

# **Saudi Arabian Oil Facilities: The Achilles Heel of the Western Economy**

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May 2006

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## Foreword

On February 24, 2006, al-Qaeda terrorists launched an operation against the world's largest oil refinery, the Abqaiq oil facility in Saudi Arabia. As part of the attack, two or three vehicles were loaded with explosives and attempted to breach the fenced perimeter of the refinery. Saudi security forces were able to prevent the al-Qaeda operatives from penetrating the perimeter, and the attack was largely a failure. Nevertheless, the fact that the world's largest oil refinery was targeted by al-Qaeda during a time of record-high oil prices caused instability in the global energy market, instantly inflating oil prices after the attack by \$2 per barrel.

The failed Abqaiq attack must act as a warning to the international community. Saudi Arabia, the world's largest oil producer, faces a continued threat from al-Qaeda and Islamist militants bent on weakening the rule of the Saudi government. Furthermore, as clearly outlined in al-Qaeda leader Osama bin Laden's statements, in addition to statements made by other leaders associated with al-Qaeda, attacking oil facilities in Saudi Arabia are encouraged since such attacks drive up the price of oil and damage the economies in oil importing countries such as the United States.

The attack on Abqaiq will likely be the first of many such attempts. Al-Qaeda's hallmark strategy is to learn from the mistakes of its past operations, refining its tactics before launching a similar-style attack. There is little doubt that al-Qaeda terrorists are studying the failures of the Abqaiq attack; furthermore, the media attention that the incident garnered alone encourages future attacks. In early May, for instance, Saudi Arabian oil minister Ali al-Naimi warned that al-Qaeda is "not going to stop only at Abqaiq. They will probably try again and again."

A successful attack on Abqaiq or another major Saudi oil facility will send shockwaves through world energy markets, impacting severely the economies of Western countries. It will also raise al-Qaeda's stature among its followers and sympathizers, proving that the organization is still a potent force and one that can cause damage to the world's largest economies. The continued threat of instability in Saudi Arabia and other energy producing states is a future for which the United States must carefully prepare.

Glen E. Howard  
President, The Jamestown Foundation



## Al-Qaeda and the Oil Target

By Michael Scheuer

Since al-Qaeda leader Osama bin Laden began speaking publicly in 1993, he has identified the control of energy reserves in Muslim lands as one of the United States' most important foreign policy goals. In late 2004, for example, bin Laden described the U.S. invasion of Iraq as an effort to dominate Iraq's energy resources. "And Bush's hands are stained with the blood of all those killed on both sides [in Iraq]," bin Laden said, "all for the sake of oil, and keeping their [U.S.] private companies in business." In addition, al-Qaeda's strategy against the U.S.—based on the words of bin Laden and al-Qaeda second-in-command Ayman al-Zawahiri and discussions in al-Qaeda's electronic journals—has become ever more firmly grounded in what bin Laden describes as the "Bleed America to Bankruptcy War." The steady and affordable supply of oil, being crucial to the well-being of the economies of the United States and its allies, has naturally become a focus for al-Qaeda, as well as a valued target in its overall plan to force the United States out of the Middle East by damaging its economy severely.

### Conceptualizing an Economic Target

Interestingly, bin Laden has never threatened to cut off oil supplies to the U.S. and the West, although he has saluted the courage of Saudi King Faisal for imposing the "blessed oil embargo" against the United States during the 1973 Arab-Israeli war. Bin Laden has dismissed notions of cutting off the West's access to Muslim oil reserves, saying in 1997 that "we are not going to drink it." Instead, he has focused on finding ways to drive up the price of oil. In his statements, and those of al-Zawahiri, the focus has been on stopping the "stealing and looting" of Muslim oil at bargain-basement prices. Such prices, bin Laden wrote, are "the greatest robbery in history" and Islam's "economic hemorrhage." He promised that, once in power, the Islamists would ensure that oil was sold at "the price of the market according to supply and demand." Ironically, the recent run-up in oil prices puts the per barrel price named by bin Laden in December 2004 within sight. "Oil prices do not reflect market reality," he argued. "A fair price at the present time is a minimum of \$100 a barrel."

According to bin Laden, the deliberate damage done to the *ummah* (the Muslim community) by Washington's ability to control oil prices, then, has been a primary theme in al-Qaeda's consideration of the oil target. "After 1973," bin Laden told Pakistani journalist Hamid Mir in 1997,

the increase in the price of oil was not significant when compared to the increases in almost every other commodity in the world. Since 1973, the increases in the price of oil have only been eight dollars per barrel, while the price of other commodities has gone up three fold. Oil should have gone up by the same rate, but that did not happen. U.S. wheat has

become three times costlier, but not Arab oil. During the past 24 years, the price of oil has not increased more than a few dollars, because the U.S. is holding a gun against the forehead of the Arab countries. We [the Muslim world] are suffering a daily loss of one hundred and fifteen dollars per barrel. Everyday, ten million barrels of oil are produced by Saudi Arabia alone. Therefore, the daily loss is more than one billion dollars, while the total loss [when other Arab producers are included] is two billion dollars. During the last thirteen years, the U.S. has cost us a loss of eleven hundred billion dollars. It is important that we get this large amount of money back from the U.S. The total population of Muslims in the world is more than one billion. Thus the eleven hundred billion dollars could be distributed among the Muslims at the rate of ten thousand dollars per family. Muslims around the world are dying from hunger and the U.S. is stealing our oil. The U.S. buys cheap oil from us and then sells us its own tanks and aircraft with [that is, on the basis of] the threat from Israel. This is how the U.S. takes its own money back from us.

### **Evolving Strategy and Operational Policy**

Given the perceived dastardliness of U.S. policy and monies lost to the ummah from that policy, bin Laden and al-Qaeda's strategists moved on to the difficult task of finding ways to attack the oil target while simultaneously minimizing the pain that such attacks unavoidably would inflict on Muslims. Under-girding this discussion is al-Qaeda's belief that the energy reserves of the Islamic world are held in trust for all Muslims by the countries that control them; the reserves, bin Laden argues, are "the treasure of our current and future generations" and must be protected and preserved. Bin Laden made his concerns in this regard explicit to all Muslims in his September 1996 "Declaration of War against Americans."<sup>1</sup> In that declaration, bin Laden said, "Here we pause, and urge our brothers, the people and the mujahideen to reserve the [energy] wealth and not involve it in the battle [with the United States] because it is a great Islamic wealth and important economic power for the coming Islamic state."

Thus, bin Laden and al-Qaeda were faced with a problem: Attacks on the supplies of Muslim-produced oil on which the U.S. and Western economies depended were a supremely important part of any strategy aimed at bankrupting the U.S., and yet any permanent damage to Muslim oil reserves would cripple the ummah's economic power. Recognizing this dilemma from the start, bin Laden in the past few years has settled on plans that rule out attacks on oil wells and instead calls for attacks on the infrastructure needed for refining and transporting oil: pipelines, refineries, the executives of non-Muslim oil companies, ocean-going tankers and sea ports.

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<sup>1</sup> Osama bin Laden, "Declaration of Jihad Against the Americans," *al-Islah*, September 2, 1996.



The plan also allows attacks on the government officials of Islamic states who deal with U.S. and Western consumers, men al-Zawahiri describes as "the thieves who rule our countries." He admits that some Muslims will suffer because of oil-related attacks, but argues that the benefits from the attacks—in terms of damaging the U.S. economy—outweigh the costs. Indeed, al-Zawahiri describes the costs to be borne by Muslims as "the tax of honor."

Over the past decade, attacks conducted by al-Qaeda and its allies against oil infrastructure have been few and far between. The most prominent have been the at-sea attack on the French oil tanker *Limburg* in 2002, lethal attacks on personnel of Western oil companies in Yanbu and Dhahran in 2004, and, most recently, the unsuccessful attack on the world's largest oil refinery at Abqaiq, Saudi Arabia on February 24. Although few in number, al-Qaeda has from the beginning emphasized that the West is mistaken if it views these attacks as random operations. "The strike on the French oil tanker [*Limburg*]," al-Qaeda explained when claiming credit for the attack, "was not an incidental strike on a passing tanker, but a strike on the international oil-carrying line in the full sense of the word." Likewise, after al-Qaeda attacked Western oil officials at Yanbu and Dhahran, the late leader of Al-Qaeda in the Arabian Peninsula, Abu Hajar Abd al-Aziz al-Muqrin, wrote that the operations "hit the enemy at an important economic center which affected the international oil markets."

Al-Qaeda's attack on the Abqaiq facility should be seen as the beginning of a new and more systematic phase of al-Qaeda's targeting of the oil infrastructure. The Abqaiq attack appears to have been well-planned but badly executed; al-Qaeda operatives penetrated the first ring of the facility's defenses but were then stopped by security and their car bombs were detonated far from the main target. Even in failure, however, the attack boosted the price of oil by nearly \$2 a barrel and added to the readiness of oil producers and their worried insurers to increase the "terrorism premium" already built into the basic price of oil. Finally, credit for the attack on Abqaiq was claimed by al-Qaeda in a statement that said that the order for the strike had come directly from Osama bin Laden and had been intended to destroy a facility that "provides the Crusaders with oil."

Probably not coincidentally, two days after the Abqaiq attack, an al-Qaeda-affiliated cleric named Sheikh Abd-al-Aziz bin Rashid al-Anzi published al-Qaeda's doctrine and religious justification for attacking oil infrastructure. Entitled "The Religious Rule on Targeting Oil Interests," Sheikh al-Anzi posted the treatise on a British internet website.<sup>2</sup> The work meshes neatly with bin Laden's determination that the U.S. economy must be damaged via attacks on its oil supplies, that such attacks are legitimate and that such

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<sup>2</sup> Sheikh Abd-al-Aziz bin Rashid al-Anzi, "The Religious Rule on Targeting Oil Interests," <http://www.tajdeed.org.uk/forums>, February 26, 2006.

attacks must be conducted in a way that does not produce permanent damage to the ummah's ability to exploit and benefit from its energy reserves.

"Targeting oil interests," al-Anzi declared, "is lawful economic jihad. Economic jihad in this era is the best method to hurt the infidels"—that is, such attacks are a vital component of al-Qaeda's bleed-America-to-bankruptcy war. Al-Anzi affirms both bin Laden's contention that energy reserves are the shared property of Muslims—"it is not permissible to own that which is related to the benefit of the Muslim masses"—and that attacks are justified even if some Muslims are hurt by them. "Sabotaging," al-Anzi argues, "is permissible despite the fact that sabotage would be bad [for Muslims]. It is good because it is causing hurt to the enemy." Al-Anzi also backs up bin Laden's prohibition on attacking oil wells, forbidding such attacks unless the issue is referred back to Islamic scholars for further deliberation. He writes,

Oil wells—it is not permissible to target them if the desired damage can be achieved by [the mujahideen] targeting other oil interests. This is due to the fact that it could cause more harm than good. If there are no other means to hurt the infidels in jihad and the desired effect cannot be achieved except by targeting them, then it is permissible. It is a jihadist effort [that is, the mujahideen must seek permission], going back to the people of Islamic law and science, to determine the benefit of this based on the matter [that is, the argument of the mujahideen].

Establishing the general doctrinal groundwork, Sheikh al-Anzi then listed three sets of oil-related targets against which operations are permissible. First, pipelines, which he describes as "easy military targets," can be destroyed because the benefit of attacking them far outweighs the cost accruing to Muslims. Second, attacks are also permissible on refineries, other oil-related facilities and the docks, ships and storage facilities at seaports that serve to prepare and load oil—which, as al-Zawahiri explained, is really "Muslims' stolen oil." Al-Anzi says benefits again surpass costs, but adds a caveat on this category of targets by excluding facilities that are "privately owned by Muslims," apparently leaving on the table those facilities that are owned by the Saudi government or other Muslim regimes. Third, the sheikh authorizes attacks on individuals who are prominent in the oil industry. Describing these individuals as "among the easiest targets," al-Anzi advises that the mujahideen must make non-Muslims their priority targets, but adds that attacks on Muslim oil officials would be permissible if their elimination is "necessary and beneficial." All told, the treatise provides religious validation for bin Laden's late-2004 call for the mujahideen "to strike supply routes and oil lines, and to place twice as many mines [at oil targets] that leave behind no wounded, and to assassinate company owners in Riyadh, Kuwait, Jordan and other places."

### What the Future Holds

In the next phase of the al-Qaeda-led war against the U.S. economy, it seems certain that the number of attacks on oil infrastructure targets will increase. Bin Laden has called for them; they have been religiously validated; and, most importantly, al-Qaeda and its allies are well-placed throughout the Persian Gulf to attack oil facilities and officials. Indeed, the success of Saudi security forces in killing and capturing al-Qaeda fighters since 2003 may be one reason there have not been more attacks against oil facilities in the kingdom. In retrospect, the U.S. and the West may have been particularly fortunate that the Saudis killed Abu Hajar Abd al-Aziz al-Muqrin in 2004—who was then the leader of Al-Qaeda in the Arabian Peninsula—because his writings indicate that he recognized the severe damage that would be inflicted on the "Crusaders" by attacking oil facilities. He also believed that "the rise of oil prices is for the benefit of Muslims and that is known to every intelligent man," and appears to have commanded the fighters that staged the attacks at Yanbu and Dhahran.

