



Global Terrorism, Political Instability and International Crime Council October 2007

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Welcome to the second edition of the quarterly newsletter of the Global Terrorism, Political Instability and International Crime Council.

The lead article is an insightful analysis by Council member Dr. Robin McFee DO, MPH, FACPM on the challenge of tainted products manufactured overseas. Her article provides the kind of practical advice ASIS members need to safeguard their corporations, agencies, communities and families.

This edition features the following articles:

- **Terrorism expert, and Council member, Jim Dunne summarizes three seminal books on terrorism that should be on every security professional's bookshelf. (See page 3)**
- **Council members Doug Callen, Dr. Dick Ward, Britt Mallow, Michael Bouchard, (former Council chair) Dr. Kathleen L. Kiernan, Dr. Robin McFee and Mario Possamai are making timely presentations on leading security issues. Their presentations are summarized beginning on page 3.**

Tainted Products: China, Globalization And Increased Risks To The US

By Dr. R.B. McFee DO, MPH, FACPM

Over the last few months, Americans have seen a dramatic increase in risks to their health from imported products. The result: Labels with the words "Made in China" may start raising serious concerns among consumers and policymakers. More than 40% of all recalls in the U.S. and 79% of toys involved products from China. Consider the range of products involved – from tires and toys to food and toothpaste:

- April 2007: A & A Global Industries recalled 4 million "Groovy Grabber" and other Chinese made children's bracelets that contained high levels of lead in the colorings.
- Although most recalls are from China, in April, the New York Health Department issued warnings about cosmetics, especially eye makeup, imported from Pakistan which had lead levels ranging from 4 – 47% - significantly above US safety levels. Lead is added to paint to make colors brighter and is especially toxic to youngsters whose brains are still developing. Lead can damage nerve cells and cause cognitive/behavioral problems.

- May 2007 wheat flour laced with melamine – a toxic chemical used in manufacturing and sterilization but NOT intended for human consumption and capable of causing a variety of adverse health effects (people/animals) found its way into approximately 100 brands of pet foods and resulting in thousands of animals sickened and several pet deaths reported. Moreover, certain animal feeds – food given to livestock – were contaminated. Melamine was added to make wheat and rice products appear to be more protein rich and substituted for more expensive food additives.
- Also, several brands of toothpaste imported from China contained diethylene glycol – a chemical used in antifreeze. Some estimate over 50,000 boxes of toothpaste were recalled. Diethylene glycol can cause kidney failure, respiratory failure, abdominal pain, nausea, headaches, liver toxicity and coma – it was the same chemical that caused the death of 100 people in Panama when they ingested cough syrup from a Chinese company that mislabeled the medication as having a harmless sweetener instead of disclosing that this cheaper and toxic additive was present. Chemicals in antifreeze are often noted for their sweet taste; something reported by street people who ingest such products as alcohol alternatives or suicide attempts.
- June, 2007 the National Highway Transportation Safety Administration recalled 450,000 tires from China.

In recent months, Chinese food products were recalled because they appeared grossly decayed. Other products, such as mushrooms, were recalled due to tainting with pesticides long since banned in the US. Seafood was recalled that had been laced with antibiotics and antifungal medications to treat fish farm raised in severely polluted waters (sewage, garbage). Such medications include nitrofurans, fluoroquinolones, chloramphenicol and malachite green – all potentially toxic or capable of causing adverse health effects as well as promote antibiotic resistance – a global problem. Also, in Chicago, two people became seriously ill – one requiring hospitalization after eating fish that was labeled as monkfish but instead was probably puffer fish, containing the potentially deadly toxin tetrodotoxin.

The Food and Drug Administration (FDA) asserts that beginning in September 2006, a total of almost 300 22-lb boxes from China that were mislabeled as monkfish, when in fact they contained puffer fish. Tetrodotoxin is a neurotoxin that can cause ascending paralysis, respiratory arrest and death within 24 hours. The toxin is not destroyed by cooking or freezing.

Toys R Us recalled baby bibs that were tainted with lead. Soon thereafter, Wal-Mart stopped the sale of similar baby bibs which contained 9700 parts per million (PPM), which is 16 times the legal limit for lead in paint. Disney bibs also had high lead paint levels. Fisher Price recalled almost 900,000 toys (over 80 different objects) with high lead paint levels.

