



From 9/11 to Khashoggi: The Saudi Islamist State Within a State (Part II of III)

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EXECUTIVE SUMMARY: The role of Islamists in hijacking Saudi governance and major regional Arab and Muslim institutions has long been overlooked. A recent interview with a former Saudi intelligence official who was witness to key events highlights some of the actors who financed extremism and whose role in the planning of 9/11 and other terrorist activity has been ignored for nearly two decades.

The second development that reveals the true picture of the influence of Islamists on Saudi governance and Muslim institutions is the testimony of [Adnan Rahmatallah](#), a former Saudi intelligence officer and later an employee of the Islamic Development Bank (IDB). In an exclusive interview with this author, Rahmatallah for the first time publicly discusses his observations of the Islamist "state-within-a-state" formerly inside Saudi Arabia.

This concept goes beyond the idea of a "deep state" of government officials driven by ulterior motives who push a shadow agenda behind the scenes that clashes with the official position of the legitimate government and/or head of state. Rather, it speaks of an entire population beholden to particular views that are at odds with the official positions.

Islamist views were the vertebrae of this hidden state. The ideology of Islamism is contrary to the very idea of the nation state; therefore, its proponents did not contain themselves to a specific geographic location. They coordinated their activities with their counterparts abroad and across international organizations, such as financial institutions and NGOs.

During the interview, Rahmatallah refers to Islamists who closely followed the agenda subsequently revealed by Qatar's former Emir Hamad in [secret tapes](#) of his conversations with Libyan dictator Muammar Qaddafi. In other words, these plans were in the works years before the attempted assassination of Crown Prince Abdullah and other operations acknowledged to be part of a transnational agenda aimed at [dividing](#) Saudi Arabia and diminishing its role in the region.

As part of his early work for IDB, Rahmatallah says he was tasked with projects related to Pakistan. While there, he came across a secretive and suspect project affiliated with an individual Rahmatallah later recognized from a photo to be Khaled Sheikh Muhammad, following the release of that information in connection with the 9/11 attacks. He also observed none other than Osama bin Laden himself interacting with colleagues and overheard discussions concerning the Twin Towers attacks.

Another individual affiliated with this network was Yassin Qadi, an al-Qaeda affiliate who started out as an Egyptian Muslim Brotherhood member and who found asylum, along with many Brothers fleeing Nasser's crackdown, in Saudi Arabia under King Fahad. Qadi was deeply involved in the Pakistani al-Qaeda program. In Saudi Arabia, he succeeded in [founding a business](#) that worked with the Saudi government. In a striking turn of events, just as Saudi Arabia finally designated the Muslim Brotherhood a terrorist organization in 2014, Qadi was [delisted](#) from OFAC counterterrorism sanctions. He had been listed by US authorities for his alleged involvement in financing the 9/11 terrorist attacks and was first removed from the sanctions list by the UN in 2012. The OFAC statement only said the circumstances that had led to his designation "no longer apply."

Who gave Qadi cover for decades? And who was able to intervene on his behalf in 2014, when King Abdullah, nearly assassinated years earlier, was interested in aggressively pursuing Islamists? Who was the right hand responsible for counterterrorism action? By 2014, it was none other than Muhammad bin Naif—the same Crown Prince lauded by all the usual Western suspects for his alleged cooperation against al-Qaeda. And who was his intelligence chief? Saad Jabri, who is now wanted by the Saudi authorities for embezzlement and who recently filed a lawsuit accusing Muhammad bin Salman of trying to assassinate him. This is the same accusation levied with no evidence by Ali Soufan, who magically makes all terrorist connections leading to Qatar mysteriously disappear.

Adnan Rahmatallah explains how every major IDB operation stood in contrast to the institution's own bylaws, the stated goals of the supposed project, and the interests of many of the 54 countries comprising the institution. The true beneficiary was always the Islamist network, which ran deep and spread wide.

For instance, where Saudi Arabia pushed for the establishment of an IDB branch in Azerbaijan, known for its cooperation with the West and tough stand on terrorism, Bader Ayban, a businessman in the oil sector who was seeking to strengthen Saudi business with Baku, was thwarted by the president of the IDB. A new IDB branch was then opened in Astana, the capital of Kazakhstan, where, much to Rahmatallah's surprise, the operation appeared to be filled with Hamas officials and Palestinian activists who were receiving loans and other types of funding in clear violation of the bank's security obligations, and likely involving various types of fraud and money laundering.

These strange occurrences fell under the mandate of Suleiman Shamsuddin, who was the bank's Director of the Special Assistant Office. The president of IDB, and those below him, relied on loyalists of assorted backgrounds to cover up obvious financial inconsistencies and improprieties. Abdul Ryazak Lababdy, a Syrian Muslim Brotherhood member who worked in the finance department, was consistently employed by the president to audit the department and cover up any wrongdoing, especially those at the Kazakh branch. An official who worked closely with Lababdy was Ahmed Nujaimi, who was involved on the administrative side.

