



Quarterly report

Active Shooter and Domestic Terrorism in the USA

“The United States remains in a heightened threat environment. Lone offenders and small groups motivated by a range of ideological beliefs and personal grievances continue to pose a persistent and lethal threat to the Homeland.”^{ix}



Foreword

Welcome to Samphire Risk's latest quarterly report.

Our commitment to providing expert insurance solutions and services is mirrored by our ability to produce insight and analysis around the risks we insure against. We have published our opinion on such topics as Malicious Detention, Evolving Malicious Risk in Southeast Asia, and the impact of Climate Change on the security risk environment.

In this edition we focus on the domestic security risk environment in the United States, specifically around gun crime, domestic activism and terrorism. It is a topic fraught with sensitivity but also an exposure that needs to be understood and addressed, including via insurance mechanisms. Our report digs into some of the data around the issues, as well as assessing the key vulnerabilities and risks, with some key considerations around mitigating the threat.

We will continue to provide a strong and authentic voice when it comes to malicious and hostile risks – even those as sensitive and complex as addressed in this report – and how they are impacting on clients and the insurance market at large.

I hope that you find our report informative and useful.

Charlie Hanbury
Chief Executive Officer
Samphire Risk



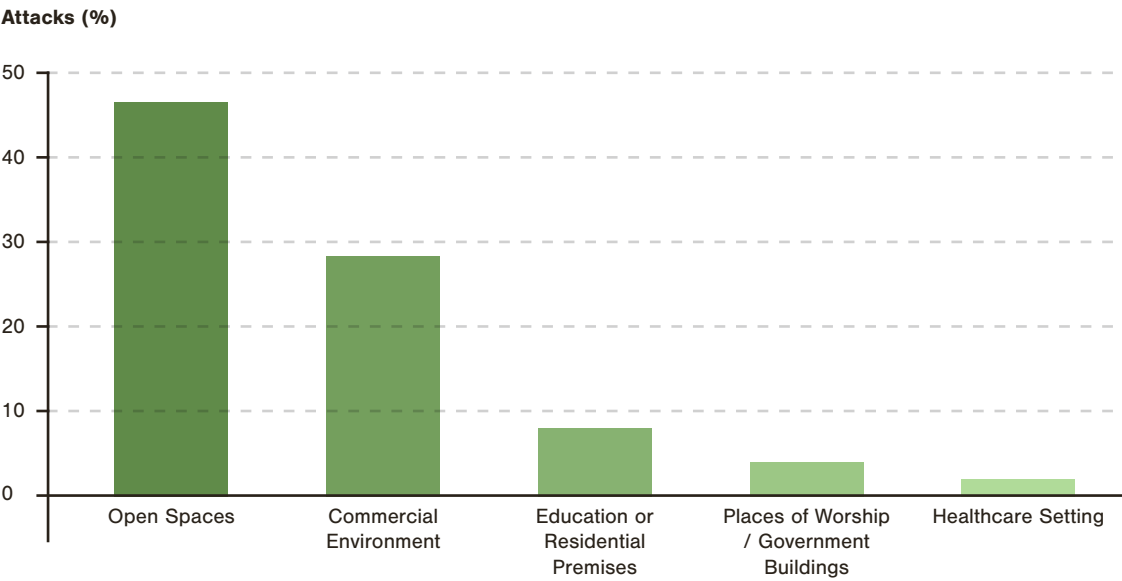
Threats: Active Shooters

The FBI defines an Active Shooter as:

“An individual actively engaged in killing or attempting to kill people in a populated area.”ⁱⁱ

The Department of Homeland Security reported a total of 50 active shooter incidents in 2022 resulting in 313 casualties (100 killed and 213 woundedⁱⁱⁱ). The Gun Violence Archive for the same period reported 647 ‘Mass Shootings’^{iv} in the US resulting in 642 killed and 2660 wounded. The ‘Mother Jones Mass Guide to Shootings in America’ reports eight mass shootings in the US in 2023 to date resulting in 48 dead and 93 wounded.^{vii}

In 2022 these attacks were perpetrated for the most part by males (97%) and in 48% of incidents the shooter had a known connection to the location and/or at least one victim. 46% of these incidents occurred in open spaces, 28% in commercial environments, 8% in education or residential premises, 4% occurred in places of worship or in government buildings, and 2% occurred in a health care setting.^{viii}



This may be macro analysis and there are clearly varying means of recording statistics and information; but if observers and commentators from across the political spectrum are all reporting the same trend it should be safe to conclude that firearms play a significant role in the contemporary mass casualty landscape of the United States.



