Their tentacles extend into our penal system, where inmates are being converted into this radical form of Wahhabist Islam by the droves. Their tentacles have even attempted to inhibit the First Amendment rights, our freedom of expression of our American authors who are now fearful of violating society's sensitivities, with consequences that, at best, result in being caught up in a multi-million-dollar lawsuit and, at worst, the fear of loss of one's very own life.

September 11th, 2001 might have been a wakeup call but we have been asleep at the wheel of history ever since. We have allowed this duplicitous Saudi encroachment into our own American soil.

Now, Frank is on a very tight schedule, and it's now my profound pleasure to introduce you to Frank Gaffney, who is the director of the Center for Security Policy. He'll talk about Shariah finance and penetration into our own nation's financial institutions and possibility into your very own 401(k) plan. Thank you very much. (Applause.)

FRANK GAFFNEY: All right, I apologize for being a little tardy and, as they say, shooting and scooting but I appreciate very much you all being here, and most especially, Sarah, for you putting together a terrific program on a topic that I really think can't get enough attention at the moment.

We are in the midst of a war and we don't know it. I listen with considerable horror to the president of the United States repeatedly saying, in the space of several events and addresses over the past weekend most recently, that we are not at war and never have been at war with Islam, and that the only connection that what we're up against may have to do with anything involving Islam is that there are some people who pervert it and hijack it.

And I just wanted to do a bit of a sort of reality check as a way of segueing into the topic at hand and make sure we understand exactly what Shariah is. Because if, as the president of the United States evidently does, you fail to understand not only what Shariah is but how absolutely essential it is to the mainstream of Islam – which is not to say all Muslims practice the faith, but the mainstream, the doctrine, the teachings, the traditions, the interpretations, the sacred texts, the institutions of Islam – then you certainly aren't going to understand the problem we've got, let alone wage war effectively against it, because waging war against it is unfortunately our lot, not because we chose it but because they have chosen, for reasons that are central to Shariah, to wage it against us.

And as a result – and it's kind of like the president is saying all combat operations have ceased in Iraq. Well, that's fine as long as you're prepared to surrender, because when you're in a circumstance in which there are two parties to a conflict, you only can stop a conflict, or you can only assert we are not at war if the other party is prepared to go along or you are prepared to submit.

And “submission” actually is, of course, the operative word. It is the literal meaning of Islam and it is what Shariah is all about. Because it has – Shariah – at its core, the idea that Islam must triumph the world over, that it must be the case that all will submit, Muslim and non-Muslim alike, and that ultimately a global theocracy will rule the world – precisely, a theocracy, it's really simply a totalitarian political system dressed up as a faith.

Think of it as the law of Saudi Arabia, about which my friend Ali knows a great deal more than I, and certainly we all know we don't want practiced here, and yet that is precisely what the proponents of Shariah propose to do is bring it here. Indeed, they are obligated under Shariah to engage in jihad for that purpose.

And just as the president doesn't understand that this is indeed the program of Shariah and would have us believe that the only people that we need to worry about are al-Qaida, in fact it is the obligation of all the faithful Muslims, according to Shariah, to engage in jihad. And they do it, ideally, by practicing the model of Mohammad. It's the most efficient way, actually, to accomplish submission. Failing that, or where it's simply impracticable, they are obliged nonetheless to engage in jihad but more subtly, or as Robert Spencer would say, “stealthily”.

The Muslim Brotherhood, which is the organization that is probably the prime practitioner of the stealth form of jihad in the West – it’s perfectly prepared to engage in violence where it sees fit, but in the West it sees stealth, what they call civilization jihad, as the most efficient way to accomplish exactly the same objectives: the submission of the unbelievers, infidels, and ultimately the triumph of Islam according to Shariah.

The “stealth jihad” tactics being employed are too numerous for me to get into in the space of the time I have available, but I want to talk with you about the single-most insidious of these, and arguably the most deadly of the techniques of civilizational jihad being used by the Muslim Brotherhood and its friends in our country as well as elsewhere around the world.

That is what has come to be known as Shariah-compliant finance. I’m fond of saying the first clue that there is a problem with Shariah-compliant finance is the first word. If you’ve been paying attention to what I just said, the idea that people would use financial instruments and institutions and techniques in the service of bringing Shariah to places like this, knowing what we should know about Shariah, means that Shariah-complaint finance cannot be a good thing.

And yet we see not only institutions of various kinds in the financial sector, from banks to investment houses to brokerages of other kinds, engaging in one form or another of Shariah-compliant finance, we actually have the United States government enthusiastically supporting this enterprise.