Further irregularities indicated that Lababdy and other officials of the IDB essentially hijacked the institution with the object of promoting the Islamist/Muslim Brotherhood agenda—right under the noses of the governments they were supposed to represent.

One of the more shocking illegal operations Rahmatallah discovered was funding allocated to the Iranian nuclear program. In the early 2000s, the common intellectual talking points among the foreign policy and security elites were that Sunnis and Shiites were implacable enemies and that Iran and Arab Gulf States had nothing in common. The key official in charge of this program, which was in direct violation of IDB's policies, was Tareq Ridi, director of a department called Operations and Projects. Ridi proposed allocating the funding directly to Iran's Central Bank. None of this was mentioned at the time or at any time afterward, noted Rahmatallah, who believes these issues should be scrutinized and investigated.

When Rahmatallah started asking questions, the senior members of the bank were not pleased. Several plotted against him to prevent further inquiry and also to use him as a scapegoat and a distraction from the illicit operations. A corrupt lawyer by the name of Adel Jamjoom, who had been assigned to cover up mistakes made by the Al Inted company in yet another suspicious operation in Albania, as well as Lababdy and Nujaimi, were involved in the cover-up. They eventually succeeded in drawing unwanted attention to Rahmatallah's investigation. Rahmatallah was accused of financial improprieties and was essentially fired.

Rahmatallah's natural recourse would have been to relay this information to Saad Jabri, but he was concerned that Jabri might be involved. Instead, he conveyed his concerns to Turki Faisal through his special assistant, Jamal Khashoggi. He never heard back, for reasons he could not understand at the time.

Rahmatallah eventually learned that the Muslim Brotherhood was onto him and considered him a threat serious enough to warrant detention or worse. He decided not to stick around to find out what would happen, packed up his family, and left the country. He would later play a role in preventing an Islamist-backed attempted assassination of then-President of Pakistan Musharraf on US soil.

While testifying about that matter to FBI agents and assorted intelligence officers, he tried to convey the hijacking of IDB by the Islamists and their clandestine role in backing al-Qaeda's attacks on the US. He discovered that there was more interest in covering up the fact that these elements were subverting the will of the monarchs than in disclosing the full facts.

Rahmatallah's experience was not an isolated event. The FBI agents he learned about who had been pursuing the Qadi angle at the time and for years to come were taken off the case. Rahmatallah came away with an impression that some degree of political corruption or infiltration had taken place within Western intelligence agencies, and that there was either a pattern of willful blindness toward the role of Islamists in this matter or a concerted effort to frame Riyadh for the sins of the Islamist network that had taken hold of institutions both internally and externally.

In retrospect, the congruence of factors that came together at the time could not have been a coincidence. The al-Qaeda attacks on US soil, the progress of the Iranian nuclear program, the various Islamist plots and operations, and the series of attempted assassinations of high-profile heads of state known to have pro-Western inclinations, such as Musharraf and later Crown Prince Abdullah, all took place while the aforementioned IDB officials were playing an active and senior role, when Jabri was a little-known but greatly trusted intelligence operative for Muhammad bin Naif (who was already active in security matters long before his promotion), and when Jamal Khashoggi was likewise a trusted intelligence operative for Turki Faisal. All these people were legendary figures in Saudi security and diplomacy, and all during a period where Saudi Arabia itself was facing a plague of terrorist attacks but simultaneously gaining a reputation for exporting extremist Islamist ideology all over the world. Can it possibly be a coincidence that all these figures were in position when these occurrences took place, and when Ali Soufan, who was increasingly connected to Qatar even in his FBI days, was assigned to handle many related terrorist cases?

Whatever the case may be, the IDB officials responsible for contributing to the false narrative about 9/11 and Saudi Arabia were from 54 different countries—and those who are still alive remain well known in their capacities. Some are now in senior positions in the IDB. Many people linked to Rahmatallah's story were never investigated for their wrongdoing—indeed, this is the first time their role in those events is being aired in public.

Much more remains to be uncovered. Adnan Rahmatallah's testimony is key to understanding how millions of people were hoodwinked by Qatar's well-known narrative, which was playing out decades before the current discussions, about its alleged role in funding Hezbollah, Hamas, and other terrorist organizations. Moreover, it can safely be said that the roots of the Islamist Quartet vastly predate the most recent operations. The calamity that befell Crown Prince Muhammad bin Salman with Khashoggi's death at the Saudi consulate in Istanbul likely has its roots in events that predate the Crown Prince's birth, much less his own confrontation with the corrupt Islamists haunting the Saudi scene.

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