In addition to its own military actions, al-Qaeda clearly intends to use its media apparatus to stir the troubled pot of oil-related international worries and thereby increase pessimism about the price and the dependability of oil supplies. Al-Qaeda already has focused propaganda on several of the oil producing areas outside the Middle East that are of concern to the West. After Nigerian insurgents this spring attacked foreign-owned oil production facilities in the Niger Delta, for example, al-Qaeda-associated websites claimed that the attackers were tied to al-Qaeda, calling them "the Lions of Nigeria" and reminding them that "Allah supports you." Earlier, the al-Qaeda journal *al-Ansar* had warned the mujahideen to be ready to protect Islamic oil reserves in the Caspian Sea against U.S. and Western efforts to rob Muslims of the profits from developing the reserves. "The West," al-Qaeda strategist Abu Ubayd al-Qurashi wrote, "which controls the technology of exploring and exploiting oil and natural gas, intends the same strategy [it used in the Middle East]—this time with the help of Russia—to minimize the benefits of this enormous wealth for the Islamic people in the Caspian Sea region."<sup>3</sup>

Finally, bin Laden's intention to bankrupt the U.S. economy is entirely likely to lead to attacks on infrastructure targets inside the United States by al-Qaeda, its allies and groups unassociated with either. For bin Laden, domestic U.S. attacks are the most desirable: they would directly impact the U.S. economy, demonstrate that homeland security has not been perfected and minimize any religious concerns about injuring Muslim individuals or ruining property owned by private Muslims. Attacks by al-Qaeda itself probably would focus on large targets that could cripple parts of the U.S. economy; some potential targets could be Houston's gasoline refineries, oil-import facilities and ship canal, and the nearby hubs of natural gas pipeline systems. Other

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<sup>3</sup> Abu Ubayd al-Qurashi, "The Caspian Cake," *al-Ansar*, July 10, 2002.

groups, however, might be satisfied with staging the small-scale attacks on pipelines, pumping stations and tanker trucks similar to those that plague the governments of Iraq, Pakistan and Afghanistan. In this regard, the SITE Institute reports that Islamists have responded on "a password-protected al-Qaeda-affiliated forum" to the calls by bin Laden and al-Zawahiri for attacks on oil facilities.<sup>4</sup> Their suggestions include operations using Improvised Explosive Devices against targets inside the United States—the Trans-Alaska pipeline is highlighted—and they note that oil-related facilities are abundant in the states of Alaska, Texas, Louisiana, California and Oklahoma. Such attacks, the authors argue, could be staged by small teams of Muslims living in the United States, or teams that could be brought in across the border from Mexico or Canada.

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<sup>4</sup> "Targets for Jihad Operations," SITE Institute, December 30, 2005.

## Saudi Arabia's Islamist Insurgency

By Stephen Ulph

The struggle between the House of Saud and jihadist insurgents—and its manifestation in the targeting of the oil sector—looms like a menacing specter over the authorities of the Arab peninsular states. The nature of this conflict has equally concerned Western security and economy analysts, not only for the broader fears for the impact on the global economy, but also since both Western interests and individuals have been caught up in this conflict. Riyadh's success, to date, in containing the violence may signal room for optimism on the conventional operational front, but as the February 24 attack on the Abqaiq oil facilities has demonstrated, the uncertainties inflicted on the global oil market, the damage to the image of Saudi stability and the prestige won for the mujahideen has left al-Qaeda—in asymmetric warfare terms—the victor.

These recent events in Saudi Arabia command our attention. While al-Qaeda's insurgent strategy, right from the beginning, has focused on the issue of Middle East oil wealth as a cardinal feature of their global struggle, the months preceding the attack on Abqaiq saw a flurry of statements and documents circulating on the internet that gave the impression of efforts being made to build up a momentum.

For instance, on September 19, 2005, a 43-minute video featuring a meeting with Ayman al-Zawahiri was produced, five minutes of which was broadcast on that day by the Arab television network al-Jazeera. On December 7, 2005, al-Jazeera re-ran other extracts from the same interview, this time including instructions by al-Zawahiri to attack oil installations. In the interview, al-Zawahiri invited the mujahideen "to focus their attacks on the oil wells stolen from the Muslims because most of the revenues of this oil goes to the enemies of Islam." He elaborated that the latter were exploiting oil with "incomparable greed and we have to stop that theft with all we can to save this fortune for the nation of Islam."

While bin Laden originally counseled against targeting these facilities on the grounds that they constituted a fundamental resource for the ummah, al-Qaeda early on elaborated a new "bleed-until-bankruptcy" strategy against the United States as the prime backers of the Gulf regimes.

Al-Qaeda ideologues worked assiduously to elaborate an operationally feasible and doctrinally permissible strategy for this. In June 2004, the imprisoned cleric Abd al-Aziz bin Rashid al-Anzi composed a comprehensive treatise entitled *Hukm Istihdaf al-Masalih al-Naftiyya* (The Religious Rule on Targeting Oil Interests). After a number of revisions, the work surfaced on the internet, published by the "Center of Islamic Studies and Research," shortly after the Abqaiq attack. Typically, the treatise attempts to root present activity on the solid ground of Islamic legal tradition as perceived by the mujahideen. Accordingly, the first three chapters are taken up with an exhaustive classification and

analysis of the parameters and implications of economic warfare: the legal principles of hostilities, the issue of ownership, the question of non-Muslim wealth and the legality of destruction according to the type of economic target involved. It is the fourth and final chapter that focuses on the targeting of oil facilities and gradates the value and morality of the targeting (conceived in terms of interest to the Muslim community). The strategic value of the targeting is broadly construed as leading to the following results: the rise in oil price, the elaborate and costly precautions needed to improve oil security, the diversion of Western GDP wealth to meet the higher price of oil, the multiplication of costs on projects to research practical energy alternatives, the flight of local and foreign capital as a destabilizing factor and the damaging effect on the United States' economic reputation. Once again, as in many publications of al-Qaeda, the structure of the treatise gives an indication of the crucial role played by doctrinal propriety in the modern jihad, an element which has yet to be fully digested by Western counter-insurgency specialists.

An audio message from bin Laden issued on December 16, 2004 included an explicit call for attacks in the Gulf. After extended criticism of the Saudi regime, the final section of the hour-long diatribe focused on the need to turn on the "American-Zionist coalition, their allies and their agents—to seek out their weak spots." In particular, he called on the mujahideen to "make every effort in your power to stop the greatest theft in history of the natural resources of both present and future generations." To do this, they should "focus operations on [oil production], especially in Iraq and the Gulf area, since this will cause them to die off." The gravity of these statements was graphically demonstrated in September 2005 when Saudi security forces, after a 48-hour armed confrontation at al-Dammam, uncovered a stash of forged documents aimed at providing militants with access to some of Saudi Arabia's principal oil and gas facilities. Since this time, internet forum traffic has kept the "U.S. thirst for oil" theme at the fore as an explanation for U.S. strategy in the region, and, accordingly, has highlighted the vulnerability of the superpower, as illustrated by the episodes of Hurricanes Katrina and Rita.

Strategy analyses, such as Abu Musab al-Najdi's "Al-Qaeda's Battle is an Economic Battle and Not Military," written on October 3, 2005, further highlighted the role of targeting oil in the future struggle as part of waging economic attrition against the enemy. Given that the mujahideen have successfully "prevented the Americans from gaining control of large quantities of Iraqi oil to plug the gap caused by the September 11 attacks," the author concludes that, on the basis of its statements and operations to date, "al-Qaeda will concentrate its efforts on oil targets in one of these three states—Kuwait, Venezuela and so-called Saudi Arabia"—and continue its campaign to "prevent the American thieves from benefiting from Iraqi oil."<sup>1</sup>

Yet a more detailed treatment on this strategy re-appeared in December 2005 on the al-Safinat forum.<sup>2</sup> The document authored by "Abu Yusuf 911" and entitled "Targets for

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<sup>1</sup> Text posted on October 23, 2005 on the forum Minbar Suriya al-Islami located at <http://www.nnuu.org.vb>.

<sup>2</sup> The al-Safinat forum is located at <http://202.71.102.108/~alsafnat/vb>.

Jihad: a response to the words of Sheikh Ayman al-Zawahiri," is an extended exposition of the potential vulnerabilities of Western economies in the Middle East and around the world. The author details how best the mujahideen can strike U.S. "economic joints," understood in the sense of strategic centers of gravity. He divides the targeting for the mujahideen into sectors. The first is "Islamic lands seized by the Crusaders." Iraq heads the list, and here the treatise advises that the effort should not be on destroying what remains of the oil infrastructure, but rather on depriving the enemy of financial gain from this "booty of war"—either by limiting exports or preventing the U.S. from using the oil as fuel for their tanks, armored vehicles, aircraft or ships. The author therefore advises the striking of bases used for these purposes. This is accompanied by URLs providing information, maps and images on distribution networks, transportation hubs and military fuel supply depots.

The strategy outlined by this al-Safinat posting is certainly being taken seriously on the internet and is generating research traffic. The same day as the "December Targets for Jihad" posting, one identifying himself as Abu Saqr called for the updating of the document's links that had lapsed and the collation of "all the available illustrations for the project into one file." Convinced that the attacks on U.S. oil interests "will inflame the final war between them and us, and lead to their downfall," Abu Saqr further took up the baton, promising to collaborate with "friends who have completed advanced studies in aerial photography and surveying" on a "complete and professional study of the subject, so as to offer it to the mujahideen and those who are at the forefront of jihad initiatives." He also once broadened the call for "participation from forum readers who are experts in petrochemical engineering, distribution networks and pumps," specifying the need for "PDF documents of books relevant to the subject." Abu Saqr then concludes by promising that the completed PDF documents "will be distributed over the largest possible number of forums."

This treatise is notable for two reasons, which more broadly underline the significance of the internet for the jihad. One is the element of collective endeavor that the author encourages, highlighting the speed of communication and the potential power that dispersed jihadi sympathizers across the globe can focus on a single project. The second is the facility for data mining that the web provides, allowing instant access not only to academic research data but also to infrastructure details of utilities, distribution and transport networks, as well as threat and vulnerability perceptions of these facilities—which governments are now offering at ever greater levels of transparency. With official discussion papers circulating on strategically useful areas such as the functioning of intelligence and security agencies (often highlighting their deficiencies) or counter-terrorism methodology, the internet eloquently illustrates the dictum made by an al-Qaeda training manual recovered in Afghanistan: "Using public sources openly and without resorting to illegal means, it is possible to gather at least 80 percent of all information required about the enemy."

While in Iraq attacks and threats of attacks on pipelines, refineries and oil-related transportation are frequent, the planned jihadi application of this strategy had not been observed outside Iraq until the February 24 attack on the Abqaiq oil facilities. In this respect, the Abqaiq attempt marks a significant turning point.

### **House of Saud Struggles with an Islamist Insurgency**

Al-Qaeda's threats to Saudi Arabia fall on the background of a domestic Islamist insurgency that has hit the kingdom hard. In fighting the insurgency, Riyadh has achieved successes and suffered failures. Although Saudi Arabia has long been under the spotlight for its role in the al-Qaeda phenomenon, it was only in early 2003 that there was graphic evidence that al-Qaeda was sufficiently organized and equipped to confront the increasing pressures its members were coming under within the kingdom itself.

Toward the end of 2002, the Saudi authorities, with an anxious eye on the forthcoming war in Iraq, had initiated a series of anti-terrorism measures against al-Qaeda members in a climate of slowly increasing tension that manifested itself in occasional shooting attacks on Saudi officials in the north of the country. A series of arrests and weapons seizures was followed in January 2003 by armed raids in Riyadh and in February with the trial of 90 Saudi nationals for their activities in Afghanistan.

For Saudi Arabia, however, 2003 was punctuated by two signal events—the May 12 and November 8 bomb attacks in Riyadh—which "upped the ante" in ways that go beyond the contest of firepower. In both cases, the bombings appeared to be pre-emptive attacks by al-Qaeda cells on the run. Yet if the first incident raised questions as to the purposes of the al-Qaeda attack—a clumsy attempt at best at targeting Westerners as outlined by bin Laden's notorious fatwa of February 23, 1998—the second attack, where the victims were almost exclusively Muslims, produced a more explicitly outraged public opinion about propriety.

For whatever the intended target of the second attack, and whatever the level of success claimed by the perpetrators, the damage to what might be termed al-Qaeda's "passive" support base was considerable. More than any other incident to date, the November 2003 bombing held major implications for the future of both the Saudi state and for the future of al-Qaeda and jihadist militant Islam.

One of the more successful big strikes against Saudi Arabia occurred on December 6, 2004, when the U.S. Consulate in Jeddah was attacked. The attack in Jeddah came after a lull in high-profile attacks and cast a different light than the image put out by the Saudi Arabian government on the progress against the Islamist mujahideen in the country. The level of preparation and the boldness of the enterprise against one of the most heavily protected buildings in Saudi Arabia spelt a security failure for the government and a



military victory for the mujahideen. This victory came despite the failure to penetrate the interior of the consulate's buildings and inflict American casualties.

Before the December 2004 attack, the last major incident was in May 2004, when gunmen killed 22 foreigners and seven security men in an attack on oil companies and a housing compound in the eastern city of al-Khobar. The lack of attacks between May and December pointed to a steady erosion of militant capability. The May violence was countered by a concerted pro-active approach to combating the cells, four of which the Saudi government claimed to have destroyed. Security forces claimed the seizure of large quantities of arms and explosives, the arrest of up to 600 militants and the killing or capture of most of the 29 figures on the "wanted list." With a claimed reduction to a hard-core of 150 mujahideen, the era of large-scale assaults was considered over.

