

Dr. Rachel Ehrenfeld - Award Acceptance Speech
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December 10, 2008

Introduction

Thank you and good evening.

When the fourth son was born to our Patriarch, Jacob, and his first wife Leah, his mother named him Yehudah, which means, “I am grateful.” Yehudah is the root of the Hebrew word for the Jewish people – Yehudim – and reveals the central role of gratitude in Judaism.

In that spirit, I thank the American Jewish Historical Society and all of you for this wonderful honor. It means the world to me. I especially wish to thank Kenneth Bialkin, Michael Schlein, Dan Kaplan, Evan Kingsley and Judy Hershon for today’s ceremony.

Personal History

I am an American who was born in Israel. So, I’m a Sabra which, in Hebrew, means the sweet fruit of the prickly desert cactus that became the symbol of the Israelis.

My tenacity comes not only from the Judean desert; it is rooted in a long line of what we call “yeckes” or German Jews. “Yeckees” refers to an ethnic subtype of Ashkenazim, Jews in the modern era who came from Germany or Austria, and reflected personality characteristics of individuals who are meticulous, honest and straightforward. This set a high standard for me.

My ancestors include the German Jewish philosopher, Moses Mendelssohn, known as the German Socrates, father of the 18th Century Jewish Enlightenment, the “Haskala” in Hebrew. His appreciation for the Jewish emphasis on education led him to study Hebrew, foreign languages, Jewish history, science and secular studies. Indeed, he paved the way for the integration, but not assimilation, of Jews into European society.

Another ancestor was the German rabbi, Moses Schreiber, known as the Chatam Sofer, who led the fight against reformers like Mendelssohn. He focused on independent Jewish communal life and strong education, and his original Torah insights sparked a new style of rabbinic commentary that is required reading for ordination in the Orthodox rabbinate.

My family name, Ehrenfeld, is German for “field of honor.” This was the title given by the Hapsburgs to yet another ancestor whose strategic planning helped defeat the Prussian army.

The notion that one must fight for freedom also comes from my parents who fought for Israel’s independence. It also comes from the late Israeli Supreme Court Justice, Haim Cohn, mentor for my Ph.D. in Criminology at the Hebrew University Law School. It was Justice Cohn who encouraged me to expose political corruption and speak out in defense of democracy and freedom.

Work

Which brings me to the theme of this address. You have honored me for my work. But what is that work? I don’t command an army – or control an industry – or have vast wealth – or hold political office. In other words, I do not possess any of the traditional sources of power in society.

Instead, I do one thing: I write. I tell it straight, fighting for truth and clarity in the public square of ideas.

I began in the late eighties at the Fletcher School of Law and Diplomacy at Tufts University by examining the political and economic effects of the international drug trade. The left and right were engaged in a bitter debate over criminalization versus legalization. Yet, both sides were missing the big picture. Despite ongoing wars in Colombia, Mexico and Afghanistan, to name a few, policy makers and the media erroneously regarded narcotics as the province of criminals. In fact, narcotics represent the third largest commodity of world trade, after petroleum and arms, and most significantly, is a means to influence and manipulate governments.

While teaching at Columbia University’s School of International Affairs, I

was the first to call attention to the intimate relationship between drug trafficking and terrorism in my book *Narcoterrorism: How Governments Around the World Have Used the Drug Trade to Finance and Further Terrorist Activities*. In 1990, I showed how illicit narcotics financed the world's worst terrorist organizations, and how the drug trade at that time was facilitated by Soviet client states like Syria and Cuba.

While policy makers were romanticizing the Palestine Liberation Organization as a legitimate group of so-called "freedom fighters," an Orwellian distortion that reached its zenith in Oslo when Yasser Arafat received the Nobel Peace Prize, I showed how the PLO filled its coffers with billions of dollars from heroin, hashish and illegal arms sales. Lebanon's most important export, hashish and heroin, also financed its civil war. Peru and Colombia were nearly subverted from within by cocaine. Fidel Castro armed Nicaraguan and other South American guerrillas from profits earned shipping drugs to the U.S.

Until my book, neither the American government nor international agencies for drug control publicly linked narcotics and terrorism. After the book was published, drug control took on a new dimension. But the huge profits of the drug trade, much like the profits from another addiction – oil – undermined efforts to cut off this lifeline for terrorists. Today, control of narcotics is urgent, not simply to protect the public health from illicit substances of abuse, but more importantly, to eliminate a major funding source for terrorists who endanger our lives.

Terrorism is not cheap. To the contrary, it is a capital-intensive activity. Lots of cash is required to fertilize the ground in which terrorism flourishes. Funds are necessary to corrupt public officials and the media, for training and weapons and vehicles and salaries and cell phones and airline travel and lodging and food. It is the drug trade, not just oil profits, that fuels terrorist groups. Narcotics and terrorism are evil twins that, like all twins, always must be considered together.

