

Obama, Bandar, and 9/11: The War Danger Grows

by Jeffrey Steinberg

July 25—Last week, Saudi Arabia's King Abdullah named Prince Bandar bin-Sultan as the new head of Saudi Arabia's intelligence service. The announcement is not only a slap in the face to every family that was a victim of the Sept. 11, 2001 terrorist attack on the World Trade Center and the Pentagon. The appointment signals an escalation on the part of the Kingdom of an Anglo-Saudi drive for a new hundred-year religious war to engulf all of Eurasia and beyond.

Prince Bandar is not only one of the principal architects of the "Al-Yamamah" arms-for-oil barter deal behind the world's biggest terrorist slush fund. As King Abdullah's national security advisor, prior to the new assignment, Bandar had been the central coordinator of the flow of money and weapons to radical Salafist insurgents, deployed in Syria, Pakistan, Afghanistan, and throughout the African continent.

The Bandar appointment, according to several American and Middle Eastern terrorism experts interviewed in recent days, means that Saudi Arabia is committed to an immediate escalation in Sunni-versus-Shi'ite and Islamist-versus-secularist conflicts, that could spread rapidly into Russia and China, as well as the entire Central Asian arc.

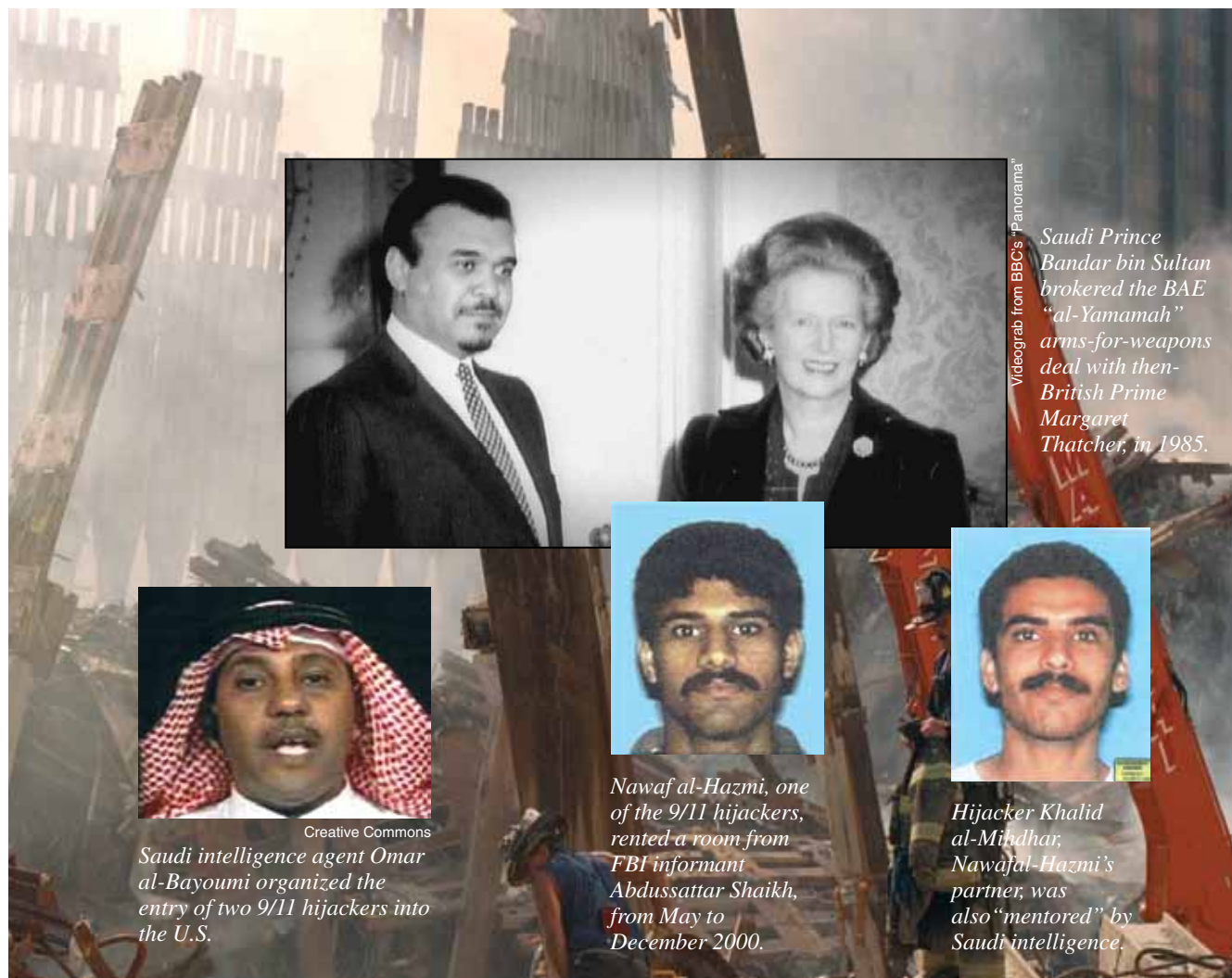
There is one other stunning implication of the Bandar promotion. President Barack Obama, as well as his predecessor George W. Bush, will have even more blood on their hands. Since coming into the Presidency