The sense of decline was reflected by Sheikh al-Utaybi's exasperated tone against the "shirkers of jihad" in a tape posted on an Islamist website, *Sawt al-Jihad (Voice of Jihad)*, on November 17, 2004. In his declamation, he urged Muslim youth to "join the jihad bandwagon" along with the brothers in the Arabian peninsula and "kill a *Kafir*" (infidel). The purpose of the December 2004 attack, to effect a recovery of mujahid morale, was outlined in al-Qaeda's statement claiming responsibility where the militants "are not enfeebled by what they suffer...they remain patient, and with God's aid to victory they are not harmed by those who abandon them or oppose them." Certainly, from the comments on jihadi internet forums, the event was a welcome demonstration of continuing capability, despite the Saudi claims: "The peninsula now wears a crown of glory" ran one contribution, "as the lions of the peninsula...demonstrate to all and sundry that we are still here, and advancing...They astonished the entire world with an exemplary operation after the enemies of God have come to believe that they had extinguished the firebrands of resistance...and killed the spirit of jihad. See now how they rise up from the dust."<sup>3</sup>

Saudi claims of success were dashed by the December attack. The attack was not the only indication. A statement by leading Saudi opposition figure, Sa'd al-Faqih, posted on the al-Ma'sada jihadist website on December 2, 2004, claimed that the Saudi authorities had sought help from Jordan in order to quell anticipated demonstrations in Jeddah and Riyadh. Jordan, he said, had agreed to the proposal to send "3,000 intelligence operatives and anti-riot forces," and that by December 2 they had already crossed the border. A further confirmation upped the number of operatives to 7,000 and relayed the opinion by the Movement for Islamic Reform in Arabia (MIRA), headed by al-Faqih, that this was "an indication of the [Saudi government's] lack of trust in its own security forces and military guard in the kingdom."<sup>4</sup>

Even under a more optimistic prognosis, Westerners in the kingdom have had

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<sup>3</sup> See <http://www.alm2sda.net>.

<sup>4</sup> See <http://www.mettransparent.com>.

experience of al-Qaeda re-grouping after setbacks, sometimes after months of deceptive calm. There is also the pool of what Kuwaiti commentator Ahmad Rab'i, writing on November 3, 2004 in the Saudi daily *al-Sharq al-Awsat*, calls the "new Afghan Arabs," or those who, as in the earlier conflict with the Soviet Union in Afghanistan, return home—this time from Iraq—with few other skills to offer than guerrilla warfare. As Saudi analyst Faris bin Hizam noted on December 4, 2004 in the Saudi daily *al-Watan*, the so-called "collapse" of al-Qaeda in the kingdom "is limited to the organizational committee of the organization founded by Yusuf al-Ayyiri five years ago." This collapse, he states, "could be cured by the 'mother organization'...repairing the structure outside the country...not least by Iraq as a source, and [mujahideen from] Fallujah in particular...under pressure from the narrowing situation for them [in Iraq]." The vocabulary of al-Qaeda's statement, the "brothers in the Martyr Abu Anas al-Shami Squadron" who undertook "the blessed Fallujah Raid" may well be a corroboration of this.

As to the potential numbers of these reinforcements, the almost daily news of Saudi fatalities in Iraq gives some indication. Yet no one can do more than hazard a guess, Faris bin Hizam observes, since fatality figures "may be a decoy technique...as happened in Chechnya" where after two Saudi deaths were announced in that conflict "they appeared among the suicide fatalities at the May 12 Riyadh attack." The danger, he concludes "is that they can [thus] re-enter the country and form new cells undetected and unsuspected."

Indeed, less than a month later, on December 29, 2004, Islamist militants struck again, this time attacking the Saudi Interior Ministry building and the Special Emergency Forces headquarters training unit. The attack, however, was not as successful as the earlier attack in December and appeared to be one of al-Qaeda's least successful attacks in the kingdom. In the attack, the bombings and related clashes with Islamist militants accounted for a total of 90 injuries and the death of one bystander. The cost to the mujahideen were five killed during the bombings (three from suicide detonations) and a further 10 hunted down in gunfights that preceded and followed the bombings. Three of the assailants were on the list of the 26 "most wanted" Saudi insurgents. One of those killed was a Yemeni by the name of Ibrahim Ahmad Abdel Majeed al-Reemy, who is considered by some to have been the actual leader of al-Qaeda in Saudi Arabia and the link between the terrorist network in the kingdom and bin Laden.

A statement from al-Qaeda posted on the al-Ma'sada jihadist website named the target of the December 29 attacks as Saudi Arabian Interior Minister Prince Nayef bin Abdel-Aziz, who was away at the time. The statement also laid emphasis on the deaths of "a number [unspecified] of Crusader trainers killed in the Emergency Forces" headquarters and the wounding of several of those forces, which contradicts the figures given out by the authorities. The statement ended with what may be a revealing phrase: "We are determined to re-organize ourselves and prepare for new exemplary operations." While

participants on jihadist forums attempted to put a brave face on the lackluster results on the grounds that "bullets that miss their mark still terrify," and praised the premature detonations as tactical moves "to protect secrets that would come out at interrogation," Deputy Interior Minister Ahmad bin Abd al-Aziz (also an intended target of the bombings) described the attackers as having taken "a great risk because they know that their end is imminent."

This theme of "reactive" or "go for broke" strategy has been gaining currency. Saudi analysts have looked at the changing pattern of attacks and traced a more or less straight line from operations carried out in 2003 under the al-Qaeda leaders Yusuf al-Ayyiri and Khalid al-Hajj on Western institutions or personnel associated with the U.S. military to attacks on Western individuals without distinction under Abu Hajar Abd al-Aziz al-Muqrin. After al-Muqrin's death, and conscious of weakening popular support, operations focused more precisely on government installations of a military-security type such as the bombing of the Public Security Headquarters on April 21, 2004, and these two most recent attempts—which may have been made less productive for al-Qaeda from their selection of a late hour to avoid civilian casualties. Increasingly, however, as Munif al-Sufuqi explains in the Saudi daily *al-Sharq al-Awsat*, the attacks have been triggered by security forces closing in: "Those who are fleeing realize that their arrest is a matter of time. This drives them to carry out terrorist acts that do not have great impact."

As any reading of jihadist forums or of al-Qaeda-related literature will elucidate, however, the effect of military defeat is not necessarily the decisive factor. The Jordanian political analyst Murad al-Shishani, writing in the Arabic periodical *al-Ghad*, notes that the operating motivation of the "Afghan Arabs" that make up the core of the mujahideen in the peninsula comes not so much from the era of the anti-Soviet struggle (they are too young to have participated), but from the more ideologically-charged era of the Taliban. While their transfer of activity from Afghanistan to Saudi Arabia was forced on them by crushing military defeat, the influence of their Taliban phase has given them thicker skins. Purist and absolutist mental habits dismiss the idea of failure in a political, economic and cultural project that takes its credentials from the Creator. Therefore, the move to the peninsula is rationalized as the ongoing development of a strategy from confronting the "far enemy" (the U.S. and the West) to battling with the "near enemy" (the Saudi government). Success here would provide a more promising springboard for the cause than Afghanistan ever could. Yet an indication of the detachment of the mujahideen from tactical facts on the ground is their slogan of "expelling the polytheists from the Peninsula." Although the U.S. military has removed itself from Saudi Arabia, the mujahideen continue to use this slogan as an ideological banner, rather than as a practical demand. This is because it is a struggle whose dimensions simply dwarf the banalities of temporary reverses on the ground.

This explains why mujahid vigor in the Arabian peninsula is perhaps better gauged from the state of the ideological output. The statement on the December 2004 bombings posted by al-Qaeda carried the customary *Sawt al-Jihad* logo. It is a symbol that is less in evidence lately. Since mid-November 2004—much to the consternation of participants in the jihadi web forums—the flagship web magazines *Sawt al-Jihad* and *Mu'askar al-Battar* have failed to appear. These slickly produced publications gave solid expression to the confidence of the Arabian mujahideen. If their absence persists, it may be time, as al-Shishani suggests, for their absolutist mental habits to rationalize a re-orientation of the struggle back onto the "far enemy."

### **Islamist Insurgency Targets Western Interests**

In addition to bombings and attacks on government facilities, militants have also attacked Western interests and business interests in the kingdom. For instance, on August 3, 2004, one or two gunmen forced their way into the offices of the Rocky Trade and Construction firm in Riyadh and shot Anthony Higgins, a 63-year-old Irish engineer, four times in the head and chest, killing him immediately. Al-Qaeda did not claim responsibility for this latest killing, but an Islamic website posted a message from an al-Qaeda-inspired group, Islamic Unity, that warned Saudi Arabia against deploying troops to Iraq.

Riyadh had been quietly preparing during the period following Paul Johnson's death—a Lockheed Martin Corp. employee whose decapitated body was found June 18, 2004—for another round of al-Qaeda attacks against Westerners. Security forces had observed signs of renewed surveillance by militants of Saudi companies of the movements of Western employees. On July 7, 2004, in what appears to be an attempt at an identical targeting to the killing of the Irishman, three Saudis held a guard at gunpoint at the al-Zamil Group's construction facility in al-Dammam and demanded that he take them to Western employees. The gunmen drove off after the guard convinced them that there were no Westerners there. Later, a German national who served as a consultant to al-Zamil fled Saudi Arabia.

At the time, the targeting of Anthony Higgins posed a number of questions. Al-Qaeda's victims in the past had included employees of major Western firms, including BAE Systems, Lockheed Martin and the Vinnell Corporation. Higgins, however, did not appear to have been working on a defense-related project, which up to that point was al-Qaeda's focus. Why the interest in attacks on single individuals? The answer most probably lies in al-Qaeda's need, and ability, to adapt its tactics to the changing security environment. Firstly, earlier in the year it was observed that al-Qaeda had to make strenuous attempts to repair the public relations damage caused by the deaths of Muslims in their large-scale attacks, such as that on al-Khobar on May 30, 2004. Part of this corrective was the transfer of operational direction to small, more focused attacks where the possibility of Muslim collateral damage was minimized. In addition, the

following factors have become evident: tightened security in the kingdom made it harder to carry out elaborate attacks such as the May 12, 2003 bombings; larger bomb attacks appear to lie beyond the capability of al-Qaeda in Saudi Arabia at the moment; outside an environment such as Iraq, where the influence of national security organizations is weak, al-Qaeda may be viewing the risk of hostage-taking as increasingly unacceptable. Since it requires numbers to guard the hostage—something which al-Qaeda may no longer have—and also requires dialogue with the authorities, it increases exposure.

The Saudi security failures are well-known, as are the doubts over collusion (the killers of Anthony Higgins were not stopped by the guard, which may or may not have been a mere security issue). The more pressing issue the Saudis are grappling with now, however, is a potentially new phenomenon—the random killing of outsiders. Random killings and abductions are no less effective than major confrontations and bombing attacks. Indeed, they may be much more psychologically powerful due to the greater individualization of the victim in the Western media.

The threat is further compounded if developments continue in this direction. Saudi security organizations are finding it difficult to predict events and gather profiles on perpetrators. This was demonstrated at the May 1, 2004 Yanbu attack when what can only be described as opportunistic amateurs scored a major success—six Westerners died in what became a very high-profile coup for militancy in Saudi Arabia. More significant was the fact that three of the four gunmen had no previous record of militancy.

In this pattern of attack, small numbers or individual Westerners may be targeted at home or on the street or at work. Their sector of employment will probably become irrelevant. Saudi authorities are, however, still wary of the possible big strike, which is necessary to al-Qaeda, more as a public relations success with "the floating vote" than as a tactical operation.

### **Riyadh's Success Against the Insurgency**

In pursuing its aggressive strategy against al-Qaeda, Saudi security forces made efforts to capture and kill top leaders of the Saudi insurgency. On August 18, 2005, for instance, Saudi security forces launched a raid on seven suspected hideouts in the holy city of Medina, the burial place of the Prophet Muhammad. Among the six al-Qaeda militants killed during the police raids in the cities of Medina and Riyadh was Salih Muhammad al-Awfi, supposed leader of Al-Qaeda in the Arabian Peninsula.

After his death, some internet mujahideen downplayed the incident. One posting on the Tajdeed forum questioned what all the fuss was about. Deaths in Iraq, he noted, were regular, but when the "Land of the Two Shrines" was mentioned "things seem to change

180 degrees"—a point which he put down to a hypocritical distinction of "legal jihad" being only that which is waged outside the peninsula. "The method and the ideology remain the same, whether in Iraq or the peninsula. The enemy is the same: America and the police and National Guard in both cases. Even al-Qaeda is the same. And the emir in both cases is the same: Sheikh Osama bin Laden."<sup>5</sup>

Salih al-Awfi is thought to have been the major figure in Al-Qaeda in the Arabian Peninsula since the death in the summer of 2004 of commander Abd al-Aziz al-Muqrin and had been ranked number five on the most wanted list of 26 militants issued in December 2003. It should be said, however, that the concentration by Western media on naming a "leader" for al-Qaeda in Saudi Arabia risks emphasizing hierarchical structure over the more likely scenario of independent cell-like entities. More accurately, one may refer to senior operatives rather than leaders since the term is not encountered in al-Qaeda statements themselves for the jihad in the peninsula. Saudi authorities have used the term "leader" a number of times, the latest being that of the Moroccan Younis Mohammad Ibrahim al-Hayyari, reported killed soon after the publication on June 28, 2005 of a new list of 38 most wanted, after the earlier list of 25 had been progressively whittled down to three. The publication of a new list at this stage is revealing enough in itself. For according to al-Faqih, the pool of recruits in Saudi Arabia is unlikely to dry up anytime soon given the number of "reservists" with classic jihadi training, estimated at several thousand strong.<sup>6</sup>

As to the present level of mujahideen capabilities, however, it should be said that they are facing an improving counter-terror capability from advanced U.S. surveillance technology, which has contributed significantly to the Saudis' electronic espionage. In addition, each security success brings in the potential of new information from interrogation. Some intimation of the effect of this growing capability came in March 2005 with an exchange of messages posted on the jihadi forum islam-minbar.net and almjlah.net. Al-Awfi issued an audio announcement urging mujahideen throughout the Gulf States to aid the jihad in Iraq by providing funds, men, equipment and undertaking diversionary military operations in the Gulf to take the heat off Abu Musab al-Zarqawi. This followed a note of solace from Abu Maysara, saying "our hearts are with you" and urging the brothers in the peninsula "to stay fast to the jihad" and "not to depart from the battlefield."