Threats: Domestic Terrorism in the United States

The United States remains in a heightened threat environment. Lone offenders and small groups motivated by a range of ideological beliefs and personal grievances continue to pose a persistent and lethal threat to the Homeland. ^{ix}

The Federal Bureau of Investigation (FBI) defines domestic terrorism as:

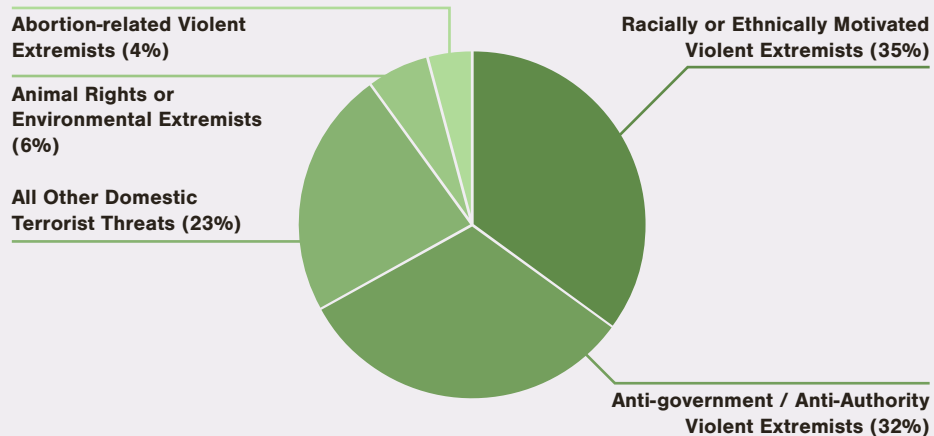
'Acts dangerous to human life that are a violation of the criminal laws of the United States or of any State appearing to be intended to:

- Intimidate or coerce a civilian population;
- Influence the policy of government by intimidation or coercion; or
- Affect the conduct of a government by mass destruction, assassination or kidnapping;

[That occurs] primarily within the territorial jurisdiction of the United States.'^x

In addition, the US Government Accountability Office identified that 71% of US domestic terrorist events are conducted by violent extremists, the majority of which (67%) are motivated by racial, ethnic, anti-government or anti-authority reasons.

Domestic Terrorism in the United States, Feb 23^{xi}



The Secretary of Homeland Security has stated that domestic violent extremism '...posed the most lethal and persistent terrorism-related threat to the homeland and must be treated as a national priority.'^{xii} In January 2022 the FBI identified that the number of investigations into '...suspected domestic violent extremists had more than doubled since the spring of 2020'.



Threats: Triggers and Accelerants

Further analysis identifies several emerging dynamics which could increase the chances of firearms being used to target individuals and groups in the US.

The Demand for Justice and a Desire for Notoriety

The need (by individuals) for justice (whether real or perceived) and the desire for fame (or rather notoriety) are two of the leading reasons given by perpetrators in America for the mass shootings they commit. More pertinent perhaps are the factors which lead these perpetrators to commit their crimes, the majority of which fall into three categories:

- 1 93% of assailants had dealt with a complex or severe personal issue prior to their attack
- 2 68% had been diagnosed with a mental illness; and
- 3 44% had experienced trauma in their lives;

Data provided by the Violence Project appears to support this analysis and identifies that 80% of attacks are preceded by a personal crisis of some kind. ^{xiii, xiv}

Whatever the underlying cause or motivation behind these attacks, open-source intelligence (OSINT) identifies a general consensus amongst mental health experts in the US. Until mental health support improves and reaches more people, the triggers for gun crime will persist, and this will result in more mass casualty shootings.