And the reason that the government is so keen in Shariah-compliant finance is essentially the same as the financial sector is now very much embracing it, and that is to say it’s about the money. It turns out the people who seek to bring Shariah to places like the United States have a stake in it. We’ve given in to them in exchange for a commodity that we have to have to make our economy healthy, namely energy, oil, natural gas.

Recycling those petrodollars is a high priority for both the United States government and the private financial sector, and recently they have worked together to facilitate it in the form of Shariah-compliant financing.

What makes a transaction Shariah-compliant, of course, is really not that it involves no interest or pork or alcohol or tobacco or gambling or pornography or Western defense. It’s not supposed to involve any of that of course, but what really makes a transaction – any given transaction Shariah-compliant is that somebody who is deemed a Shariah authority says that transaction is Shariah-compliant.

Well, the marvelous thing about this, from the point of view of the Muslim Brotherhood and its friends, seeking as they are to wage civilizational jihad against us, is all of those guys are their guys. There isn’t a single Shariah advisor in the financial world today determining the compliance of any given transaction with Shariah that isn’t absolutely, positively, 100-percent, take it to the bank, guaranteed to be a promoter of the destruction of this country in the service of its submission to Shariah.

So think about that. We are now plugged into, often at board level, advisors who seek our destruction from within – that’s the Muslim Brotherhood’s mission statement – to achieve, through Shariah finance, the legitimation of Shariah in this country and its further encroachments into what I would argue is the core of our economy, the capital system’s very core, and our government is applauding it.

Now - In November of 2008, as you may know, the United States government convened a course for the policy community in the headquarters of the United States Treasury. The title of this course was Islamic Finance 101 – “Islamic finance” being a euphemism that’s sometimes used for Shariah. It turns out to be a little sticky.

It was taught by two professors, one from the Harvard University Law School, the other I believe from the Harvard University School of Government, the Kennedy School. Both, at home, worked for, more or less directly – at least as advisors to the Islamic Finance Project of the Harvard University Law School – the woman who is the newest Supreme Court justice of the United States.

Does that make you feel a little uncomfortable, folks? A woman who has arguably done as much as anybody in the non-Muslim world to promote Shariah – not just the financial piece, by the way, but the law piece, because this is a comprehensive totalitarian program that is meant to govern all aspects of life. And she will be sitting shortly in judgment of cases that may bear directly on the proposition that we’re now increasingly being told – as people in the aftermath of this lawsuit up in New York have increasingly become aware of this Shariah business.

We’re increasingly being told not to worry; it’s compatible with the Constitution of the United States. Now, I have a bridge to sell to anyone who thinks that a program that has the qualities of the law of Saudi Arabia is compatible with anything in the Constitution of the United States. It isn’t, and it is simply evidence of the confidence of our enemies that we have become so adamantly submissive- submitting so magnificently- that they can actually try to perpetrate that most massive of dupe on us of all.

Anyway, to conclude, out of this course taught at the United States Treasury Department came not only an affirmation by the man who at the time was the assistant secretary of Treasury responsible for the Troubled Asset Relief Project, TARP – remember that, the \$700 billion slush fund that could determine, at any given moment, the viability or bankruptcy of financial institutions all over this country?

Well, Neel Kashkari, the assistant secretary in question, made it perfectly clear that he thought Shariah-compliant finance was splendid. Do you think that message was lost on either his colleagues in government or the financial sector? We don’t need to speculate because one of the things that the United States government did shortly thereafter was buy the largest purveyor of Shariah-compliant insurance products in the world. Yes, that’s right, you own it: AIG.

I submit to you this is evidence of the extent to which this rot, this cancer in our country is metastasizing to the tune of tens of billions if not, you know, hundreds of billions of dollars. And think about the corrupting effect on opportunities that that represents. Think about the

implications when you do indeed, I hope, connect the dots between this activity that we're incessantly told is nothing really more than allowing Muslims to invest and engage in business transactions such as, oh, say, Jews or Methodists or Baptists or Catholics engage in, socially responsible investing.

The difference is this one small detail. To the best of my knowledge, none of those other faiths were trying to destroy our country. And if you accept that that is what Shariah requires – it's not optional; it is mandatory – then the people who are trying to advance it through any number of means but most especially by going into and, I think, to use the president's words, perverting our capitalist system are an enormous danger to this country, and we had best be about the business of keeping America Shariah-free, lest we wind up one day realizing that indeed it has replaced our Constitution, with all that that would portend.

Thank you very much. (Applause.)