in January 2009, Obama has perpetuated one of the most scandalous coverups since the Warren Commission covered up the true story behind the assassination of President John F. Kennedy.

Through acts of omission and commission, Obama has blocked the release of damning evidence that Prince Bandar was a conduit of funds from Saudi Arabia and Great Britain into the hands of at least two of the 9/11 hijackers (see below). Two experts on the 9/11 attacks who participated in the official U.S. Government investigations—former Senators Bob Graham (D-Fla.) and Bob Kerrey (D-Neb.)—have both filed affidavits in an ongoing Federal Court case, accusing the Saudi government of financing and otherwise supporting *all* of the hijackers who perpetrated the worst terrorist massacre of Americans in our history.

The evidence of the Bandar/Saudi hand behind the 9/11 events is only partially buried in the secret files of the U.S. Government. Many details have come to light, and were known even before President Obama's inauguration. On July 17, 2009, this author published an in-depth report on the Bandar-9/11 links, based, in part, on recently released documents from the 9/11 Commission, and in part, on *EIR's* exclusive investigation into the Al-Yamamah program.¹

1. Jeffrey Steinberg, "9/11 Cover Is Blown," *EIR*, July 17, 2009.



Video grab from BBC's "Panorama"

Saudi Prince Bandar bin Sultan brokered the BAE "al-Yamamah" arms-for-weapons deal with then-British Prime Margaret Thatcher, in 1985.



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Saudi intelligence agent Omar al-Bayoumi organized the entry of two 9/11 hijackers into the U.S.



Nawaf al-Hazmi, one of the 9/11 hijackers, rented a room from FBI informant Abdussattar Shaikh, from May to December 2000.



Hijacker Khalid al-Mihdhar, Nawaf al-Hazmi's partner, was also "mentored" by Saudi intelligence.

From the July 2009 Exposé

Early in 2009, the National Archives released documents from the files of the 9/11 Commission, which were previously classified. Three of those documents, recently obtained by *EIR*, provide the "smoking gun," proving the central role of Saudi intelligence, and the critical support role of British intelligence in the preparation, execution, and coverup of 9/11. The most significant of the documents, still partly classified, is a "Memorandum for the Record," summarizing an April 23, 2004 interview with a Southern California-based FBI informant, who rented out a room in his home to two of the 9/11 hijackers, during 2000. Although the memorandum redacted the informant's name, other public sources have identified the man as **Abdussattar Shaikh**.

In the interview, Shaikh provided a detailed account of his first encounter with the two 9/11 hijackers, **Nawaf al-Hazmi** and **Khalid al-Mihdhar**. In April 2000,

Shaikh posted an announcement on the bulletin board at the Islamic Center of San Diego (ICSD), offering to rent rooms in his home to "devout Muslims." At that time, Shaikh was already acting as a paid informant for the FBI. According to his account to 9/11 Commission investigators Quinn John Tamm, Jr. and Dietrich Snell, Shaikh was approached after Friday prayers by Al-Hazmi, who said he and al-Mihdhar urgently needed housing. By Shaikh's account, the two men moved into his home on May 10, 2000. Al-Mihdhar left after six weeks, claiming that he was returning to Saudi Arabia to visit his wife and young child. Al-Hazmi lived in the room until Dec. 10, 2000, when he moved out to attend pilot school in Arizona.

At one point in the interview, the 9/11 investigators asked Shaikh about another Saudi, **Omar al-Bayoumi**. From the Commission document: "Dr. Xxxxxx [Shaikh] noted that Omar al-Bayoumi also visited al-Hazmi at his

house. Dr. XXXXXX knew al-Bayoumi as a Saudi national who Dr. XXXXXX met at the ICSD. Al-Bayoumi stated to Dr. XXXXXX when he visited, that 'I referred them (al-Hazmi and al-Mihdhar) to you.' Dr. XXXXXX restated that this was not the case and that he met the two in the hallway of the ICSD after the Friday prayer service."