Demonstrations

The majority of demonstrations in the US are peaceful but the Centre for Strategic and International Studies (CSIS) identifies that ‘...in a politically charged climate...some demonstrations are incubators for domestic terrorism’. In 2021, 53% of all domestic terrorist incidents in the US happened at demonstrations and ‘...over the past two years there has been a rise in the percentage of domestic terrorism attacks and plots at demonstrations’, a ‘phenomenon linked to the proliferation of demonstrations and counterdemonstrations in some urban areas of the United States’.^{xv}

Violent extremism manifests in the far-right and the far-left, in climate activists and environmental extremists, in civil rights campaigners and in ethno-nationalists all of whom appear to see confrontation as a potential means of delivering their ends. And when ‘...an historically high percentage of Americans believe that violence against the government or against individuals with opposing views can be justified’^{xvi}, demonstrations must be viewed as a possible accelerant for domestic terrorism in the US.



Threats: Triggers and Accelerants

The Security Dilemma

The term 'security dilemma' refers to a situation where action taken by one party to increase their security provokes a response from the individual or group these measure are designed to protect against. This can result in a decrease in the original party's security rather than an increase.

An increasing number of domestic terrorist attacks in the US occur at demonstrations and this has now triggered a move by demonstrators throughout the extremist spectrum to take active steps to defend themselves while they demonstrate. This change in stance, coupled with analysis indicating '...armed demonstrations are six times more likely to become violent or destructive than unarmed demonstrations'^{xvii} suggests the security dilemma this has provoked will increase, rather than decrease, the chances of armed intervention at demonstrations.

Open Carry

The term 'open carry' refers to the carriage of firearms openly so they are visible. Only thirteen states in the US regulate or restrict open carry and forty-four states permit the open carriage of long-barrelled weapons without a special license.^{xviii}

The increase of violence at demonstrations in the US and the security dilemma this has provoked means that increasing numbers of long and short barrelled automatic weapons are now being carried at demonstrations. Allowing 'open carry' has further accelerated this proliferation and means that the number of automatic weapons visible in the hands of demonstrators can now be greater than those in the hands of observing or accompanying law enforcement agencies.

With law enforcement agents now almost always over-matched in terms of fire power potential, should armed action occur and an armed response be required. The policy of 'open carry' has therefore complicated the considerations guiding proportionate response and deepened the security dilemma faced by law enforcement at demonstrations.