- Mattel, one of the world's leading toy manufacturers, announced their third product recall (over 770,000 toys) this summer over concerns of high lead levels in 2007. The first recall involved over 400,000 die-cast cars. August 2007: Mattel's second recall included 1.5 million Chinese-made toys, again for high lead levels in the paint. This recall will cut 2nd quarter operating income by almost 50%. China produces 80% of the world's toys.
- In addition to toys, certain herbal teas may have high lead levels from the method of drying the leaves, which involves driving trucks over them; the exhaust dries the leaves. The trucks are fueled by leaded gasoline.
- The cocktail garnish "Rimmer Brand Mojito Cocktail Garnish" was recalled after testing positive for salmonella bacteria. Veggie Booty Snack Mix was also tainted with salmonella and resulted in 100 people, mostly children affected this summer. Salmonella, one of the more common food poisonings, can cause significant gastrointestinal symptoms such as nausea, vomiting and abdominal pain. In severe cases, bloody diarrhea and kidney failure can result.

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Three Books to Remember

By Jim Dunne, CPP

The Washington Post's book critic occasionally reviews works published years or even decades ago. Why? It's because classics never die. The best works continue to provide guidance, instruction, and wisdom.

The following are three books I recommend to casual or serious students of terrorism who wish to understand the antecedents of terrorism and its future. These are not the only books that answer terror-related questions, but they are certainly among the best.

Inside Terrorism, by Bruce Hoffman (1998, Columbia University Press, New York. 288 pages): Hoffman's work—a concise, but comprehensive and insightful encapsulation of the broad field of terrorism—is still mined for source material. It begins with defining terrorism and reviews its evolution from the types encountered in the 1960s and 1970s, to the international and globalized networks encountered in 2007. There are several examples to illustrate the modern terrorist's mindset and the central relationships among the media, religion, and terrorism. This book will enhance understanding of current terrorist tactics and post al-Qaida terror networks.

Understanding Terror Networks, by Marc Sageman (2004, University of Pennsylvania Press, Philadelphia. 220 pages): Sageman produced one of the first and, in my opinion, the most useful study of terror networks. Propelled by insistent questions about what motivated the 9/11 hijackers, the book reviews the origins and evolution of the current terror networks and, more importantly, uses specific cases to show how individuals join the social networks supporting terrorists. The reader will gain more understanding of the ideological underpinnings of jihad.

Networks and Netwars, by John Arquilla and David Ronfeldt (RAND, Santa Monica, California. 375 pages): This work provides needed context to the study of not only terrorism, but crime, political instability, and other security issues as well. Its principle accomplishment is explaining the transition by activist and terrorist groups from a command and control model, to a networked model more suitable to the information age. For example, it describes the "swarming" practice employed by protesters of the WTO meeting in Seattle in 1999. It may or may not prove predictive in the study of terrorism, but it correctly conveys the notion that fighting terrorism requires understanding these new paradigms.

Terrorism did not begin with the September 11 attacks, and it will not end with al-Qa'ida. To understand terrorism in the future, we must understand terrorism in a historical context.

Jim Dunne, Certified Protection Professional (CPP) is a Senior Analyst, U.S. State Department, Bureau of Diplomatic Security. The views expressed here do not necessarily reflect those of the State Department or any other part of the U.S. Government.

Council members make leading-edge presentations

Colonel Britt Mallow, (U.S. Army-ret.) a counterterrorism specialist with SRA International's Touchstone Consulting Group, and **ATF Assistant Director Michael Bouchard**, recently participated in the Director of National Intelligence's (DNI) Summer Hard Problem Program (SHARP) study. The SHARP program, organized by **Dr. Kathleen L. Kiernan**, included 34 selected government, academic, and private sector expert, who converged for a month to work a counterterrorism issue on behalf of the Intelligence Community. The effort examined the parallels between criminality and terrorism and was entitled "Streetcraft to Tradecraft," based on the premise that while every criminal is not a terrorist, every terrorist in fact is a criminal and exploits the same types of illegal activity to acquire weapons, financing, false documentation, and recruits.

As the Intelligence Community undergoes an analytic transformation, this effort signaled a new openness to engage with outside experts and to build non-traditional partnerships. **AD Bouchard** is incoming Chair of the Global Terrorism Council. **Dr. Kiernan**, retired AD of Intelligence from ATF, former Council Chair and current ASIS CVP, is CEO of Kiernan Group, an international consulting firm which supports federal and civil clients. With Touchstone, **Britt Mallow** has been helping government leaders develop effective strategies to better manage transformation efforts.

Dr. Richard Ward, Associate Vice President for Research and Special Programs at Sam Houston State University was a featured speaker at a July conference in Washington, DC on open source intelligence sponsored by the Directorate of National Intelligence (DNI). **Dr. Ward**, who is also a professor of criminal justice, spoke on the role of universities in conducting research on terrorism. He is a coauthor of a recent book on Homeland Security, written with **Dr. Kathleen L. Kiernan**, a former chair of this ASIS committee and retired Deputy Assistant Director of the Bureau of Alcohol, Tobacco and Firearms (ATF), and **Dr. Daniel Mabrey**, an ASIS member and Director of the Institute for the Study of Violent Groups.