MS. STERN: Thank you so much, Frank, for your wonderful, if not sobering, words.

It's now my profound pleasure to introduce you to a wonderful scholar, a wonderful human rights activist and a dear friend, Ali Alyami from the Center for Democracy and Human Rights in Saudi Arabia. And he's going to talk about that country's abysmal record on both.

ALI ALIYAMI: Thank you all for coming. I'm just curious: How many people here are staffers from any congressional offices?

(Hands are raised).

MR. ALIYAMI: The reason I am asking this question naturally is not just to point out anything other than to say today the White House is sending a proposal to Congress to sell Saudi Arabia \$60 billion worth of arms. Now, I would think that you can they can give your representative some feedback in one of the big buildings where the center of power actually and the laws emanate.

Saudi Arabia has more influence on the United States government, institutions, think tanks and even over this community than any country on this planet – any country, almost all countries combined. It's got amazing power.

As Frank has mentioned, the bottom line here is money. So, as far as I am concerned, the enemy is within. We are the enemy. Those who take Saudi money are actually compromising our safety, security and democratic values. The Saudis do not give money, send money, loan money for anything other than to promote the most austere brand of Islam, Wahhabism. And it's all over the country. I mean, I could go and talk for three days about what they doing here to promote Wahhabism.

The proposed mosque in New York will be paid by Saudis. Actually, Prince Al-Waleed has- the gentleman who was paying the 20 million (dollars) to Harvard, 20 million (dollars) to Georgetown and millions to others – (inaudible) – he will foot the bill for 100 million (dollars)

for the mosque. So that \$100 million is not to promote democracy and human rights, women rights, gay rights and promoting our institutions, Bill of Rights or any – it's not. It will be spent to promote Wahhabism in this country.

I have focused totally on Saudi Arabia. I think we should focus our activities, attention to expose our own people in Congress, universities, the White House, national security. There are generals, four-star generals, in the Pentagon who actually get money from the Saudis. So they are penetrating in every aspect of this country's institutions.

The Saudis are extremely skillful. They are doing what's in their best interest, and this time what's in their best interest is totally, as Frank said, to destroy democracy, whether here, in the Middle East – there is no democracy in the Middle East except Israel and Lebanon a little bit – (inaudible).

The question becomes how do we prevent this from taking hold, more hold, because 20 years ago, 30 years ago, Europe was actually thinking the way we think now: It's just a small group of people. You know, it's really – (inaudible). Go to The Hague – not The Hague; go to Amsterdam, for example, and see – talk to people about the intrusion of the Shariah law and other laws – (inaudible) – and London, Paris and Copenhagen, everywhere.

My topic is to talk about the human rights in Saudi Arabia, and there is no human rights in Saudi Arabia because you cannot have human rights and the Shariah system. You cannot. It's impossible because the system is designed to eliminate the people's rights, the media, accountability, transparency, finances. So there cannot be – by the nature of the system, there cannot be human rights.

As I was coming today I got a phone call – a phone call from Saudi Arabia. Somebody was telling me there's only one organization, started by a few Saudi lawyers and others, to defend – to defend expatriates, to promote the civil society activities – to defend human rights/ So this friend called me. He said, can you do anything? I said, I cannot talk to any of our friends in Saudi Arabia anymore, which is true, given all our phones we used to listen, to hear, to support us are now shut off, okay?

So, Sarah mentioned something about – a little bit about the spine for a spine. Two men were involved in a fight. One of their spine – back was broken so they went to court and they wanted to find somebody to break the other man's back or to curve his spine.

That is the Shariah law that Frank is talking about, an eye for an eye, back for a back, tongue for a tongue, eye for an eye, you know – They poked his eye because he was in a fight with a Saudi national and accidentally – (inaudible) – pierce his eye, so the judge said we'll take his eye out, you know, just to have the Shariah law.

The work for us here in this room, this building, anywhere in the media, is to highlight the influence of the Saudis, as Frank was saying, on the institutions and the media and the foreign policy processes.

There is an arms sale – there is a pending arms sale for \$60 billion, and that arms sale and the purchase – the \$60 billion will be spent on weapons to actually continue the Saudi system, w and as long as the Saudi people are oppressed, as long as the Shariah law is the law, as long as young men and women are forced into submitting to this every single day of their lives to – you have got to expect more terrorism and killings and destruction of democracies.

Thank you. (Applause.)

MS. STERN: Thank you so much, Ali.