Threats: Triggers and Accelerants

Elections

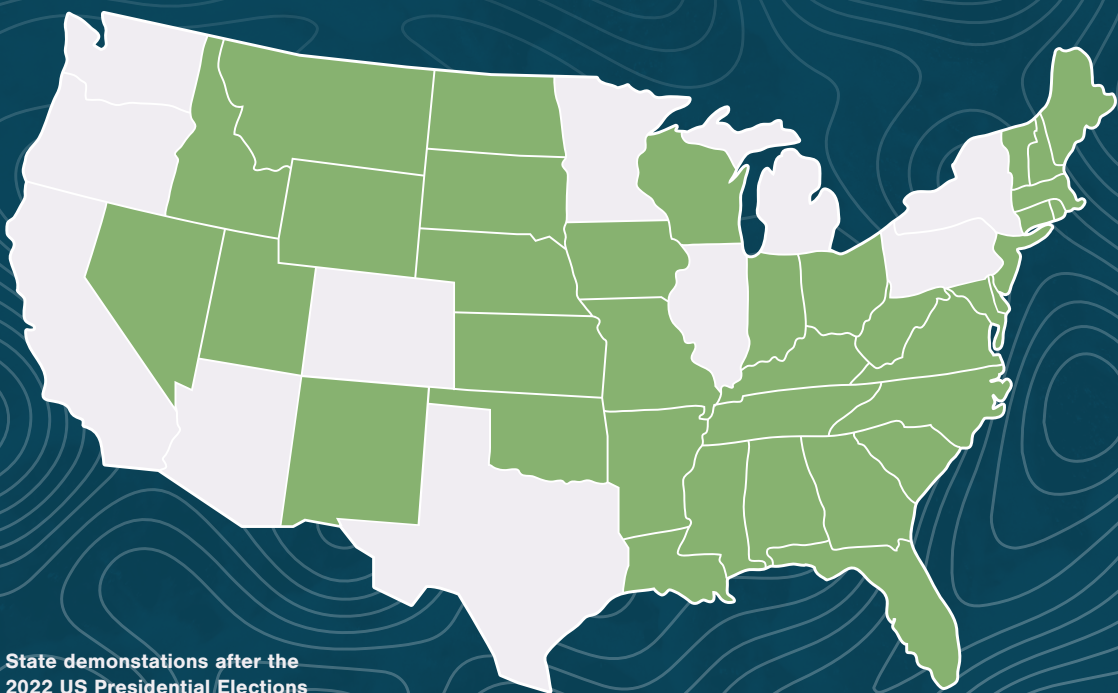
Immediately following the US Presidential Election in 2020, demonstrations took place in cities throughout the United States. In Phoenix, Detroit, New York City, Los Angeles, Seattle, Houston, Pittsburgh, Minneapolis, San Diego, Dallas, Chicago, Washington DC, Portland, Denver, Philadelphia and other cities, citizens took to the streets to demand either the result be upheld (Protect the Result) or to question the process which delivered this result (Every Vote Counts).

On 6 January 2021, with President Trump still questioning the result of the November 2020 Presidential Election, protesters marched to and broke into the Capitol Building in Washington DC to prevent the process which would formalise the victory of Senator Biden in that election.

There are a number of factors that indicate that politically-inspired violence is a potential near-term threat:

- 1 Elections due in November 2024;
- 2 The same protagonists likely to run;
- 3 '...a growing portion of terrorist attacks and plots [in the US] occurring at demonstrations'; and
- 4 '...armed demonstrations six times more likely to become violent or destructive than unarmed demonstrations'.^{xix}

Political violence (including shootings) at demonstrations linked to the US Presidential Election cannot be ruled out.