The report continued: "al-Hazmi did not like al-Bayoumi and told Dr. XXXXXX that al-Bayoumi was 'an agent for the Saudis.' Al-Hazmi complained to Dr. XXXXXX that al-Bayoumi videotaped people associated with the ICSD constantly. Dr. XXXXXX noted that was his experience when he attended events at the ICSD. Dr. XXXXXX said that al-Bayoumi always had his videotape recorder and sought comment to the open mike on the videotape recorder. Dr. XXXXXX stated that, 'I have heard that al-Bayoumi is an agent (of the Saudis).'"

Shaikh's candid description of al-Bayoumi as a Saudi intelligence agent, in regular contact with one of the 9/11 hijackers, is stunning in its own right. The fact that Shaikh was an FBI informant, who, according to several U.S. intelligence sources, regularly received payments from the Bureau to keep tabs on the Muslim community in the San Diego area, and hosted two of the hijackers, is equally stunning. But the full extent of the al-Bayoumi dossier, as known to the FBI and other U.S. government agencies, goes well beyond the surface scandal.

Al-Bayoumi was far more than a "frequent visitor" to Shaikh's home while al-Hazmi was living there. The essential facts are as follows.

On Jan. 15, 2000, al-Hazmi and al-Mihdhar arrived at Los Angeles International Airport on a flight from Kuala Lumpur, Malaysia, where they had attended a meeting of number of al-Qaeda members and allies. The two men were met at the airport by al-Bayoumi, who brought them to San Diego, rented them an apartment, co-signed the lease, and even put down a \$1,500 deposit and rent. Al-Bayoumi would later arrange for the two men to enroll in flight training school.

Al-Bayoumi's association with three of the 9/11 hijackers (he hosted a third hijacker, **Hani Hanjour** at his apartment on a number of occasions, in the Spring of 2000, according to FBI and Congressional documents) prompted one Federal government source to tell reporters, "Some Federal investigators suspect that al-Bayoumi could have been an advance man for the 9/11 hijackers."

But, al-Bayoumi was also, undisputedly, an agent of Saudi intelligence! According to the FBI and CIA dossiers on him, and records from both the House-Senate

joint intelligence probe and the 9/11 Commission, al-Bayoumi came to the United States in August 1994. He was previously employed by the Saudi Ministry of Defense, and continued to draw a salary of \$3,000 a month from the Ministry after he moved to the United States, through 2002. In the U.S., he was formally listed as an employee of Dallah Avco, a Saudi defense company that held lucrative contracts with the Ministry of Defense and Aviation, and was owned by members of the Saudi Royal Family. According to U.S. Federal investigators, al-Bayoumi never actually did any work for Dallah Avco. However, his monthly salary from the firm increased to \$3,500 right after al-Hazmi and al-Mihdhar arrived in the U.S.A.

Further adding to al-Bayoumi's considerable personal finances, in June 1998, an anonymous contribution arrived from Saudi Arabia. The \$500,000 was a down-payment on a new mosque, to be built in San Diego—with the proviso that al-Bayoumi be appointed director of maintenance, with an office and a guaranteed salary. Eyewitnesses told the FBI and the 9/11 Commission that al-Bayoumi was rarely seen at the mosque.

Al-Bayoumi was, however, in constant communication with top Saudi government officials in the U.S. and in Riyadh. According to the records of the joint Congressional investigation and the 9/11 Commission, between January 2000—when al-Hazmi and al-Mihdhar arrived in California—and May 2000, al-Bayoumi made 32 calls to the Saudi Embassy in Washington, 37 calls to the Saudi Cultural Mission in Washington, and 24 calls to the Saudi Consulate in Los Angeles. His contact at the Consulate was **Fahad Thumairy**, who held diplomatic credentials, but was one of the most virulently anti-American imams in the area. He would be deported from the United States after 9/11.

In late June or early July 2001, al-Bayoumi and his wife, **Manal Ahmed Bagader**, suddenly left San Diego, and moved to England, where al-Bayoumi ostensibly entered business school at Aston University. Within days after the 9/11 attacks, he was detained by Scotland Yard and held for one week. However, he was released for lack of evidence, and he immediately left England for Saudi Arabia.