Now it's my profound pleasure to introduce you to Ray Locker, who is the managing director of the Investigative Project on Terrorism. Formerly he was the national security editor of USA Today, and before joining USA Today, he led the Sacramento Bureau of the AP. He has been an editor of the Los Angeles Times as well as a reporter and columnist for the Tampa Tribune. Thank you very much. Ray Locker. (Applause.)

RAY LOCKER: Thank you. First I'd like to tell you a little bit about the Investigative Project on Terrorism that I work for. We have a website, InvestigativeProject.org, and one of the things that we specialize in is tracking the flow of money that aids terrorism, money from Saudi Arabia, and there's been a lot of it funneled.

This is something that Steven Emerson, our founder, has been specializing in for the last 25 years, starting with a book he wrote in 1985 called "The American House of Saud: The (Secret) Petrodollar Connection." That led into the investigation of the 1993 World Trade Center bombing and the subsequent things after that, particularly after 9/11.

What we have found over and over and over again is a preponderance of Saudi money going into U.S. institutions, not always for nefarious purposes, sometimes for quite, you know, legitimate purposes, but often that money goes to assist people in carrying out terrorist operations or at least influencing people who are predisposed to do that. And now, at a time when we've found more and more cases of homegrown terrorism, people trying to carry out attacks either here or abroad, that is an issue of greater and greater concern.

One of the things we do is we scour documents, whether they're open source or from governments, tracking money, and that involves looking at 990 reports for charitable foundations and then doing a variety of FOIA requests for things from other government agencies, and over and over we've found this money.

Following the money isn't always that easy. Many of these groups don't want to tell you where they hid the money. They often give it to religious institutions that don't have report their sources of income or how they spent it, so that makes it very difficult. What we have to do is lock in on the things we can find and then track it very carefully.

And what we found was pretty alarming. Before 9/11 the government paid little attention to where Saudi money went and what happened to it, and during that period the Saudis built a network of finances that went to Muslim Brotherhood-related organizations. They funded

mosques. They funded education centers, et cetera. That money went to support terrorist organizations. Some of it went to al-Qaida, some to Hamas, and it continues to this day.

Obviously the main driver in all of this is the Muslim Brotherhood. Founded in the late 1920s in Egypt, it promotes a very austere brand of Islam, Wahhabism, and their idea has been to push this as far as they can. It started out in 1936. They had 800 members. They had 2 million in 1948, and now they're at least operating overtly and covertly in 70 nations around the world.

Through those organizations in the nations, they work with Hamas, the Council on American-Islamic Relations, the Muslim Students Association. All of them are inspired by the Muslim Brotherhood. That's the fountain from which all of these groups drain, and the Saudis support them actively.

Some of the main groups – as I mentioned earlier, the Islamic Society of North America, that's a conduit for Saudi money; the North American Islamic Trust, the Muslim Students Association, previously the Holy Land Foundation, which was shut down in the last decade – it's a Hamas front – and the Council on American-Islamic Relations.

ISNA, the first group, is one of the most prominent Muslim Brotherhood-related organizations in the nation. It has a generally positive image but that image belies a lot of their activities. Every year they have conventions in which they often have a series of radical speakers who are not promoted outside the normal circles.

And what we do is we attend those meetings every year, we listen to what people say and we report on them, and we've found some pretty interesting things. ISNA was named an unindicted co-conspirator in the Holy Land Foundation case as a Hamas front, ISNA, and is officially closely associated with Hamas. It was created by the Muslim Brotherhood.

As I mentioned, the speakers – has a variety of controversial speakers, and many of the speakers that they've had, such as at the last convention in July, promoted a variety of radical theories including conspiracy theories about Israel and the Gaza flotilla, Israel and 9/11, et cetera.

ISNA works very closely with the North American Islamic Trust. That's an organization that owns and operates about 600 mosques and education centers throughout the country. Those mosques, because they're religious institutions, don't have to report where they get their money.

They take in Saudi money, they run schools, they spread their brand of Islam, often innocently to people who just want to go worship but they bring in a variety of fiery and often radical preachers who then have a chance to influence people who are predisposed to do things we would like them not to do.

We found, in one of our bits of research about NAIT, there was an FBI investigation in the 1980s that concluded that the leaders and organizers of NAIT and also the leaders of various

sponsor organizations have been identified as members of the Ikwaana -The Muslim League, also known as the Muslim Brotherhood.

Muslim activities and policies controlled and directed by NAIT are in fact set by the leadership or members of Ikwaana. It doesn't get any clearer than that, and that hasn't changed. They've done things for PR purposes to kind of obscure their origins and what they do, but the bottom line is they're a Muslim Brotherhood organization.