Indeed, after the Abqaiq attack, Saudi Arabian security forces conducted raids across the country and rounded up Islamist militants. On March 29, 2006, a total of 40 suspected members of al-Qaeda were picked up in simultaneous arrests, almost half of these suspected of financially aiding terrorist attacks and propagating jihadist ideology materials online.

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<sup>5</sup> See <http://www.tajdeed.org.uk>.

<sup>6</sup> *Terrorism Monitor*, December 15, 2005.

Eight of the suspects were arrested in Riyadh and in al-Qasim for their direct involvement in the attack on the oil facilities at Abqaiq. Yet, it is in the eastern regions that the latest series of arrests yields the most interesting results. Thirteen of the 40 suspects were picked up in Abqaiq along with weapons and explosives ready for use. According to the Saudi Press Agency, the security haul included a sizeable stockpile of 99 hand grenades, 22 gas canisters, 18 machine guns, 131 assault rifles, two hunting rifles and copious amounts of ammunition.

Security forces also on March 28 disarmed two explosive-laden vehicles near the Abqaiq oil facilities. The cars were located at a house occupied by an Aramco employee and they sported the company's logo. The news may be related to a report by the pan-Arab daily *al-Sharq al-Awsat* on March 5 that security authorities had surrounded a house of an Aramco employee and detained the resident.

These events suggest that militants were planning a reprise of the February 24 attack on the Abqaiq oil facilities. In the February incident, Saudi security forces fired on two or three cars packed with explosives as they rammed the outer gates of the facility, causing them to explode.<sup>7</sup>

The failure of the attacks, along with the fact that the February 24 assault was the first major terrorist assault in the kingdom since December 29, 2004, indicates levels of increasing efficiency in Saudi counter-terrorism efforts and the weakening of the country's mini-insurgency. Al-Qaeda's attention to high-profile, high-sensitivity targets may indicate a much more judicious use of dwindling terrorist resources, now that much of its infrastructure has been destroyed. In January, Saudi Foreign Minister Prince Saud al-Faisal said that over 120 militants were killed since the overt launch of the al-Qaeda campaign in 2003. Only two names now remain on the June 2005 wanted list of suspected terrorists in the kingdom.

Such statistics, however, may not be all that relevant. The number of those arrested in the recent security haul also indicates that, despite the losses, al-Qaeda continues to attract enough active support to pose a threat to the stability of the kingdom. That there is continuing interest in al-Qaeda's message can be gauged from the fact that, while incidents in Saudi Arabia may be severely diminished, young Saudis continue to figure prominently in incidents in Iraq, fighting against U.S. forces, Iraqi Kurds and Shiites. For the period 2003 to 2004, estimates of the number of Saudis fighting in Iraq stood as high as 2,500. This means that there is a pool of Saudi volunteers, many of them combat-experienced, who will sooner or later find themselves crossing highly-porous borders back into the kingdom to fill any number of new suspect lists.

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<sup>7</sup> *Terrorism Focus*, March 7.

The failed Abqaiq attack may not be the barometer of al-Qaeda weakness for which Saudi watchers hope. It is likely that al-Qaeda may have simply moved toward a more productive enterprise, one that does not rely upon tactical success for strategic success.

This was certainly the explanation voiced on the Tajdeed forum after the February 24 attack when chatter focused on how such attacks "will level the scales of confrontation between the mujahideen and the government" where "even a simple strike will cause the Saudi government major disturbance." Indeed, the physical geography of oil facilities—with installations spread over a wide area and including technology installations that are of low sensitivity or even redundant—makes the single tactic of car bombs inflicting damage over a limited area of marginal use. Al-Qaeda's objective in these attacks is probably more abstract—prestige to the movement, damage to Saudi self-confidence and uncertainty on the global oil market. As world energy consumption is predicted to increase by more than 50 percent by the year 2025, concerns for the security of Saudi energy exports will increase accordingly. With this trump card handed to al-Qaeda in its asymmetric warfare, actual success in damaging the country's energy facilities is not necessary to raise fears of insecurity. In this respect, al-Qaeda has correctly identified a fundamental weak point and scored what has in fact been an uninterrupted series of triumphs.

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## The Global Implications of Large-Scale Attacks on Saudi Oil Facilities

By Dr. John C.K. Daly

At a time of record high oil prices, the global community is nervously contemplating yet another dramatic rise upward of oil prices resulting from turmoil in major oil producing countries. The world's thirst for oil is unlikely to be slaked anytime soon; worldwide oil consumption is expected to rise from 78 million barrels per day in 2002 to 103 million barrels per day in 2015.<sup>1</sup> The U.S. Department of Energy's Energy Information Administration (EIA) estimates that global consumption will reach 85.2 million barrels per day by the end of this year.<sup>2</sup>

The EIA's 2005 predictions have been superseded by events. As stated in the International Energy Outlook 2005, "Three distinct world oil price scenarios are represented in *IEO2005*, reaching \$21, \$35, and \$48 per barrel in 2025, respectively, in the low world oil price, reference, and high world oil price cases in 2003 dollars." The International Monetary Fund has noted that oil prices during the period from 2002 to 2005 rose almost \$30 per barrel, adding that, "the value of oil exports more than doubled to nearly \$800 billion in 2005 and in real terms is now well above the previous 1980 peak."<sup>3</sup>

The Bush administration has come to acknowledge the anger of consumers. During an April 22 speech to the California Fuel Cell Partnership, President Bush urged research into hydrogen as an alternative fuel while warning U.S. consumers "I understand the folks here, as well as in other parts of the country are paying high gas prices. We're going to have a tough summer."<sup>4</sup>

Wall Street analysts are already contemplating oil soaring to \$100 per barrel soon. Interestingly enough, Britain's *The Observer* recently wrote that Iran's enrichment program, Nigerian unrest, hurricanes in the Gulf of Mexico, diminished Iraqi output and Venezuelan and Russian internal politics could spike the rises rather than terrorism in Saudi Arabia. Senior energy economist at the Deutsche Bank in New York, Adam Sieminski, said simply, "If we have one more big problem we are going to have triple-digit oil prices."<sup>5</sup>

Are these surging prices inevitable? Or are they a temporary market aberration? Given the political instability of many oil exporting states, an already jittery market could see

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<sup>1</sup> "International Energy Outlook 2005," Report #:DOE/EIA-0484(2005), Released Date: July 2005 at <http://www.eia.doe.gov/oiaf/ieo/oil.html>.

<sup>2</sup> "Table HL-1: U.S. Energy Supply and Demand: Base Case" (Energy Information Administration) Short-Term Energy Outlook – April 2006 at <http://www.eia.doe.gov/emeu/steo/pub/h1tab.html>.

<sup>3</sup> "World Economic Outlook: Globalization and Inflation, April 2006" at <http://www.imf.org/external/pubs/ft/weo/2006/01/index.htm>.

<sup>4</sup> CNN, April 22.

<sup>5</sup> *The Observer*, April 30, 2006.

price increases by the end of the year that would make the price of \$70 per barrel a fond memory.

Nowhere is the crystal ball more clouded than in the Middle East. Two-thirds of the world's oil reserves and one-third of its natural gas reserves are located there. Of these, a quarter of the world's oil reserves are controlled by Saudi Arabia, a country considered by many analysts to be unstable with a nearly opaque political structure. Production takes place in 14 major fields, mostly in the country's Eastern Province, offshore, and the Neutral Zone shared with Kuwait. The Ghawar oilfield between Riyadh and the Persian Gulf is the largest in the world, with estimated reserves of 70 billion barrels.

If numbers tell the story, then Saudi Arabia must remain the focus of analysts' attention. Producing 10.5-11 million barrels of the world's daily consumption, a major disruption of Saudi exports would dwarf the impact of any natural catastrophe or terrorist incident in any other OPEC member. The February 24 attempted al-Qaeda attack on Saudi Arabia's massive Abqaiq refinery complex, the world's largest, failed, and the Saudi government was quick to claim not only its minimal impact, but its success in disrupting and arresting the perpetrators.

The reality, nevertheless, remains that should a major terrorist incident in the kingdom succeed, its potential impact on global prices would be immense, dwarfing any other man-made event. Saudi oil facilities and their expatriate specialists have come under increasing assault since 2000. Despite recent efforts at "Saudization" to replace Western executives and technicians with locals, an estimated 25,000 U.S. and UK expatriates are believed to be living in the country's Eastern Province, many of them near Aramco's headquarters in Dhahran. A subsequent and successful al-Qaeda attack would not only disrupt production, but have the added bonus of killing many "infidels" desecrating the Prophet Muhammad's homeland.

Indeed, expatriate foreigners working in Saudi Arabian energy facilities have long been targets, well before the September 11 attacks. In November 2000, Riyadh suffered a series of vehicle bombings in Riyadh, which continued through 2002. While authorities originally believed that the explosions were connected to an illicit trade in alcohol and prostitution, the perception slowly grew that they were in fact terrorist incidents directed against the expatriate community.

Saudi national oil giant Aramco said that it was "on alert all the time" and the Saudi government, which in 2003 had spent \$5.5 billion on security, reportedly increased its 2004 security spending by 50 percent.<sup>6</sup> By the end of 2004, Saudi forces had conducted dozens of security sweeps and had broken up several al-Qaeda cells, some of which were directly involved in attacks against U.S. citizens and interests. Saudi officials say

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<sup>6</sup> "Saudi Arabia" at <http://www.eia.doe.gov/emeu/cabs/saudi.html>.

about 144 foreigners and Saudis, including security forces, and 120 terrorists have died in attacks and clashes with police since May 2003.

The violence rattled the U.S. government. On December 23, 2005, the State Department cautioned U.S. citizens about traveling to the kingdom, writing, "Due to concerns about the possibility of additional terrorist activity directed against American citizens and interests, the Department of State continues to warn U.S. citizens to defer non-essential travel to Saudi Arabia. The United States Mission in Saudi Arabia remains an unaccompanied post as a result of continued security concerns. Non-emergency employees and all dependents of the U.S. Embassy Riyadh and Consulates General Jeddah and Dhahran were ordered to leave the country on April 15, 2004."<sup>7</sup>

The rising violence leaves the U.S. Embassy working closely with Saudi security officials, which periodically advises U.S. citizens of potential security concerns.<sup>8</sup> Nonetheless, there is little that the U.S. government can do to protect expatriates living in scattered oil boom sites.

### **The Makings of a Crisis: The Abqaiq Attack**

The massive Abqaiq complex is a critical element in Saudi Arabia's prosperity. After wellhead gas oil separation plants process the oil well products, the hydrogen sulfide-laden sour oil is sent by pipeline to Abqaiq for "sweetening" and reduction of its vapor pressure, making the crude safe for handling, after which it is pumped to Ras Tanura for export. Abqaiq's natural gas liquids plants also extract natural gas liquids, including butane, propane and hexane, from the oil. After further sweetening at Abqaiq, the natural gas liquids are then shipped to other sites for further separation and purification. Almost 90 percent of the crude exported by Saudi Arabia from the Gulf is processed and pumped through Abqaiq.

On its website, Saudi Aramco describes its expatriate communities, noting, "Saudi Aramco communities are comprised of housing similar to parts of the U.S. southwest, tree-lined streets, grass lawns, schools, grocery stores and golf courses, swimming pools and a host of other athletic and community facilities. Residents can walk, ride bicycles or take a bus almost anywhere they want to go. The company designed, developed and continues to operate these communities specifically for its employees."<sup>9</sup>

While Saudi Aramco did not issue any statement after the attacks, it earlier said, "As the company is responsible for the world's largest proven reserves of oil, Saudi Aramco is keenly aware of its responsibility to protect workers and oil fields. For this reason, Saudi Aramco trains and equips a security force that is professional and responsive." Saudi

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<sup>7</sup> "Travel Warning – Saudi Arabia" December 23, 2005 at [http://travel.state.gov/travel/cis\\_pa\\_tw/tw/tw\\_932.html](http://travel.state.gov/travel/cis_pa_tw/tw/tw_932.html).

<sup>8</sup> "2006 Investment Climate Statement – Saudi Arabia" at <http://www.state.gov/e/eb/ifa/2006/62029.htm>.

<sup>9</sup> See <http://www.jobsataramco.com/index1.html>.

Aramco President Abdallah S. Jum'ah said that the company employs 5,000 security guards equipped with helicopters, boats, cameras and other protection equipment.<sup>10</sup>

Material on the assault is fragmentary and contradictory. Canada's CTV reported on February 24 that the refinery assault occurred about 3 p.m., after Friday prayers, a day off work for most Saudis, though not for Saudi Aramco employees.