State demonstrations after the 2022 US Presidential Elections



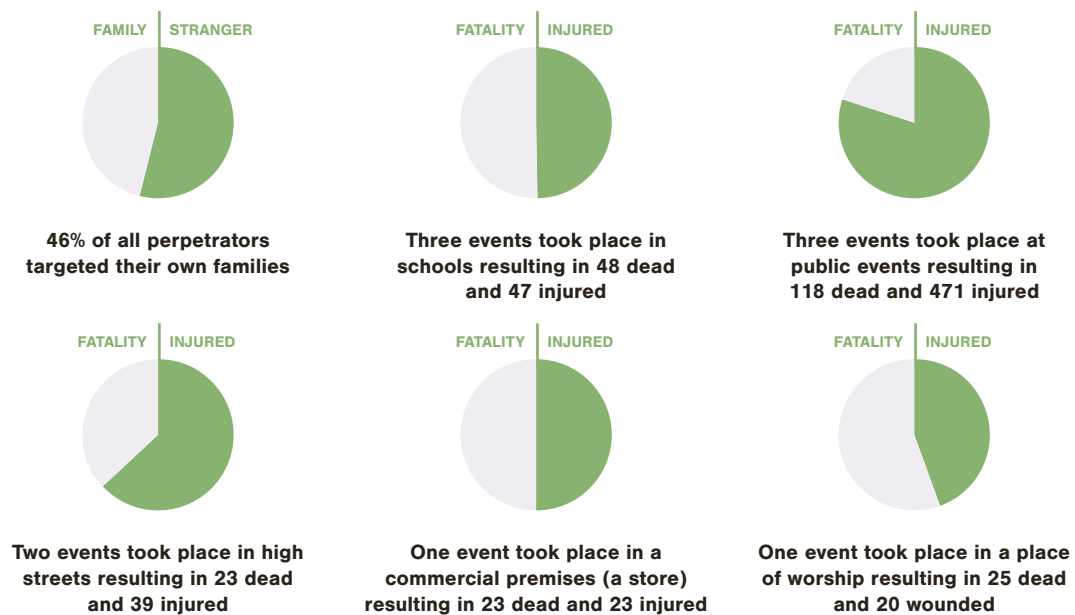
Vulnerabilities

In 2019 only 2% of all US terrorist attacks and plots occurred at demonstrations but this proportion rose to 47% in 2020 and 53% in 2021. ^{xx}

Having understood the current threat landscape it is then logical to look at what vulnerabilities may exist for individuals or organisations when faced with domestic terrorism or active shooter events.

Active Shooter

The team from Every Town Research^{xxi} in America identified the following statistics for their definition of Active Shooter Mass Casualty events in the US¹ over the past eight years:



While different entities define Active Shooter Mass Casualty events in different ways, what is clear is that there is no real pattern to these attacks which could help identify vulnerabilities other than: if multiples of people can gather and security force presence is predictably low, then all such locations and visitors are vulnerable to an Active Shooter Mass Casualty event.

Vulnerability definition

A physical feature or operational attribute that renders an entity open to exploitation, or susceptible to an identified threat.

1. More than 4 people killed (excluding the perpetrator)

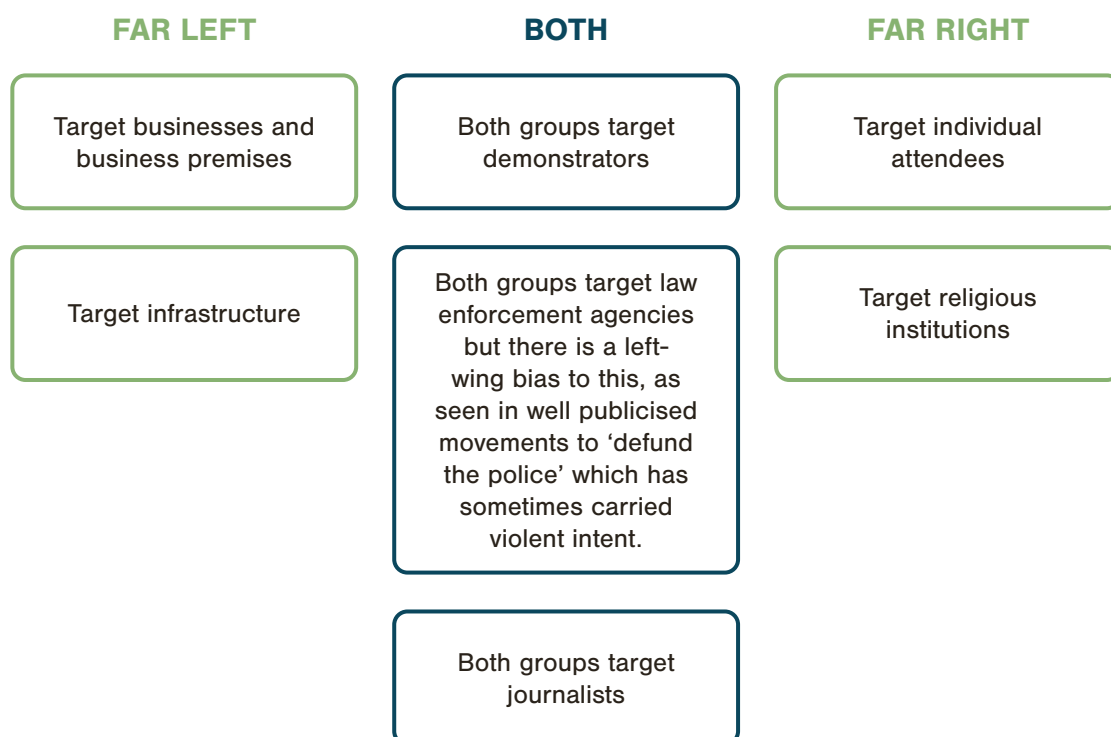


Vulnerabilities

The Security Dilemma

Over 50% of all domestic terrorist events in the US in 2021 occurred at demonstrations. Because of this, the Centre for Strategic and International Studies conducted analysis to establish which groups of people or locations (if any) appeared to be particularly vulnerable to violence.