My investigations followed the famous advice by William Goldman who wrote the screenplay "All the President's Men" about the Watergate scandal. You recall the famous line: "[follow the](#) money."

In my second book, *Evil Money*, I connected the dots between drug profits, money laundering, political corruption and how illicit funds are used to undermine

democracies. I also called attention to the rise of Islamic Banking.

I chronicled the political agenda of the first international Islamic bank, BCCI, the Bank of Credit and Commerce International, the cash till for the Hizballah, the PLO, HAMAS, the Abu Nidal and other terrorist organizations. BCCI's chief operating officer was Saudi billionaire, Khalid bin Mahfouz, banker to the Saudi royal family and at that time, owner of the National Commercial Bank of Saudi Arabia. In 1992, Mahfouz paid \$225 million to settle criminal charges against him in New York arising from his control of BCCI, and was barred from doing business here.

Which brings us to my third book published in 2003: *Funding Evil, How Terrorism is Financed and How to Stop It*. In that book, I showed the true face of terrorism. It is not the stereotype of underprivileged Islamic youth yearning to be religious martyrs, but instead, an international network of corrupt dictators, drug kingpins, and mega wealthy malevolents like Mahfouz.

Richard Perle, former Chairman of the Defense Policy Board, summarized the "simple message" of *Funding Evil* as follows: "if we fail to understand them and how they operate, they will win." Former U.S. Attorney General, John Ashcroft, said, "Terrorists cannot terrorize without money.... Those who knowingly finance terrorist organizations are just as dangerous and just as responsible as those who carry out the ultimate acts of terrorist violence."

The bottom line is this: if fanaticism is terrorism's heart, finance is its lifeblood. Without money there would be no terror. This is true whether we are talking about the PLO, Hezbollah, the Tamil Tigers, HAMAS, the PKK, Islamic Jihad, al-Qaeda, or the Lashkar-e-Taiba which attacked Mumbai two weeks ago.

The terrorists are, as founding father Samuel Adams described, "men who have let loose on us the dogs of war to riot in our blood and hunt us from the face of the earth." This means we must avoid falling into the trap set by radical Muslims everywhere who mask Islamic groups like HAMAS and Hizballah as "charitable" and "educational" organizations. This is a deception. Most Islamic charities in the West are front organizations for terrorist groups, such as the Holy Land Foundation convicted of funding terrorism last week in Federal Court in Dallas, Texas.

Mahfouz's International Islamic Relief Organization and his Muwafaq or "blessed relief" Foundation also funneled *zakat* or charitable donations directly to al-Qaeda and Hamas, and funded civil wars in Kosovo, Somalia, Sudan and Ethiopia.

To muzzle his critics the world over, Mahfouz sues them in [England](#) where libel law [favors plaintiffs](#), and [permits](#) foreigners to sue other foreigners if allegedly defamatory words somehow reached British shores. The U.N. [Human Rights](#) Commission recently criticized Britain's libel laws for serving "to discourage critical media reporting on matters of serious public interest, adversely affecting the ability of scholars and journalists to publish their work, including through the phenomenon known as libel tourism".

In [my case](#), Mahfouz alleged that twenty-three copies of *Funding Evil*, published only in the U.S., were purchased in England via the Internet.

Mahfouz is [the quintessential "libel tourist"](#) who cows his critics in English courts. His [website](#) boasts of having coerced more than forty retractions or judgments against those who linked him to terrorism. His London litigation became frenzied after the 9/11 attacks on America because families of the 9/11 victims sued him in New York for funding al-Qaeda. None of his English libel actions have been tried on the merits. If he is found liable for financing al-Qaeda, Mahfouz faces a damage award of nearly \$1 trillion. Thus, he uses lawfare to silence his critics who expose his ties to terrorism.

Why do Saudis like terror-master Mahfouz seek to enforce a *de facto* international code of silence? What is it that threatens them most? The truth. Islamism is a totalitarian socio-political alternative to democracy and antidote to hated Western freedoms. Muslim clerics, richly funded by the Saudis and their ilk, export their vicious Islamist ideology to the West in hopes of radicalizing Muslim immigrants and converting infidels to Islam.

In 1969, the Saudis created the Organization of the Islamic Conference comprised of fifty-seven Muslim nations. Its charter is to "liberate Jerusalem and Al-Aqsa from Zionist occupation." In 1999, the OIC introduced a U.N. resolution asserting that "Islam is frequently and wrongly associated with human rights violations and terrorism." It was not adopted.