Two or three vehicles apparently bearing Saudi Aramco's logo attempted to breach the gates of three concentric rings of fences surrounding the refinery. A source from the Saudi Ministry of the Interior, speaking on condition of anonymity, said that two white pickup trucks each carried more than a ton of ammonite plus RDX and ITN.<sup>11</sup>

After guards shot at the cars, a gun battle ensued, lasting several hours. According to Interior Ministry spokesman Lt. Gen. Mansour al-Turki, the vehicles involved in the attack exploded, apparently rupturing a nearby pipeline. Guards then battled for two hours with two other militants outside the outermost entrance to the facility. Saudi security forces then searched the perimeter, which lies several miles from a residential area where several thousand expatriate workers live.

On the day of the attack, al-Turki initially said, "We have no clue so far about who are the perpetrators or to what group they belong."

### **The Aftermath of the Attack**

Saudi Minister of Petroleum and Mineral Resources Ali al-Naimi said output at the facility, which handles about two-thirds of the country's oil production, was unaffected by the attack.<sup>12</sup> Despite al-Naimi's assurances, reports of the attack caused oil prices on the New York Mercantile Exchange to rise almost four percent in a single day.<sup>13</sup> The day after the attack, U.S. Secretary of Commerce Carlos Gutierrez met with al-Naimi. Al-Naimi assured Gutierrez that Saudi Arabia "would ensure the flow of oil despite the terrorist threats."<sup>14</sup> Gutierrez in turn praised his hosts, commenting, "The attack foiled by the kingdom is a great testament to its leadership, to its security mechanisms currently in place and the quality of Saudi security services."

U.S. Ambassador to Saudi Arabia James C. Oberwetter commented on the incident: "I visited that facility on two earlier occasions, and I know first-hand the robust security systems that are in place there. When they were needed, the systems worked, and the facility at Abqaiq was fully protected. The Saudi government and Saudi Aramco deserve

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<sup>10</sup> *Arab News*, March 2, 2006.

<sup>11</sup> *Arab News*, February 27, 2006.

<sup>12</sup> "Saudis 'foil oil facility attack,'" BBC, February 24, 2006.

<sup>13</sup> CNN, February 24, 2006.

<sup>14</sup> *Arab News*, March 2, 2006.

considerable credit for what they have done in recent years to enhance the security of oil facilities throughout the kingdom."<sup>15</sup>

Saudi authorities also lined up clerical support. Saudi Arabia's Grand Mufti Abdul Aziz al-Ashaikh said, "We are saddened by the terrorist activity in Abqaiq. I praise the police role in dealing with the terrorists and foiling their attack. I would like to direct my speech to all Muslims and repeat the statement that was issued by the Ulema Committee Council in Saudi Arabia to condemn the acts by the deviant groups, and to stress that their action is against Islam. Those who harbor them and give them assistance commit a greater sin."<sup>16</sup>

Saudi security quickly swung into action. Three days after the attack, security forces in Riyadh killed five suspected militants believed to be involved in the Abqaiq incident.<sup>17</sup> The leader of the al-Qaeda network in Saudi Arabia, Fahd bin Faraj al-Juweir, died during the firefight in Riyadh's al-Yarmouk district on February 28. Saudi authorities accused al-Juweir of planning the Abqaiq attack. Al-Juweir trained in Afghanistan and took charge of al-Qaeda's network in the kingdom after Moroccan Younis Mohammad Ibrahim al-Hayyari, al-Qaeda's former commander in the Arabian peninsula, was killed in a shootout in Riyadh on July 3. During the raid, Saudi police found SR200,000 (US\$53,300) in cash and a car that was used in the Abqaiq attack along with stolen license plates, forged documents, computers, maps, and communication and navigation equipment.

Within five weeks, Saudi security forces had rounded up 40 suspected terrorists in three different operations around the country. Interior Ministry spokesman Gen. Mansour al-Turki announced, "It was not one operation but a series of operations aimed at tackling terror early on." Saudi security forces arrested eight suspects linked to the perpetrators of the Abqaiq attack. The suspects allegedly provided cell members with housing, money and propaganda that had been posted on the internet. In another operation, 13 suspects were arrested in Abqaiq city. In one of their residences, Saudi security authorities seized 99 Russian-made grenades, 22 tear gas grenades, 18 Kalashnikovs, four flares, 131 machine-gun magazines and two hunting rifles and a metal detector.<sup>18</sup> Another raid in the town of al-Muntaar, where Saudi Aramco employees live, uncovered two booby-trapped cars emblazoned with the company's logo.

Security forces in Iraq captured Abdulrahman Musleh al-Harbi, who subsequently confessed to being involved in the Abqaiq operation. During his interrogation, authorities determined that al-Harbi was mentally ill and not wanted by Saudi

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<sup>15</sup> *Arab News*, February 26, 2006.

<sup>16</sup> *Arab News*, February 28, 2006.

<sup>17</sup> BBC, April 18, 2006.

<sup>18</sup> *Arab News*, March 30, 2006.

authorities. Saudi Arabia subsequently requested that Iraqi authorities provide al-Harbi with proper medical treatment.<sup>19</sup>

The search was not limited to the perpetrators. Interior Ministry spokesman Maj. Gen. Mansour al-Turki said that the recently established financial intelligence unit at the Ministry of Interior was actively involved in investigating possible sources of financial support for terrorist operations in the kingdom.<sup>20</sup> Striking a brave tone, al-Turki said, "The unit has received several reports of suspicious financial dealings and it is taking required measures to foil them. The unit undertakes investigation of all suspicious financial operations in order to dry up support for terrorist groups."

Crown Prince Sultan tried to downplay the incident and put it in a larger context, telling Japan's NHK Television, "Such incidents can take place anywhere in the world. We have seen much worse attacks in other parts of the world, claiming lives of hundreds of people. We have arrested 42 people in connection with the Abqaiq attack."<sup>21</sup>

On April 19, Saudi television reported that the Interior Ministry showed footage of the Abqaiq attackers allegedly preparing the cars used in the attack. Raids by the Saudi security authorities uncovered 1.5 tons of explosives found in a warehouse outside Riyadh.<sup>22</sup> The video included al-Qaeda leader al-Juweir, another militant identified as Abdullah al-Tuwaijri, Jaffal al-Shammari and Abdullah al-Shammari.

### **An Uncertain Future**

Former CIA officer Robert Baer wrote in his book *Sleeping with the Devil* that "taking down Saudi Arabia's oil infrastructure is like spearing fish in a barrel." Given al-Qaeda's propensity for learning and adapting, further attacks on the Saudi oil infrastructure seem inevitable. Furthermore, given the attacks on the World Trade Center and U.S. warships in Aden harbor, repeated strikes at targets are a hallmark of al-Qaeda.

The question then is what sort of form a future attack will take. As Baer points out, a jet hijacked in the Gulf would be minutes away from crashing into Abqaiq or Ras Tanura. The Abqaiq attack is notable because it was the first direct attack by al-Qaeda on physical oil installations of the Gulf Cooperation Council countries. Two days after the failed attack, Al-Qaeda in the Arabian Peninsula claimed responsibility for the operation on a website. More ominously, al-Qaeda threatened to carry out more attacks on Saudi oil refineries.

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<sup>19</sup> *Arab News*, March 4, 2006.

<sup>20</sup> *Al-Jazirah* (Riyadh), April 15, 2006.

<sup>21</sup> *Arab News*, April 14, 2006.

<sup>22</sup> *Arab News*, April 19, 2006.

Al-Qaeda's most fearsome weapon is the hijacked commercial passenger jet; its interest in possibly using them inside Saudi Arabia predates the September 11 attacks by more than three years. On June 16, 1998, U.S. officials warned the Saudi government that Osama bin Laden "might take the course of least resistance and turn to a civilian (aircraft) target." The warning was delivered by the U.S. regional security officer and a civil aviation official in Riyadh based on a public threat bin Laden made against "military passenger aircraft" in an interview with ABC correspondent John Miller four days prior. Bin Laden also stated that, "We do not differentiate between those dressed in military uniforms and civilians."<sup>23</sup> The declassified cable read, "On June 16, Riyadh RSO econchief and civil aviation officer met with (redacted) at King Khalid international airport, to discuss the Osama bin Laden threat (REFTEL), and press for enhanced vigilance by Saudi security screeners and police patrols around the airport."

The Saudi government itself estimates that some 3,000 Saudis have reportedly sneaked through its porous borders to fight U.S.-led forces in Iraq, creating a hardcore cadre of fighters similar to the "Afghan Arabs." The Abqaiq attack has raised fears that al-Qaeda militants in Saudi Arabia are adopting new tactics, emulating Iraqi insurgents, who have succeeded in crippling Iraq's oil industry with sabotage and attacks.

The financial implications of a successful terrorist strike on Saudi oil facilities would be immense. Following the Abqaiq attacks, oil futures for April delivery jumped \$2.31 a barrel to \$62.85 a barrel, while Saudi Arabia's Tadawul All Share Index lost a massive 1,894 points in two days.<sup>24</sup>

The Abqaiq attack is the first harbinger of Osama bin Laden's December 2004 statement urging militants to attack oil targets in the Gulf to stop the flow of oil to the West.

OPEC predicts that in 2006 the average world oil demand will grow by 1.62 million barrels per day or 1.9 percent to average 84.8 million barrels per day. During the period from 2000 to 2005, oil prices tripled. A successful strike on Abqaiq would produce an immediate global deficit of up to nine million barrels in an already tight market. Oil prices jumped 3.6 percent in the aftermath of the attack. Since the only "swing" reserve excess oil production capacity is approximately three million barrels in Saudi Arabia and the United Arab Emirates, a successful attack would produce a global shortfall of up to six million barrels, which could easily push global prices above \$100 per barrel with no relief in sight.

Even U.S. government officials are acknowledging that the market is spiraling out of control due to concerns over the oil producing states of Saudi Arabia, Iraq, Iran and Nigeria. On April 30, the U.S. energy secretary said on NBC's "Meet the Press" that "the suppliers have lost control of the market. The oil has gone up because the suppliers are

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<sup>23</sup> See <http://www.gwu.edu/~nsarchiv/news/20051209/riyadh02085.pdf>.

<sup>24</sup> *Arab News*, February 28, 2006.

unable to make the flows equal to the demand...Clearly, it's going to be a number of years, maybe two to three years, before suppliers are going to be able to keep up with those demands."<sup>25</sup> In such an environment, a successful al-Qaeda attack on Saudi oil facilities would have an immediate and devastating impact on the global economy.

How high could prices go? In February, Bernard Baumohl, the Executive Director of the Economic Outlook Group, wrote, "In the absence of a successful strike by al-Qaeda or some other external shock that would disrupt global oil supplies, we view oil prices fluctuating this year in the \$60 to \$70 range. This includes what we perceive is a \$10 to \$15 event risk premium on oil...We have assigned a 75 percent probability of additional terrorist assaults on Saudi oil facilities within the next six months. Should any of these attempts succeed, the cost of crude will instantly race past its previous peak of \$70.85. How high it will ultimately go depends on the damage done and the global fallout, but a \$100 to \$125 price per barrel is certainly probable. Ironically, that price may also come down fairly quickly if a global recession ensues."<sup>26</sup>

John Kilduff, the senior vice president of energy risk management of the New York commodities trading firm Fimat USA, echoed the bleak assessment. "We're on a hair trigger," Kilduff said. "Unfortunately for consumers, we're on the brink of [\$100 a barrel] as we speak. It's been a parade of horrors."<sup>27</sup>

Inevitable higher prices are also the assessment of senior Iranian officials, even as they insist that Tehran would not use oil as a weapon even if the UN imposed sanctions on their country because of its nuclear program. Iran's deputy oil minister, Hadi Nejad Hosseinian, told reporters, "It is possible [for oil prices to rise to \$100 a barrel this winter] because the market shows that demand is higher and supply in the short-term cannot be increased."<sup>28</sup> Furthermore, none of these bleak assessments fully address the possibility of a terrorist attack in Saudi Arabia.

The immediate answer of the Saudi authorities is repression and more security. The fact that Saudi Aramco vehicles were used in the attack, however, indicates that al-Qaeda operatives at the very least have access to Saudi Aramco assets, indicating the possibility of future "inside jobs." Conversely, an attack could be mounted across the border from neighboring Iraq, where Saudi dissidents have been sharpening their skills fighting U.S. troops.

The possibility of such an attack is inevitable. Whatever previous tacit arrangements bin Laden had with the Saudi royal family seem irrevocably torn and, unlike attacking U.S. interests within the continental United States or elsewhere, Saudi Arabia has the two

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<sup>25</sup> MSNBC, April 30, 2006.

<sup>26</sup> "Economic Outlook for Week of February 27, 2006," February 28, 2006, Wharton School Publishing.

<sup>27</sup> *New York Daily News*, April 3, 2005.

<sup>28</sup> IranOilGas.com, May 2, 2006.



ultimate prizes for the Muslim faithful: Mecca and Medina. Given the vastness of the Saudi oil infrastructure, guaranteeing 100 percent security is clearly impossible. Furthermore, most of the facilities are in the country's eastern provinces, where a restive Shiite population chafes under the austere tenets of state Wahabbism.