Douglas Callen, former Chief Security Officer at the Transportation Security Administration and now principal of his own consulting firm, Callen and Associates, was a featured speaker at an ASIS and Urban Institute focus group discussion in September in Washington, DC, on emerging security issues. His discussion topic was transportation security and how it's influenced by current demographic and crime trends. Callen and Associates advises corporations serving the homeland and national security sectors.

Dr. Robin McFee, a leading international expert on bioterrorism, is keeping up a hectic lecturing and writing schedule. She presented on "Emergency Preparedness: Avian flu, Emerging Pathogens, Terrorism and Things That Go Bump In the Night: Special considerations for pediatricians" at the American Academy of Pediatrics' Annual Summer Conference in July 2007. She also presented on the topic of "Acute management of Toxicologic emergencies: What's new?" at the Annual conference of the Emergency Nurses Association/Northeastern Region in June 2007. She has also recently published two books: Toxico-Terrorism by RB McFee and JB Leikin. Published by McGraw Hill, New York; and Handbook of Nuclear, Biological and Chemical Agent Exposures by JB Leikin and RB McFee. Published by CRC Press/Taylor and Francis Ltd.

Mario Possamai, a risk management consultant, is presenting a pandemic planning workshop at a conference organized in October 2007 by the workplace regulator in the Canadian province of New Brunswick. He is also the author of a pandemic planning article to be published in the medical journal HealthCarePapers. Mario was Senior Advisor to the Commissioner on the SARS Commission, the judicial inquiry into the SARS outbreak in 2003. He is now Managing Director of his own consulting firm.

Tainted Products: China, Globalization And Increased Risks To The US – Continued from Page 2

- As of September 2007, the government reported its August 2007 Import Refusals: a total of 187 "refusals" (i.e. products ranging from medical devices and pharmaceutical ingredients to food products and other consumer items) were refused entry from China into the United States because they were mislabeled; had poor manufacturing practices; were putrid or filthy; or contaminated with harmful chemicals, antifungal or antibiotic additives. China (187), India (173), Mexico (160), Brazil (52) and Pakistan (50) had the most products among the almost 80 nations represented on the FDA Refusal list. Seafood was the most common consumer category, followed by vegetables and other foods, as well as cosmetics, vitamins and pharmaceuticals intended for US consumption.

However, tainted or substandard products imported from China is not a new phenomenon, but the recent events have occurred in such magnitude and involve such a wide variety of industries as to raise serious questions concerning regulatory oversight, security, economics, public safety and supply chain vulnerability. Are these intentional acts of greed or the natural evolution and growing pains of nations without strong infrastructures trying to emerge from being third world, underdeveloped countries to economic powers and players in the industrialized world? China has

few safety controls on food and drugs. Yet, against this backdrop, China has increased its food exports to the US by over 20% in this year alone and has become the leading supplier of many food ingredients that become part of virtually every edible category. Outdated pesticides, unsafe chemicals like lead or kerosene, or some of which are look-a-like or taste-a-like for safer ingredients (melamine, glycols), bacteria and poor sanitation are associated with ingredients from developing nations such as China or Pakistan.

Many US companies are involved in China, such that the commercial interest of the United States has become dependent upon allowing imports to enter our borders as quickly as possible. Yet supply chain partners may not have the government infrastructure, regulatory capacity or desire to scrutinize products when commerce is the imperative. Herein lies the complexity of the problem and a convergence point/challenge for the security professional. Cheap imports have become critical to corporate profits at a time when globalization has placed enormous pressure upon national and company economic survival. Consider the prices of pharmaceutical ingredients. A US company in September 2007 can purchase a kilogram of erythromycin base antibiotic for \$65 from China; in 1995 a kilogram would cost \$110 if purchased from a US company. It is this magnitude of cost reduction, including labor that is 1/5 to 1/10 that of domestic workers, that makes trade with China and other developing nations so attractive. Moreover, unfettered by regulatory enforcement, costs can be kept down as well. Yet the risks to domestic companies relying upon foreign components may alter this equation as concerns about toxicity, human health (and animal health) emerge. In the spring of 2007, lead-contaminated multivitamins were found in US health food stores and Vitamin A contaminated with bacteria ended up in European baby food. China now supplies over 30% of the world's Vitamin A, along with B-12 and many health food supplements as well as 80% of the world's ascorbic acid (Vitamin C) which is used as a preservative and enriching agent in literally thousands of foods. It has been suggested that China sells ingredients at ultra low products in order to capture the global market. Recent events and economic indicators do not dispute this assertion. The US has a \$232 billion trade deficit with China – a reality that sets the stage for competing demands among policymakers and regulators. Of concern, China is aggressively attempting to change US policy and regulations to allow importation of Chinese poultry – and with it the risk of avian influenza and other pathogens.