Osama Basnan

Omar al-Bayoumi was not alone in his liaison work between Saudi intelligence and some of the 9/11 hijackers. He worked closely with another Saudi intelligence officer, Osama Basnan, who entered the United States

in 1980 on a short-term tourist visa, but remained in the country until October 2002, when he and his wife were deported as illegal aliens.

An FBI report, written shortly after 9/11, warned that evidence gathered on Basnan “could indicate that he succeeded Omar al-Bayoumi and may be undertaking activities on behalf of the Government of Saudi Arabia.” A classified FBI report dated Oct. 3, 2001 noted that Basnan was in contact with members of the **bin Laden** family, who were living in the United States. In the days immediately following 9/11, members of the bin Laden family, along with other top Saudis, were quietly flown home—at a time when no other non-military flights were allowed.

Basnan was a subject of FBI interest long before Sept. 11. In 1992, according to news accounts, he was investigated by the Bureau for ties to Eritrean Islamic Jihad (EIJ), an organization that was closely linked to al-Qaeda by no later than 1996. On Oct. 17, 1992, Basnan, then living in Washington, hosted a party at his home for **Sheikh Omar Abdul Rahman**, the so-called “Blind Sheikh,” now in jail for plotting terrorist attacks in New York City. At the time, according to U.S. intelligence sources, the FBI produced a still-classified report, detailing Basnan’s work for the Saudi government, despite his ties to Islamic radicals.

Indeed, U.S. intelligence sources report that Basnan was arrested on drug charges in the Los Angeles area, but the charges were dropped, after intensive pressure from the Saudi Embassy.

The Ambassador and the Princess

In April 1998, Prince Bandar sent a \$15,000 check to Basnan. Bandar claims that the check was an “act of charity,” in response to a written appeal by Basnan for help in paying medical bills for his wife. Beginning in November 1999, just weeks before the two 9/11 hijackers arrived at the Los Angeles Airport, Bandar’s wife **Princess Haifa** began sending monthly cashier’s checks, from her account at Riggs National Bank in Washington, to Basnan’s wife, **Majida Ibrahim Ahmad Dweikat**. The checks continued until May 2002. The royal couple sent a total of \$53-72,000 to Basnan and his wife. According to the House-Senate joint investigation, many of the cashier’s checks were signed over to the wife of al-Bayoumi. Most of these transactions took place while Basnan and al-Bayoumi were “handling” the financial affairs of at least two of the 9/11 hijackers, al-Hazmi and al-Mihdhar. And the

pair of Saudi intelligence officers also had some, as yet not fully known ties to a third hijacker, **Hani Hanjour**.

Prince Bandar’s BAE Bounty

At the time that Prince Bandar and Princess Haifa were making their “charitable” contributions to Basnan and al-Bayoumi, the then-Saudi Ambassador to the United States was on the receiving end of at least \$2 billion in kickbacks from Great Britain’s premier defense firm, BAE Systems. The BAE scandal exploded into public view several years ago, when BBC, the London *Guardian*, and other publications revealed that BAE was making tens of billions of dollars in payouts to Saudi Defense Ministry officials, and other members of the Royal Family, in return for lucrative arms contracts.

The BAE-Saudi scandal dated back to 1985, when Prince Bandar personally brokered a deal with then-British Prime Minister **Margaret Thatcher**, to sell an initial \$40 billion in BAE military hardware and services to Saudi Arabia, in return for Saudi crude oil. The deal, cynically known as “Al-Yamamah” (“the Dove”) was far more than a barter arrangement. BAE padded the costs of the fighter jets, training planes, air defense systems and support services by an estimated one-third, to launder payoffs to top Saudis—including Prince Bandar. In return, Saudi Arabia delivered the equivalent of one supertanker of oil *per day* (on average) to BAE, which had a contract with British Petroleum and Royal Dutch Shell, to immediately sell the oil on the spot market. For the Saudis, it was a lucrative deal. Even aside from the kickbacks that lined the pockets of many a Saudi prince and ministry official, the crude oil cost the Saudis under \$5 a barrel. BP and Royal Dutch Shell sold the oil at fantastic markups.

As the result of this unique arrangement, an offshore Anglo-Saudi intelligence slush fund was amassed, amounting to hundreds of billions of dollars. In a semi-official biography of Bandar, author William Simpson wrote that Al-Yamamah was, first and foremost, a geo-strategic partnership between London and Riyadh, which funneled money covertly to the Afghan mujahideen who were battling the Soviet Army in the 1980s; funded Chad in its border war with Libya; and bypassed the U.S. Congress to deliver American military hardware to the Saudi Air Force.