Some see the Saudi monarchy as imploding, driven by corruption and poverty. Noted Saudi dissident Dr. Sa'd al-Faqih of the Movement of Islamic Reform in Arabia, who now lives in London, told its PTV satellite broadcast that the al-Saud family is embezzling Saudi Arabia's fiscal resources, and that given Western companies' corrupt relations with the ruling family, the Western firms make three times more profit from selling oil than does Saudi Arabia. Al-Faqih added that 30 percent of Saudi Arabia's population lives below the poverty line.<sup>29</sup>

Added to the grim picture is the fact that Saudi Arabia is now influenced by events in neighboring countries. U.S. Secretary of State Condoleezza Rice was warned recently by Middle East leaders that escalating sectarian violence between Sunnis and Shiites in Iraq, if left unchecked, could spread across the Middle East. The end result is a potent admixture of deep discontent and opportunity. An attack is coming. It is only a question of where and when.

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<sup>29</sup> Movement for Islamic Reform in Arabia, PTV London, May 1, 2006.



## Al-Qaeda and Saudi Arabia: A Chronology

By Shawn Woodford

### 1991

In response to the buildup of U.S. and coalition forces in Saudi Arabia following the Iraqi invasion of Kuwait in August 1990, Osama bin Laden and two prominent Islamic religious scholars began criticizing the Saudi government for permitting the presence of foreign troops. The Saudi authorities exiled the scholars, confined bin Laden to Jeddah and confiscated his passport. In April 1991, under the pretext of visiting Pakistan on business, he escaped, eventually settling in Sudan.<sup>1</sup>

### 1994

In June 1994, bin Laden established the Advice and Reformation Committee (ARC), based in London and dedicated to the overthrow of the Saudi government. The three-man ARC office also coordinated communications between al-Qaeda cells.<sup>2</sup>

In 1994, Riyadh stripped bin Laden of his citizenship and froze his assets in Saudi Arabia. An al-Qaeda defector allegedly discussed the possibility of assassinating bin Laden with Saudi officials, and a group of men armed with AK-47s attacked bin Laden's home in Khartoum in 1994.<sup>3</sup>

### 1995

On August 3, 1995, bin Laden released an open letter to King Fahd of Saudi Arabia, specifying complaints against the regime, including a lack of commitment to Sunni Islam, the inability to defend the country, the waste of public funds and oil revenue and dependence on non-Muslims for protection. He called for a guerrilla campaign to expel U.S. forces. The message was widely circulated in Saudi Arabia and elsewhere.<sup>4</sup>

On November 13, 1995, a bomb exploded in a Saudi National Guard training base in Riyadh jointly operated with the United States, killing five Americans and two Indians. The group Islamic Movement of Change claimed responsibility.<sup>5</sup>

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<sup>1</sup> Peter L. Bergen, *Holy War Inc.: Inside the Secret World of Osama bin Laden*, The Free Press: New York, 2001, 80-82; *Final Report of the National Commission on Terrorist Attacks Upon the United States*, September 20, 2004, [http://www.9-11commission.gov/report/911Report\\_Ch2.htm](http://www.9-11commission.gov/report/911Report_Ch2.htm).

<sup>2</sup> Judy Aita, "Evidence Piles Up in African Embassy Bombing Trial," U.S. Information Agency, March 29, 2001, [http://usinfo.state.gov/is/Archive\\_Index/Evidence\\_Piles\\_Up\\_in\\_African\\_Embassy\\_Bombing\\_Trial.html](http://usinfo.state.gov/is/Archive_Index/Evidence_Piles_Up_in_African_Embassy_Bombing_Trial.html).

<sup>3</sup> Bergen, 89.

<sup>4</sup> Usama bin Muhammad bin Laden, "An Open Letter to King Fahd On the Occasion of the Recent Cabinet Reshuffle," <http://www.ctc.usma.edu/aq/AFGP-2002-000103-Trans.pdf>; "Hunting bin Laden," *Frontline*, PBS, <http://www.pbs.org/wgbh/pages/frontline/shows/binladen/who/edicts.html>; "Timeline of al-Qaeda statements," MSNBC News, <http://www.msnbc.msn.com/id/4686034/>.

<sup>5</sup> U.S. State Department, "Significant Terrorist Incidents, 1961-2003: A Brief Chronology," <http://www.state.gov/r/pa/ho/pubs/fs/5902.htm>.

## 1996

In February 1996, Sudan approached the U.S. government seeking advice on reducing foreign pressure on their government. The U.S. had discovered in late 1995 that the Sudanese and Saudi governments were exploring the possibility of expelling bin Laden from Sudan. Sudan wanted the Saudis to pardon bin Laden and allow him to return, but the Saudis refused, citing the revocation of bin Laden's Saudi citizenship. Sensing the pressure on the Sudanese government, bin Laden, his family, bodyguards and primary al-Qaeda associates relocated to Afghanistan on May 19, 1996.<sup>6</sup>

On June 25, 1996, a bomb inside a fuel truck detonated outside of the Khobar Towers, a U.S. military housing facility in Dhahran, Saudi Arabia. The attack killed 19 members of the U.S. military and wounded 515, including 240 U.S. military personnel. Multiple groups claimed responsibility. On June 22, 2001, the Saudi government indicted 13 Saudis and one Lebanese on charges of murder and conspiracy related to the attack. The 46-count indictment alleged that all of the accused were members of the Shiite militant group Hezbollah.<sup>7</sup>

In August 1996, bin Laden published a fatwa entitled "Declaration of War Against the Americans Occupying the Land of the Two Holy Places" in the London-based newspaper *al-Quds al-Arabi*. He strongly criticized the Saudi government and the presence of U.S. military forces in Saudi Arabia. He called on Muslims to wage "guerrilla warfare" to expel the "the American-Israeli alliance." Another priority was to protect the oil assets of the Persian Gulf region.<sup>8</sup>

## 1998

On February 23, 1998, bin Laden and his deputy Ayman al-Zawahiri issued another fatwa decrying foreign occupation of the Arabian peninsula, calling upon all Muslims "to comply with God's order to kill the Americans and plunder their money wherever and whenever they find it...[and] to launch the raid on Satan's U.S. troops and the devil's supporters allying with them, and to displace those who are behind them so that they may learn a lesson."<sup>9</sup>

## 2000

On January 3, 2000, a Yemen-based al-Qaeda cell attempted to use a boat loaded with explosives to attack the destroyer *USS The Sullivans* while it refueled in Aden, Yemen. The attack failed when the overloaded boat sank before reaching its target.<sup>10</sup>

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<sup>6</sup> *Final Report of the National Commission on Terrorist Attacks Upon the United States*.

<sup>7</sup> "Significant Terrorist Incidents, 1961-2003: A Brief Chronology"; U.S. Department of State, "Chronology of Events in Campaign Against Terror," [http://usinfo.state.gov/is/Archive\\_Index/Chronology\\_of\\_Events\\_in\\_Campaign\\_Against\\_Terror.html](http://usinfo.state.gov/is/Archive_Index/Chronology_of_Events_in_Campaign_Against_Terror.html).

<sup>8</sup> "Bin Laden's Fatwa," PBS News Hour, [http://www.pbs.org/newshour/terrorism/international/fatwa\\_1996.html](http://www.pbs.org/newshour/terrorism/international/fatwa_1996.html).

<sup>9</sup> "Al-Qaeda's Fatwa," PBS News Hour, [http://www.pbs.org/newshour/terrorism/international/fatwa\\_1998.html](http://www.pbs.org/newshour/terrorism/international/fatwa_1998.html).

<sup>10</sup> "Cole Attack Was Terrorists' Second Try, U.S. Officials Say," CNN, November 9, 2000.

On October 12, 2000, the destroyer *USS Cole* was attacked by a small boat laden with explosives during a brief refueling stop in the harbor of Aden. The suicide terrorist attack, carried out by an al-Qaeda cell, killed 17 crew members and wounded 39, and seriously damaged the ship. A joint U.S./Yemeni investigation ended up identifying and arresting six suspects, who were put on trial in Yemen in July 2004.<sup>11</sup>

## 2001

On May 2, 2001, the U.S. Embassy in Dhahran reported that a letter bomb delivered to a U.S. physician at the Saad Medical Center exploded, severely injuring the doctor. No one claimed responsibility.<sup>12</sup>

On October 6, 2001, a suicide bomber exploded a device in a busy shopping area in al-Khubar, Saudi Arabia, killing one American and injuring two other U.S. citizens, one Briton and two Filipinos, according to press reports. No one claimed responsibility.<sup>13</sup>

On October 11, 2001, unidentified assailants threw a Molotov cocktail at a car carrying two Germans in Riyadh, but no injuries resulted, according to press reports. No one claimed responsibility.<sup>14</sup>

On October 31, 2001, Saudi Arabia announced that it would freeze the assets of 66 persons and organizations designated by the United States as sponsors of terrorism.<sup>15</sup>

## 2002

On January 29, 2002, Saudi Arabia stated that 100 Saudi citizens detained by the United States at Guantanamo Bay should be returned for trial. The Saudi press also reported that the government had frozen the bank accounts of 150 individuals suspected of having ties to terrorists.<sup>16</sup>

In May 2002, Morocco arrested three Saudi nationals suspected of being al-Qaeda operatives planning attacks on U.S. and British ships in the Strait of Gibraltar. They planned to attack the ships with dinghies loaded with explosives. Seven Moroccans, including three women, were arrested in June, accused of complicity in the planned attacks.<sup>17</sup>

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<sup>11</sup> "Terrorist Attack on USS Cole: Background and Issues for Congress," CRS Report RS20721, updated January 30, 2001, <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB55/crs20010130.pdf>.

<sup>12</sup> U.S. State Department, *Patterns of Global Terrorism, 2001*, Appendix A, "Chronology of Significant Terrorist Events," <http://www.state.gov/s/ct/rls/pgtrpt/2001/html/10250.htm>.

<sup>13</sup> *Ibid.*

<sup>14</sup> *Ibid.*

<sup>15</sup> U.S. State Department, "The United States and the Global Coalition Against Terrorism, September 2001 – December 2003," <http://www.state.gov/r/pa/ho/pubs/fs/5889.htm>.

<sup>16</sup> *Ibid.*

<sup>17</sup> "Morocco Makes More Al Qaeda Arrests," CBS News, June 25, 2002.

On June 18, 2002, Saudi Arabia reported the arrest of six Saudis and one Sudanese suspected of being al-Qaeda members. They were accused of planning to shoot down a U.S. military aircraft with a shoulder-fired missile. The group had been detained several months before the announcement.<sup>18</sup>

In the summer of 2002, Saudi Arabia arrested over 20 people in connection with a plot to sabotage a major pipeline and oil terminal, believed to be Ras Tanura, the world's largest offshore oil-loading facility.<sup>19</sup> Most of Saudi Arabia's oil exports go through shipping terminals at Ras Tanura (six million barrels per day capacity) and Ras al-Ju'aymah (three million barrels per day capacity) on the Persian Gulf, and Yanbu (five million barrels per day capacity) on the Red Sea.<sup>20</sup>

On August 7, 2002, Saudi Arabia announced that U.S. forces would not be allowed to use Saudi bases for military operations against Iraq. Foreign Minister Prince Saud insisted that relations with the United States remained strong.<sup>21</sup>

On October 6, 2002, the French Very Large Crude Container (VLCC) tanker *Limburg*, chartered by the Malaysian state oil company Petronas, was attacked three miles off of Mina al-Dabah, Yemen, while en route to load more oil. One crewman was killed and the ship, carrying 400,000 barrels, caught fire but did not sink. It was later towed to port. The attackers conducted a suicide attack using a small boat carrying a bomb. No group claimed responsibility at the time, but during the next year Saudi Arabia and Yemen arrested several Yemeni nationals in connection with the attack.<sup>22</sup>

A CIA Predator drone fired a missile at a vehicle carrying six suspected al-Qaeda operatives near Marib, Yemen on November 2, 2002. All the passengers were killed, including Abu Ali al-Harithi, a key suspect in planning the attack on the *USS Cole* in 2000.<sup>23</sup>

In November 2002, Abdul-Raheem al-Nashri, a Yemeni and one of the alleged masterminds of the 2000 attack on the *USS Cole*, was arrested in the United Arab Emirates and handed over to U.S. authorities.<sup>24</sup>

Bin Laden referenced the attack on the *Limburg* in an audiotape message released on November 12, 2002, referring to it and other terrorist attacks as "reactions and reciprocal actions."<sup>25</sup>

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<sup>18</sup> Neil MacFarquhar, "Saudi Arabia Finally Admits al Qaeda Presence," *The Age*, June 20, 2002.

<sup>19</sup> "Terrorist Threats to Energy Security," Hearing Before the Subcommittee on International Terrorism and Nonproliferation of the House Committee on International Relations; John J. Lumpkin, "Mid-East Oil a Potential al-Qaeda Target, U.S. Nervous," Associated Press, October 17, 2002.

<sup>20</sup> "Country Briefs: Saudi Arabia," Energy Information Agency, August 2005, <http://www.eia.doe.gov/cabs/saudi.html>.

<sup>21</sup> U.S. Department of State, "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>22</sup> "Port and Maritime Security: Background and Issues for Congress," CRS Report RL31733, updated May 10, 2005, [http://dutch.house.gov/pdf/CRS\\_Maritime\\_Overview.pdf](http://dutch.house.gov/pdf/CRS_Maritime_Overview.pdf); Energy Information Administration, "World Oil Market and Oil Price Chronologies: 1970-2004," <http://www.eia.doe.gov/emeu/cabs/chron.html#a2002>.

<sup>23</sup> Walter Pincus, "U.S. Strike Kills Six in al-Qaeda," *Washington Post*, November 5, 2002.

<sup>24</sup> "Yemen Requests Extradition of Cole Suspect," *Yemen Times*, July 12, 2004.

<sup>25</sup> "Timeline of al-Qaeda statements."