While much of the security world is focused on personal and facility safety, executive protection, local threats, even WMD (weapons of mass destruction), the impact of a nation (China) that is both the largest monthly net buyer of US securities and a leading exporter of ingredients, components and products purchased domestically – will we become as one writer opined victims of “weapons of mass production?”

As our dependence upon Chinese and other nations' exports increase, questions about supply chain integrity, quality, regulatory oversight, inspections and product safety remain. In 2006 there were over 13 million food imports with less than a thousand food inspectors; FDA only looked at 1% of shipments and rarely examines food ingredients like the Chinese product wheat gluten associated with melamine contamination. It is expected for 2007 that China will have 300,000 ingredient exports to the US. Once ingredients are incorporated into processed foods (as of now, nations of origin of ingredients do not have to appear on labels), it is difficult to check whether unsafe contaminants are in the products. The likelihood of people getting unsafe food is increasing.

Given only a tiny fraction of all consumables are inspected, and a significant proportion of ingredients/components are imported from numerous countries, many of which are developing nations – greater attention is needed to protect the supply line and ultimately US consumers. Terrorist groups repeatedly have shown interest in exploiting weaknesses in the nation's food and agriculture industry. As recent events have shown, the US and its consumers are highly vulnerable to supply chain risks. While current recalls and tainted products were presumably the result of profiteering, poor sanitation or manufacturing practices, they could have just as easily resulted from intentional tampering. In 1984 a cult in Dalles, Oregon intentionally used salmonella, sickening over 700 members of the community. It is clear an effective response requires an increased level of coordination among agencies, corporations and different levels of government – domestic and foreign. Towards that end, on September 11th, 2007, the US Consumer Product Safety Commission will host the 2nd Sino-US CPS Summit. President Bush created a panel to study whether the US needs more stringent safeguards for imported food and consumer products. The Interagency

Working Group on Import Safety will hold a public meeting on October 1st, 2007 in Washington, DC so that citizens can express concerns. The goal of the IWG is to identify and recommend actions that government, industry and consumers can take to promote the safety of imports.

Outsourcing, efficiencies in manufacturing, profit optimization and just-in-time inventory are business strategies that minimize costs; these also can stretch or expose supply chains. Beyond normal vulnerabilities such as natural disasters (hurricanes, earthquakes) terrorism, political instability or product fraud can impact supply chains and corporate health. Consistently, financial executives identify supply chain risk as having the greatest potential to disrupt their revenue drivers. Compromising the quality of the end product – Mattel Toys being a good example – can undermine consumer confidence, impact profitability and damage credibility with investors, which ultimately can drive up cost of capital or jeopardize market share. While recent tainted product events and recalls were not intended to harm US consumers, they could just as easily been intentional acts of industrial sabotage or terrorism – biological or chemical.

Thomas Friedman and others suggest that ‘the world is flat’ – globalization and multinational corporations becoming the new economic reality. At this cross road rests often competing yet intersecting stakeholders: business and consumers, governments – politicians and policymakers, security professionals – corporate and government, regulators, inspectors, safety and health advocates and prosecutors.

Supply lines, end products and the communities that utilize them become increasingly vulnerable to foreign threats. Security professionals will be increasingly called upon to participate in the complex and dynamic changes in industry, corporate protection, intelligence while nationalistic security issues persist. How to remain good corporate citizens by providing high quality, safe products, manage costs and supply chains that might stretch from Beijing to Boston are critical questions for the security professional. What are the resources, available and necessary, to complement and assist in this new role of security, including health, scientific and toxicology expertise? Moreover how these multidisciplinary resources can be utilized are important considerations. Although an in-depth examination of these important and emerging issues and practical strategies are beyond the scope of this introduction, they will be addressed in greater detail at the upcoming March 2008 Terrorism Conference sponsored by the Council.

Dr. Robin McFee, is Medical Director and a Partner at Threat Science TM - Preparedness Solutions For A Dangerous World. The company provides consultative services ranging from threat assessments, customized educational materials, prevention and preparedness to drills and exercise based training for a wide range of clients including corporate, health, security and government organizations. She is also clinical toxicologist at the Long Island Regional Poison Control Center/Winthrop University Hospital