

Finding the holes in the net

How a felon suspected of terrorist activity got his U.S. citizenship papers

BY CHITRA RAGAVAN

An Oregon man named as a key figure in the alleged terrorist cell broken up in Portland earlier this month was granted citizenship by the Immigration and Naturalization Service, even though the agency knew that the man had multiple criminal convictions, *U.S. News* has learned.

On October 3, the Justice Department named Ali Khaled Steitiye as an “unindicted coconspirator” and charged five other men and a woman with conspiring to “levy war against the United States.” The indictment states that the group plotted to fly to Afghanistan to join Taliban and al Qaeda forces fighting against U.S. troops there. Four members of the group were arrested, a fifth may soon be extradited from Malaysia, and the sixth is being sought.

Deputy Sheriff Mark Mercer first stumbled on Steitiye’s ties to the “Portland Six” on Sept. 29, 2001, at a gravel pit outside Portland after responding to reports that seven men in Arabic robes were shooting at targets with high-powered weapons. Mercer took their names and shooed them off the property.

Name recognition. Weeks later, Mercer learned that Portland police had arrested a man who had been indicted for trying to buy a gun even though he had four felony convictions. Mercer recognized Steitiye’s name and called the FBI. In June, Steitiye, who was born in Lebanon, was convicted on unrelated fraud and immigration charges. Last month, he was sentenced to

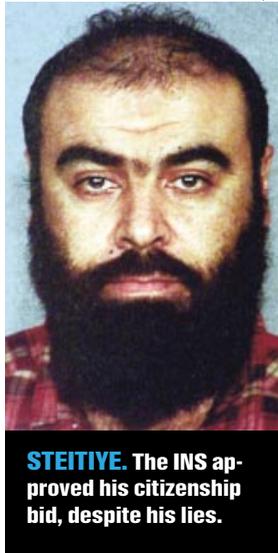
30 months in prison and stripped of his citizenship.

But the Immigration and Naturalization Service should never have approved Steitiye’s citizenship application. *U.S. News* obtained a copy of Steitiye’s naturalization application form, including answers he gave under oath during his naturalization interview on May 2, 2000. “Have you ever knowingly,” INS examiner Brandy Farnsworth asked Steitiye, “committed any crime for which you have not been arrested?” Farnsworth jotted down Steitiye’s answer as “yes—Rome—and 5-6 times U.S.” Farnsworth then

asked Steitiye if he had ever “been arrested, cited, charged, indicted, convicted, fined, or imprisoned for breaking or violating any law or ordinance . . . ?” Farnsworth scribbled Steitiye’s response: “1986—one time only—Oklahoma—forgery—probation fine no others.”

In fact, Steitiye had four felony convictions that the INS not only knew about but tried unsuccessfully to use to have him deported in 1998. That information was in his file at the time of the interview. The INS could have ignored his convictions because they had occurred more than five years earlier. But because Steitiye lied under oath about his criminal record during the naturalization in-

PORTLAND POLICE / AP



STEITIYE. The INS approved his citizenship bid, despite his lies.

terview, the agency was required by law to reject his citizenship papers. Not only that, but Steitiye also submitted under oath a forged child-support affidavit supposedly from his ex-wife and four fake federal tax returns.

Asked about the matter, INS officials said they had little choice. Previous rulings by the judge handling the Steitiye case showed that he believed “that this person deserved naturalization,” says one official. “Though the INS didn’t want to,” the official told *U.S. News*, “they decided to naturalize him because it was clear that the judge

felt this is what should happen.”

Exactly what role, if any, Steitiye played in the alleged Portland conspiracy is unclear. When police arrested him in October 2001, Steitiye had a machete, as well as an assault rifle, a handgun, and more than 1,000 rounds of ammunition. They also found \$20,000 in cash stacked under Steitiye’s bed. Investigators wonder if the money was intended to benefit families of U.S. residents who went to Afghanistan to fight with the Taliban. “That theory is still floating around,” says one law enforcement official, but “only Mr. Steitiye knows.”

With Anne Bradley

SWEET CHARITY?

With friends like these...

In an effort to jump-start the flagging financial war on terror, the Justice Department last week indicted the leader of a prominent Islamic charity based in Chicago for allegedly using the charity to funnel money to Osama bin



Arnaout denies ties to terror.

Laden. Enaam M. Arnaout, 40, executive director of Benevolence International Foundation, was indicted on racketeering and other charges. He is alleged to have conspired to persuade innocent Americans to donate money to what ostensibly was a strictly humanitarian organization. But federal prosecutors call the foundation a “multinational criminal enterprise,” a

front for bin Laden, whom Arnaout knows, and a money pipeline for al Qaeda and the Chechen rebels, among others. Arnaout, who lives in suburban Chicago, faces up to 90 years in prison if convicted on the seven counts. Foundation attorneys have denied that Arnaout, who was born in Syria and is a naturalized U.S. citizen, supports terrorism. —C.R.