On November 20, 2002, Saudi Arabia announced that it had arrested at least 100 suspected members of al-Qaeda.<sup>26</sup>

## 2003

On January 29, 2003, U.S. President George W. Bush revealed in his State of the Union address that U.S. forces had prevented terrorist attacks on shipping in the Strait of Hormuz.<sup>27</sup>

Three gunmen fired five shots at a British employee of British Airways as he drove home from work in Riyadh on February 5, 2003. The victim suffered minor wounds from broken glass. No one claimed responsibility.<sup>28</sup>

On February 7, 2003, eight gunmen opened fire on police in Riyadh, killing a Kuwaiti and wounding three others, including two policemen.<sup>29</sup>

On February 18, 2003, Saudi Arabia announced that it would put 90 Saudi al-Qaeda suspects on trial. Riyadh had already released 150 other suspects, while 250 were still being questioned.<sup>30</sup>

On February 20, 2003, an attacker ambushed a car at a stoplight in Riyadh, killing a British employee of British Aerospace Engineering. Saudi police arrested the gunman, a naturalized Saudi citizen originally from Yemen. No group claimed responsibility.<sup>31</sup>

An incendiary bomb was thrown at a McDonald's restaurant in al-Dammam, Saudi Arabia, on February 25, 2003. The device failed to explode and no one was hurt. Police arrested a suspect, but no group claimed responsibility.<sup>32</sup>

On April 8, 2003, bin Laden released an audiotape message urging Muslims to launch suicide attacks on the governments of Pakistan, Afghanistan, Bahrain, Kuwait and Saudi Arabia.<sup>33</sup>

While on a visit to Saudi Arabia on April 29, 2003, Defense Secretary Donald Rumsfeld announced that the United States would withdraw its military forces from the country. A small training mission would remain, but future air operations would be directed from a base at al-Udeid in Qatar.<sup>34</sup>

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<sup>26</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>27</sup> "Terrorist Threats to Energy Security," Hearing Before the Subcommittee on International Terrorism and Nonproliferation of the House Committee on International Relations; "Bush's State Of The Union Speech," CNN, January 29, 2003.

<sup>28</sup> "Chronology of Significant Terrorist Incidents, 2003," Naval Postgraduate School, <http://library.nps.navy.mil/home/tgp/chrono2003.htm>.

<sup>29</sup> *Ibid.*

<sup>30</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>31</sup> "Chronology of Significant Terrorist Incidents, 2003."

<sup>32</sup> *Ibid.*

<sup>33</sup> "Timeline of al-Qaeda statements."

<sup>34</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

Al-Qaeda suicide car bombers attacked three foreign oil industry worker residential compounds in Riyadh on May 12, 2003. A total of 35 were killed, including 10 Americans and seven Saudis, and 200 were wounded. About 3,000 oil industry workers from Western countries live in Saudi Arabia.<sup>35</sup>

In response to warnings of further terrorist attacks, the United States, United Kingdom, Germany and Italy closed diplomatic and consular missions in Saudi Arabia on May 20, 2003. The United States reopened its missions that day; other countries followed suit on May 24.<sup>36</sup>

In an audiotape released on May 23, 2003, al-Zawahiri condemned the government of Saudi Arabia and other Arab states, calling upon Muslims to rise up and expel the foreigners from their countries.<sup>37</sup>

On May 28, 2003, Saudi Arabia announced the arrest of 11 al-Qaeda members in Medina suspected in the May 12 bombings in Riyadh.<sup>38</sup>

On June 7, 2003, the Saudi Interior Ministry announced that it had identified 12 of the suicide bombers responsible for the attacks on May 12, 2003. Twenty-five suspects had been arrested while 10 more remained at large.<sup>39</sup>

In June 2003, Islamist websites distributed an audio message from bin Laden, criticizing Islamic clerics who supported the Saudi ruling family, other "tyrants" in the Middle East and Muslims who failed to join al-Qaeda's jihad against the West.<sup>40</sup>

Saudi officials pre-empted terrorist attacks on vital installations with the arrest of 16 suspected terrorists in a raid on farms and houses in Riyadh, Qasim and the Eastern Province on July 21, 2003.<sup>41</sup>

On August 23, 2003, Saudi authorities sent two suspects in the *Limburg* attack to Yemen as part of a prisoner exchange.<sup>42</sup>

The U.S. Treasury Department announced an agreement with Saudi Arabia on August 26, 2003 to station 15 FBI and IRS agents in the country to investigate the financial connections of terrorist groups.<sup>43</sup>

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<sup>35</sup> "Chronology of Significant Terrorist Incidents, 2003"; "Country Briefs: Saudi Arabia," Energy Information Agency, August 2005, <http://www.eia.doe.gov/cabs/saudi.html>.

<sup>36</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>37</sup> "Timeline of al-Qaeda statements."

<sup>38</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>39</sup> Harrison, "Terror Strikes: A Chronology," *Arab News*, April 26, 2004.

<sup>40</sup> "Timeline of al-Qaeda statements."

<sup>41</sup> Harrison.

<sup>42</sup> "Yemen and Saudi Arabia Exchange Fugitives: Two Involved in Limburg Attack," *Yemen Observer*, August 23, 2003.

<sup>43</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."



On September 24, 2003, Saudi security forces killed al-Qaeda suspect Zubayr Rimi in a gun battle in Jizan, Saudi Arabia. Rimi had been a suspect in the May 12 bombings in Riyadh. Saudi Arabia also transferred nine prisoners to Yemen, including some suspected of involvement in the attack on the French tanker *Limburg*.<sup>44</sup>

The Saudi government announced on October 17, 2003 that it had broken up an al-Qaeda cell over the summer that numbered between seven and ten. One of the suspects was alleged to be a U.S. citizen of Saudi descent.<sup>45</sup>

On October 18, 2003, al-Qaeda released a 45-minute videotape message via the internet addressing the May 2003 attack in Riyadh.<sup>46</sup>

On October 20, 2003, Saudi Arabia announced the arrest of a large number of suspected terrorists along with the seizure of a cache of weapons and ammunition.<sup>47</sup>

On November 6, 2003, two terrorist suspects blew themselves up after being surrounded by Saudi security forces in Mecca.<sup>48</sup>

The United States closed its embassy and two consulates in Saudi Arabia on November 7, 2003 after receiving "highly credible and specific information" about possible terrorist attacks.<sup>49</sup>

A suicide car bomber attacked the largely Arab Muhaya residential compound in Riyadh on November 8, 2003. Seventeen were killed and 122 wounded, including four Americans. Al-Qaeda was blamed for the attack.<sup>50</sup>

On November 19, 2003, Saudi King Fahd vowed to use "an iron fist" against al-Qaeda terrorists in response to the November 8 suicide bombing in Riyadh. His rare public display came amid shock in the region over al-Qaeda's targeting of Arabs and Muslims.<sup>51</sup>

In raids in various locations in Saudi Arabia, security forces arrested at least 10 terrorist suspects, including some connected to al-Qaeda, on November 25, 2003.<sup>52</sup>

Saudi security forces prevented a car bombing in Riyadh on November 25, 2003. Two suspects were killed and explosives were found.<sup>53</sup>

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<sup>44</sup> *Ibid.*

<sup>45</sup> *Ibid.*

<sup>46</sup> "Timeline of al-Qaeda statements."

<sup>47</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>48</sup> Harrison.

<sup>49</sup> "The United States and the Global Coalition Against Terrorism, September 2001-December 2003."

<sup>50</sup> "Significant Terrorist Incidents, 1961-2003: A Brief Chronology."

<sup>51</sup> *Ibid.*

<sup>52</sup> Harrison.

<sup>53</sup> U.S. Department of State, "Significant Terrorist Incidents, 1961-2003: A Brief Chronology."

On December 3, 2003, Saudi security forces arrested a suspect in the November 8 Riyadh bombings in possession of a large quantity of weapons, including a surface-to-air missile.<sup>54</sup>

Twenty-five suspects in the May 12, 2003 bombings were arrested in Riyadh by security forces on December 7, 2003.<sup>55</sup>

Saudi security forces killed two suspected al-Qaeda militants in Riyadh on December 8, 2003, including one on Saudi Arabia's most-wanted list, Ibrahim Mohammed Abdullah al-Rayes.<sup>56</sup>

On December 20, 2003, the Saudi government announced the arrest of suspected al-Qaeda militant Mansour bin Muhammad Ahmad Faqih.<sup>57</sup>

## 2004

In January 2004, Al-Qaeda in the Arabian Peninsula published a manual for new recruits in the online al-Qaeda journal "The Base of the Vanguard." It was written under the auspices of Saif al-Adel, the third-ranking member of Al-Qaeda in the Arabian Peninsula. Abu Hajar Abd al-Aziz al-Muqrin, another high-ranking member of the organization and editor of the online al-Qaeda military journal *Mu'askar al-Battar*, contributed an article citing the use of weapons of mass destruction, particularly biological and nuclear weapons, as a potential tactic in the "ongoing war."<sup>58</sup>

On March 16, 2004, Saudi Arabia announced that Khaled Ali Ali Haj, suspected to be al-Qaeda's chief of operations in the Arabian peninsula, and Ibrahim bin Abdulaziz bin Mohammad al-Muzainy were killed by security forces at a checkpoint in Riyadh.<sup>59</sup>

In March 2004, Abd al-Aziz al-Muqrin of Al-Qaeda in the Arabian Peninsula published an article in *Mu'askar al-Battar* calling for "strikes against the stolen raw materials from Muslim countries, as occurred with the French oil carrier [*Limburg*], [and] the hitting of the oil pipelines in Iraq."<sup>60</sup>

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<sup>54</sup> *Ibid.*

<sup>55</sup> Harrison.

<sup>56</sup> Harrison; "Significant Terrorist Incidents, 1961-2003: A Brief Chronology."

<sup>57</sup> "Significant Terrorist Incidents, 1961-2003: A Brief Chronology."

<sup>58</sup> Jason Burke, "Al-Qaeda Launches Online Terrorist Manual." *The Observer* (London), January 18, 2004.

<sup>59</sup> "Top Terror Suspect Killed by Saudi Security," Royal Embassy of Saudi Arabia in Washington, DC, March 16, 2004, <http://www.saudiembassy.net/2004News/Press/PressDetail.asp?cYear=2004&cIndex=194>.

<sup>60</sup> Abu Hajir Abd al-Aziz al-Muqrin, "The Targets Inside Cities," *Mu'askar al-Battar*, Issue 7 (March 2004), translated by The Jamestown Foundation.

On April 21, 2004, a car bomb exploded at the Public Security Department in Riyadh, killing five and wounding 148. No group claimed responsibility, although al-Qaeda was believed responsible.<sup>61</sup>

Abdullah Jumah, the chief executive of Saudi-owned Aramco, stated in late April 2004 that "there is nowhere in the world that oil facilities are protected as well as in Saudi Arabia." According to Jumah, in addition to the Saudi National Guard, regular Saudi military forces, and Interior Ministry officers, Aramco employs 5,000 security guards to protect oilfields, pipelines, ports, refineries and other oil facilities in the country. Saudi Arabia budgeted \$5.5 billion for oil security in 2003, and increased it by \$750 million by 2004.<sup>62</sup>

On May 1, 2004, four gunman attacked the offices of ABB Lummus, an Exxon/Mobil contractor, in the Red Sea oil port city of Yanbu, Saudi Arabia, killing six (two Americans, two British, one Australian and one Italian) and wounding 19 Saudi policemen. Gunmen also attacked a Holiday Inn, a McDonald's restaurant and various shops before throwing a pipe bomb at the International School in Yanbu. Al-Qaeda in the Arabian Peninsula claimed responsibility.<sup>63</sup>

On May 22, 2004, unknown gunmen shot and killed a German national in Riyadh. No group claimed responsibility.<sup>64</sup>

On May 30, 2004, militants attacked two oil industry housing compounds in al-Khobar, Saudi Arabia, killing 22 civilians and wounding 25 Saudi civilians.<sup>65</sup>

On May 31, 2004, Abd al-Aziz al-Muqrin, who identified himself as the new chief of Al-Qaeda in the Arabian Peninsula, claimed the group was responsible for the attack in al-Khobar the previous day.<sup>66</sup>

On June 6, 2004, an unknown gunman fired on two BBC journalists, killing one and injuring the other in Riyadh. No group claimed responsibility, although al-Qaeda was believed responsible.<sup>67</sup>

On June 8, 2004, five unknown gunmen in a car fatally shot a U.S. contractor for the Vinnell Corporation in northeast Riyadh. Vinnell had been contracted by the U.S. Army to train the Saudi National Guard. Al-Qaeda claimed responsibility.<sup>68</sup>

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<sup>61</sup> National Counterterrorism Center, "A Chronology of Significant International Terrorism for 2004," <http://www.fas.org/irp/threat/nctc2004.pdf>.

<sup>62</sup> "Country Briefs: Saudi Arabia," Energy Information Agency, August 2005, <http://www.eia.doe.gov/cabs/saudi.html>.

<sup>63</sup> National Counterterrorism Center.

<sup>64</sup> *Ibid.*

<sup>65</sup> *Ibid.*

<sup>66</sup> "Timeline of al-Qaeda statements."

<sup>67</sup> National Counterterrorism Center.