Some senior U.S. intelligence officials insist that a full investigation of Prince Bandar’s role in the Al-Yamamah scheme would reveal that some of the BAE payoffs went from the Bank of England, to Bandar’s ac-

count at Riggs National Bank—into the hands of Basnan, al-Bayoumi, and the California 9/11 hijackers cell. By Aug. 2, 2003, so many questions had been raised about the Bandar payoffs to Basnan, that the ambassador was forced to issue a personal statement, through the Saudi Embassy, branding the allegations “baseless and not true,” nothing more than “rumor, innuendo, and untruths.” He cited President George W. Bush, who “praised the Saudi commitment to fighting terrorism.”

Bandar’s efforts to cover up the Saudi government hand in 9/11, by invoking the words of President Bush, only served to further infuriate those U.S. officials who were trying to get to the bottom of the Sept. 11 plot. House and Senate intelligence committee investigators knew, for example, that when their final “Report of the Joint Inquiry into the Terrorist Attacks of Sept. 11, 2001” was submitted to the White House for final review before publication, the entire text of a 28-page chapter, documenting evidence of Saudi government support for the hijackers—including the Bandar payments to Basnan—was blocked from publication and remains classified to this day. In a recent meeting with the families of the 9/11 victims, President Barack Obama was pressed to declassify the chapter.

Both Presidents Bush were so close to Prince Bandar he was widely referred to as an “honorary member of the Bush family.” The G.W. Bush White House commitment to suppress the evidence of the Anglo-Saudi hand in 9/11 was so deep that Osama Basnan, the Saudi intelligence officer, felt confident enough to be in Houston on April 24-25, 2002, when then-Saudi Crown Prince Abdullah, along with Prince Bandar, visited Bush 43 at his Crawford ranch. The Prince’s entourage was massive—eight plane loads of aides and hangers-on. Among the crowd were three Saudi officials suspected of ties to al-Qaeda.

Four months later, Sen. Bob Graham (D-Fla.), who chaired the Senate Select Committee on Intelligence, which conducted the joint Congressional 9/11 probe along with the House Intelligence Committee, declared that, to his knowledge, the CIA had “incontrovertible evidence that there is support for these terrorists within the Saudi government.” He would later emphasize the point in his book on the joint Congressional probe, *Intelligence Matters*.

Britain: State Sponsor of Terrorism

In December 2000, the editors of *EIR* submitted a lengthy memorandum to then-Secretary of State Mad-

eleine Albright, seeking an investigation of British government sponsorship of international terrorism. The memo, prepared with the assistance of State Department attorneys, relied exclusively on official government documents, from no fewer than nine nations, that had formally protested British government protection, and, in some cases, financing of active terrorist cells on British soil.

Among the charges against the British government: British intelligence had looked the other way, throughout the 1990s, as **Osama bin Laden** moved between Pakistan, Afghanistan, Sudan, and England. The London *Times* admitted that, throughout the second half of 1996, bin Laden made frequent trips to London, “clearly under the protection of British authorities.” The *Times* had spotted bin Laden, earlier in the 1990s, at the London estate of **Khalid bin Mahfouz**, a wealthy Saudi banker who was a leading Muslim Brotherhood funder of a wide array of Jihadi groups, and a major shareholder in the Bank of Credit and Commerce International (BCCI).

In 1994, the French and Algerian governments filed diplomatic démarches with the British Foreign Office, charging that bin Laden had met with leaders of the **Islamic Group of Algeria (GIA)**, which was then carrying out terror bombings in both countries. French intelligence tracked the bin Laden/GIA meetings to a bin Laden-owned estate in Wembley. For three months in 1994, according to other French sources, including investigator Roland Jacquard, Osama bin Laden lived on Harrow Road in London. Even after he left the country, bin Laden’s leading propagandists operated out of London.

Obama and Bandar

Since no later than February 2009, when Obama met with 9/11 family members in the Oval Office, the President has stonewalled on releasing the 28-page classified chapter from the 9/11 report. He has gone further, ordering then-Solicitor General Elena Kagan to file briefs before the Supreme Court, exempting Saudi Arabia from trial in any U.S. court for the 9/11 attacks on grounds of sovereign immunity. He has further, cut off all contact between the 9/11 families and Justice Department prosecutors.

Now, with the still-protected Prince Bandar taking charge of Saudi intelligence, a new Anglo-Saudi “Al-Yamamah” rampage can be expected, leading to far more bloodshed. That blood will be on President Barack Obama’s hands.