The next step for people who go to Islamic schools run by NAIT, when they go to the universities, they join Muslim Student Association chapters. There are more than 600 around the country, and we've documented at IPT and when I worked for the Associated Press some of the activities of these students.

In one case, we found that the MSA chapter at the University of Southern California had invited a member of the Taliban government to campus a few months before 9/11, and then even after 9/11 they were promoting fundraising for the Taliban on their website. That was something that we revealed in one of my previous jobs. That site no longer exists, but that tells you what their mindset is and what they're up to.

Across town at UCLA, the MSA chapter there publishes a student magazine that promotes a variety of radical activities, and one of the leaders of that MSA chapter openly talked about his desire to promote Shariah law. And after the two previous speakers – I don't need to tell you. You know about the problems with that.

Related to that group, as I mentioned, is the Holy Land Foundation. This was an institution created by members of the Muslim Brotherhood and Hamas. It was based in Richardson, Texas for a variety of years. It raised money from people who thought they were promoting charitable activities throughout the Middle East, and often those activities were charitable.

Well, one of the things that we found with these organizations and other charities is that money is fungible. It goes to a place ostensibly to help people in need. People come and they siphon it off to do less savory activities such as fund terrorist operations or pay benefits to the families of suicide bombers, and that was something that Hamas did often there and they were using Holy Land money.

Steven Emerson, our founder, focused on that early, in 1994, with his documentary "Jihad in America." It showed the Holy Land was a Hamas front. People didn't believe it and they continued to give money, including one of the investors in the Ground Zero Mosque project. Hisham Elzanaty gave money to Holy Land. He thought it was going to an orphanage. We'll have to take him at his word on that. We know that other money from that group went to support terrorists.

Some of the people who founded and worked closely with the Holy Land Foundation are now operating at the Council on American-Islamic Relations, CAIR. We have a long history

with them. We've pointed out many of the problems. For years they said they did not take money from overseas.

Its executive director, Nihad Awad, told Congress in 2003 they take no overseas money. He then had to recant that after we produced a check from Holy Land to CAIR, and then he amended his testimony. Of course, nothing really happened from that. They denied that they received money from overseas at all.

In 2001 they said they take no money from Saudi Arabia or elsewhere. However, two years earlier the Saudi-controlled Islamic Development Bank openly touted how they helped CAIR build a building by giving it \$250,000.

And in 2002, Prince Al-Waleed, who has been mentioned earlier, gave half a million dollars to CAIR, yet they continued to persist in saying that they don't take any money from the Saudis or elsewhere.

And then we did one – I mentioned we did FOIA requests. We did one with the State Department, produced a document from 2006, a report from a meeting at the U.S. embassy in Riyadh between a variety of CAIR officials and the embassy staff, in which they bragged about their outreach in the State Department, their close ties with then-Secretary of State Condoleezza Rice and Undersecretary Karen Hughes.

And then they said – and I'll quote from the memo – “One admitted reason for the group's current visit to the KSA” – Kingdom of Saudi Arabia – “was to solicit \$50 million in government and non-governmental contributions. PA counselor noted that private outreach activities can provide valuable support to USG efforts to build mutual understanding overseas but cautioned that USG public diplomacy funds cannot be used or associated with efforts to target American audiences,” which is what CAIR does.

“The delegation was interested to hear of the embassy's PD exchange and activities within the KSA and offered to help support them in any appropriate way. The group did not share, however, any details of their success or lack thereof in fundraising within the KSA.”

So we don't know how much money they've got. We've looked through their tax reports. It's not reported in there. Maybe it went to the group itself or maby it went to affiliated organizations but, in their own words to U.S. government officials, they were there trying to raise the money, and we know that that's not all.

Now, not everything is bleak on this front. The Saudis, according to a recent GAO report, have started to crack down the flow of money to some charitable organizations. And just last week the Justice Department won a case in Oregon against members of the Al-Haramain Foundation, which is a Saudi-controlled charity.

Two of the people there were convicted on tax evasion charges. They'd report that they'd taken money from the Saudis, converted it into traveler's checks and traveled back to the Middle East with that, for that money to be used to fight the rebels in Chechnya.

So there had to have been some progress, but a lot remains to be done. There's millions upon millions of dollars that comes from the Saudis to support groups here and – (inaudible) – to track it. Thank you. (Applause.)

MS. STERN: Thank you very much. I think we should take a little break now while we get some audiovisual stuff set up, so if people would like to take some more food, please feel free to.

END OF PART ONE