<sup>68</sup> *Ibid.*

On June 12, 2004, three militants killed a U.S. employee of Advanced Electronic Company in Riyadh. Al-Qaeda claimed responsibility.<sup>69</sup>

Assailants abducted and murdered a U.S. contractor in Riyadh on June 12, 2004. An Islamist website posted pictures of the victim's decapitated body, later found on a street in eastern Riyadh. Al-Qaeda in the Arabian Peninsula claimed responsibility.<sup>70</sup>

"The Laws of Targeting Petroleum-Related Interests and a Review of the Laws Pertaining to the Economic Jihad," a book purportedly authored by imprisoned Saudi cleric Sheikh Abdullah bin Nasser al-Rashid, was published on June 15, 2004. It stated that striking oil targets was a legitimate means of waging economic jihad, as long as the benefits of the destruction outweighed the costs, and that it was acceptable to destroy Muslim property if it had fallen into the hands of "infidels."<sup>71</sup>

On August 3, 2004, unknown attackers murdered an Irish civil engineer in his office in eastern Riyadh. No group claimed responsibility, although al-Qaeda was believed responsible.<sup>72</sup>

On August 28, 2004, a Yemeni court sentenced Omar Saeed Hasan Jarallah, Fawzi al-Wajeeh, Mohammed Saeed Ali al-Amari, Fawzi Yahia al-Hababi, Fawaz al-Rabe'iee, Abu Bakr al-Rabe'iee and Yasser Ali Salem (tried in absentia) to 10 years in prison for participating in the attack on the French oil tanker *Limburg* in 2002. During an appeal hearing in December, al-Rabe'iee admitted ties to bin Laden.<sup>73</sup>

On September 3, 2004, Yemeni officials announced a heightened state of alert in response to "information about the intention of a foreign terrorist group to carry out sabotage acts on vital oil facilities on Yemeni shores." Earlier in the week, insurgents had kidnapped several Western oil workers from a facility on the Red Sea coast but released them several hours later.<sup>74</sup>

On September 15, 2004, two gunmen killed a British employee of Marconi Communications in Riyadh. Al-Qaeda in the Arabian Peninsula claimed responsibility.<sup>75</sup>

On September 26, 2004, gunmen murdered a French defense electronics worker in Jeddah. Although no group claimed responsibility, the killing was believed to be the work of al-Qaeda.<sup>76</sup>

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<sup>69</sup> *Ibid.*

<sup>70</sup> *Ibid.*

<sup>71</sup> Michael Knights, "Attack on Abqaiq Highlights Growing Focus on Oil Targets," *Jane's Intelligence Review*, April 10, 2006; Evan Kohlman, "Al-Qaeda in Saudi Arabia: Excerpts from 'The Laws of Targeting Petroleum-Related Interests,'" <http://www.globalterroralert.com/pdf/0306/oiljihad0306.pdf> GlobalTerrorAlert.com, March 2006.

<sup>72</sup> National Counterterrorism Center.

<sup>73</sup> "Appeals Court Is To Pronounce A Sentence On Limburg Suite," *Yemen News Agency* (Saba), February 4, 2005; "Terror Convict Admits to bin Laden Ties," *Yemen Observer*, December 26, 2004.

<sup>74</sup> "Yemen on Alert for Al Qaeda Attack on Oil Facilities," *WorldTribune.com*, September 3, 2004.

<sup>75</sup> National Counterterrorism Center.

<sup>76</sup> *Ibid.*

On September 29, 2004, a Yemeni court convicted Abd al-Rahim al-Nashiri, Jamal al-Badawi, Fahd al-Qiss'e, Mamoon Amswah, Ali Mohamed Murakab and Murad al-Sirouri for participating in the attack on the *USS Cole* in 2000. Al-Nashiri and al-Badawi were sentenced to death, and the others received prison terms ranging from five to ten years. Al-Badawi's sentence was later commuted to 15 years in prison on appeal. Yemen also requested the extradition of al-Nashiri from U.S. custody.<sup>77</sup>

On December 6, 2004, five militants attacked the U.S. Consulate in Jeddah, killing five and injuring nine, including two Saudi National Guardsmen. Four militants were killed and a fifth was arrested at the scene. Al-Qaeda in the Arabian Peninsula claimed responsibility.<sup>78</sup>

In an audio message released on December 16, 2004, Osama bin Laden specifically addressed attacking oil-related targets in the Middle East. He also praised the recent attack on the U.S. consulate in Jeddah and criticized the Saudi regime as weak and controlled by the U.S.<sup>79</sup>

On December 19, 2004, a message attributed to Al-Qaeda in the Arabian Peninsula echoed bin Laden's December 16 call for attacks on Middle Eastern oil-related targets. The message urged members "to strike all foreign targets and the hideouts of the tyrants to rid the [Arabian] peninsula of the infidels and their supporters. We call on all the mujahideen to target the sources of oil which do not serve the Islamic nation but serve the enemies of the nation."<sup>80</sup>

Militants detonated multiple car bombs and engaged in a gun battle on the streets with Saudi security forces in Riyadh on December 29, 2004. At least 10 militants and one Saudi bystander were killed and 90 injured.<sup>81</sup> One of the militants killed was Ibrahim Ahmad Abdel Majeed al-Reemy, suspected of being the real al-Qaeda leader in Saudi Arabia and the link between the Saudi Arabian network and bin Laden.<sup>82</sup>

## 2005

On April 6, 2005, the Saudi Interior Ministry announced that 14 suspected terrorists had been killed and six arrested in three days of battles with security forces. Most wanted suspects Saud al-Otaibi, leader of the al-Qaeda cell in Saudi Arabia, and Abdul Kareem al-Majati, a Moroccan, were among the dead. Salih Muhammad al-Awfi, suspected chief of Al-Qaeda in the Arabian Peninsula, was alleged to have also been killed.<sup>83</sup>

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<sup>77</sup> "Two Militants Sentenced To Death For *USS Cole* Attack," *Yemen Times*, October 4-6, 2004; "Al-Qaeda Attacked Maritime Target (October 12, 2000, Yemen)," MIPT Terrorism Knowledge Base, <http://www.tkb.org/Incident.jsp?incID=16298>; "Yemen Requests Extradition of Cole Suspect," *Yemen Times*, July 12-14, 2004.

<sup>78</sup> National Counterterrorism Center.

<sup>79</sup> "Excerpts of Bin Laden message," BBC, December 16, 2004; "Timeline of al-Qaeda statements."

<sup>80</sup> "Al-Qaeda Tells Fighters to Strike Saudi Oil Targets: Website," AFP, December 19, 2004.

<sup>81</sup> "Bombings, Attacks at Riyadh Security Sites," Special Report #1, Saudi-U.S. Relations Security Service, December 30, 2004, <http://www.saudi-us-relations.org/newsletter2004/saudi-relations-interest-12-30.html>.

<sup>82</sup> *Ibid.*; Stephen Ulph, "Al-Qaeda's Diminishing Returns in the Peninsula," *Terrorism Focus*, January 10, 2005.

<sup>83</sup> Khaled Al-Awadh, "Most Wanted Terrorists Killed," *Arab News*, April 6, 2005; P.K. Abdul Ghafour, "Death of Top Terrorists in Al-Rass Gunbattle Confirmed," *Arab News*, April 10, 2005.

Saudi security forces announced that they had killed another suspected leader of al-Qaeda in Saudi Arabia, Moroccan-born Younis Mohammad Ibrahim al-Hayyari, during a police raid on a suspected hideout in western Riyadh on July 3, 2005.<sup>84</sup>

The Saudi Interior Ministry announced on August 18, 2005 that six suspected al-Qaeda militants were killed in raids in Riyadh and Medina. Among the confirmed killed was Salih al-Awfi, suspected leader of Al-Qaeda in Saudi Arabia.<sup>85</sup>

On November 14, 2005, President Bush signed the Consolidated Appropriations Act for Fiscal Year 2005, which prohibited U.S. assistance to Saudi Arabia, but allowed the president to waive this if he certified that the country was cooperating in the war against terrorism.<sup>86</sup>

On December 7, 2005, al-Jazeera re-broadcast excerpts from a September 2005 video message by al-Zawahiri that called for "attacks on the oil wells stolen from the Muslims because most of the revenues of this oil go to the enemies of Islam." These enemies were exploiting oil with "incomparable greed, and we have to stop that theft with all we can to save this fortune for the nation of Islam."<sup>87</sup>

## 2006

In his first audiotape released in over a year, bin Laden offered a truce between al-Qaeda and the United States on January 19, 2006. He also warned of plans for new attacks. "The new operations of al-Qaeda [have] not happened not because we could not penetrate the security measures," he said. "It is being prepared and you'll see it in your homeland very soon."<sup>88</sup>

On February 3, 2006, 13 al-Qaeda members who had been convicted of participating in the attacks on the *USS Cole* and *Limburg* escaped from a Yemeni prison in Sanaa, along with 10 other inmates. Eight had surrendered or been recaptured by Yemeni authorities by the end of April 2006.<sup>89</sup>

On February 24, 2006, al-Qaeda militants attacked the Abqaiq oil refinery facility in Saudi Arabia. Two militants were killed when their bomb-laden vehicles were apparently detonated by gunfire from the facility's guards. Two more attackers and four guards were killed during an

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<sup>84</sup> "Al-Qaeda chief killed in Riyadh," BBC, July 3, 2005.

<sup>85</sup> "Al-Qaeda Leader in Saudi Arabia Killed in Raid," CTV, August 18, 2005.

<sup>86</sup> Alfred B. Prados, "Saudi Arabia: Current Issues and U.S. Relations," updated February 24, 2006, Congressional Research Service, <http://www.au.af.mil/au/awc/awcgate/crs/ib93113.pdf>.

<sup>87</sup> Stephen Ulph, "Al-Zawahiri Encourages Targeting of Gulf Oil," *Terrorism Focus*, December 13, 2005.

<sup>88</sup> "Bin Laden Offers Americans Truce," *aljazeera.net*, January 19, 2006.

<sup>89</sup> Brian Whitaker, "Interpol Alert for al-Qaeda Militants Who Tunneled Out of Prison in Yemen," *The Guardian*, February 6, 2006; "Qaeda Prisoner Escape Strains U.S.-Yemen Ties," AFP, April 29, 2006.

ensuing two hour firefight that ended when the militants escaped. Al-Qaeda in the Arabian Peninsula took credit for the attack.<sup>90</sup>

Sheikh Abd al-Aziz bin Rashid al-Anzi, a cleric affiliated with al-Qaeda, had his doctrinal statement "The Religious Rule on Targeting Oil Interests" posted on the internet on February 26, 2006. The document provided a religious justification for al-Qaeda's calls for attacking oil-related targets.<sup>91</sup>

On February 27, five al-Qaeda militants suspected of participating in the attack on Abqaiq were killed in a gun battle with Saudi security forces in eastern Riyadh. The dead included Fahd bin Faraj al-Juweir, one of the leaders of Al-Qaeda in the Arabian Peninsula. A sixth suspect was arrested in a pre-dawn raid in the same part of the city.<sup>92</sup>

Saudi security forces discovered two car bombs and weapons in an Aramco employee's home near the Abqaiq oil refinery complex on March 28, 2006. Two days later, the Saudi Interior Ministry also announced the arrest of 40 militants over the previous several days in Riyadh, Mecca and Medina, including eight individuals suspected in the February attack on Abqaiq. Interior Minister Prince Nayef also stated that Saudi Arabia had prevented about 90 percent of planned militant attacks.<sup>93</sup>

New York light sweet crude futures for delivery in May 2006 hit a historic peak of \$70.88 per barrel on April 18, 2006, as a result of fears of military conflict between the U.S. and Iran. Futures prices for Brent North Sea crude oil also hit a historic high of \$72.20 dollars per barrel.<sup>94</sup>

In an audiotape released on April 24, 2006, bin Laden criticized Saudi Arabia's King Abdullah for rejecting the idea that the West was engaged in a "clash of civilizations" with Islam. He claimed the West had initiated an assault on Islamic civilization.<sup>95</sup>

On April 29, 2006, Yemen extradited 16 Saudi citizens it had been holding to Saudi Arabia in exchange for 11 Yemenis being held by the Saudis. Yemen also announced plans to try 60 suspected al-Qaeda members on terrorism charges.<sup>96</sup>

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<sup>90</sup> "Terrorist Attack at Abqaiq Oil Facility Thwarted," Saudi-U.S. Relations Information Service, <http://www.saudi-us-relations.org/articles/2006/nid/060225-abqaiq-attack2.html>.

<sup>91</sup> Sheikh Abd-al-Aziz bin Rashid al-Anzi, "The Religious Rule on Targeting Oil Interests," February 26, 2006, <http://www.tajdeed.org.uk/forums>.

<sup>92</sup> "Five Suspects In Saudi Attack Die in Firefight," *The Washington Post*, February 27, 2006; Stephen Ulph, "Al-Qaeda Leader al-Juweir's Testament and Warnings in Saudi Arabia," *Terrorism Focus*, March 21, 2006.

<sup>93</sup> Syed Rashid Husain, "40 Militants Detained in Saudi Arabia," *Dawn*, March 30, 2006; "Saudi Arabia Arrests 40 Suspected Militants," Reuters, March 29, 2006; "Saudi Arabia Foiled 90 Pct of Attacks – Minister," Reuters, April 1, 2006.

<sup>94</sup> "New York Crude Oil Hits Record High 70.88 Dollars," AFP, April 18, 2006.

<sup>95</sup> "Bin Laden: West Waging a Crusade," [aljazeera.net](http://aljazeera.net), April 24, 2006.

<sup>96</sup> "Saudi Arabia and Yemen Exchange Prisoners," AFP, April 29, 2006; "Yemen to Extradite 16 Saudi Terror Suspects," AFP, April 27, 2006.

## NOTES

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