On November 24, 2008, however, it finally passed when the U.N. adopted the OIC's draft resolution fueled by the 2005 Danish cartoon Intifada. This resolution condemns the so-called "defamation of religion," and calls on all U.N. member states to pass domestic legislation against blasphemy. A final vote on the matter takes place later this month.

Anti-blasphemy laws are regularly used in Muslim nations to suppress free speech typically exercised by dissidents who criticize their governments, often for human rights violations. When Western nations reject blasphemy laws based on free speech, the fifty-seven OIC nations counter with charges of "racism" and "Islamophobia" to deflect attention from the brutal fact that most of the world's terrorist violence is born and bred in Muslim lands.

Thus, I refused to engage Mahfouz on his biased battlefield, and instead, sued him here. I asked the courts to declare that his English libel action threatened my First Amendment rights. The domestic consequences of foreign libel actions represent a seismic shift in First Amendment jurisprudential strategy, thanks to my outstanding lawyer, Daniel Kornstein, a brilliant advocate and incredible mensch.

The courts acknowledged the importance of my case, but dismissed on narrow jurisdictional grounds. In stepped the New York legislature which provided jurisdiction via a statute officially titled "The Libel Terrorism Protection Act." Illinois passed a similar law in August. Now pending before Congress is a national version of that law entitled the "Free Speech Protection Act" that would permit writers like me to obtain damages from individuals like Mahfouz who target the free speech of Americans by filing libel suits in foreign jurisdictions.

These new free speech laws are immensely important because, while they do not change English law, they enable American writers and media outlets to continue to publish work on matters of the highest public importance like international terrorism under the full protection of the First Amendment.

When Congress reconvenes, it should follow the trail blazed by New Yorkers and pass the "Free Speech Protection Act" to protect all Americans when they speak in the "uninhibited, robust and wide-open" manner that the First Amendment was designed to guarantee.

I call upon all of you to press Congress to pass this legislation.

The Next Battle

Our enemies are wealthy, know how to adapt, and how to co-opt and intimidate the media to their advantage. Hence, when Jews are murdered in Mumbai, or Hamas and Hizballah rockets kill innocent Israelis, the media describes terrorists as “militants” or “teenagers on a rampage.” Those who dare tell the truth often encounter an effective weapon in the terrorist’s arsenal – lawfare conducted by libel tourism.

Accordingly, *jihad* today is waged not only with bloodshed, but also by economic war against the West. And this economic war is waged not just with bombs and piracy to disrupt commerce, but also with sophisticated financial and political weapons, including Islamic banking and finance. BCCI was the Islamic bank which fired the opening salvos in this economic war. With the oil boom, many others successfully followed.

Today, Islamic wealth and Middle East banks control at least \$1 trillion. The Saudi-based OIC is leading the charge to expand Islamic banking. And sadly, our government is eager to oblige, despite the fact that Islamic banks refuse to deal with any business deemed *hara’am* or forbidden, such as any Israeli enterprise, a violation of U.S. law which makes it a crime to cooperate with the Arab economic boycott of Israel.

In fact, recently, Deputy Treasury Secretary, Robert Kimmitt, applauded the “growing role” of Islamic banks in the U.S. economy. The Treasury Department is seeking buyers for its newly acquired bailout assets because more than \$1 trillion in cash is urgently needed to rescue the largest U.S. banks and failing industries.

Our survival and success depend on our ability to identify and freely expose the subversive Saudi penetration into the U.S. economy, and the Saudi influence on our domestic and foreign policies, our educational institutions and media. We must have the freedom to expose the funders of terrorism and the dangers of *shari’a* finance and Islamic banking.

This is the focus of my work today and that of the American Center for Democracy. In addition, I am working on my next book provisionally entitled “America on Sale.”

Conclusion

I end where I began, with gratitude. The New York legislation could have not happened without the help that I have received from many quarters.

Samuel Adams also said: “It does not take a majority to prevail ... but rather an irate, tireless minority, keen on setting brush fires of freedom in the minds of men.” By this award, you have added fuel to the brush fires of freedom, and with your active participation, we can secure the free speech of all Americans.

I call on you all to be part of this campaign which unites Americans of all political stripes. Press Congress to pass the “Free Speech Protection Act.” This is our campaign, your campaign.

Bless you and thank you. Shalom.

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Gratitude

The Libel Terrorism Protection Act could have not happened without Assemblyman Rory Lancam; “Mr. First Amendment,” Floyd Abrams and civil liberties attorneys Samuel Abady and Harvey Silverglate. The legislation and I received the ardent support of former CIA Director, the incredible R. James Woolsey, who wrote the forward to *Funding Evil*.

My gratitude goes to Long Island business leader, Lawrence Kadish, and the extraordinary Cliff Asness, and Leonard Shaykin.

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