Their analysis used incidents perpetrated by violent left-wing protagonists (who prefer to utilise melee weapons² in their attacks) and violent right-wing protagonists (who prefer the use of firearms) and identified the following:

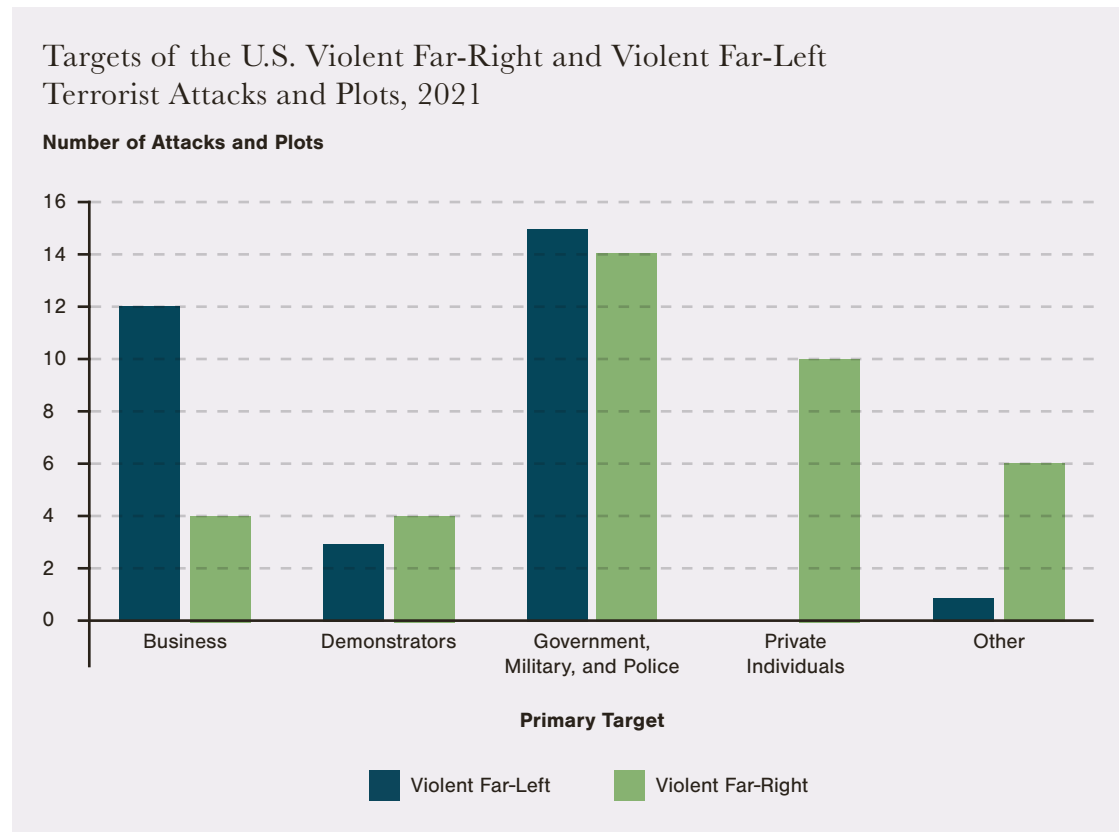


2. A melee weapon is a hand held weapon used to injure and / or kill at short range. Examples include swords, knives, axes, hammers and bats



Vulnerabilities

The Security Dilemma



However, in general terms it is almost impossible to predict who will be the target of the threats identified above and this predicament is not purely a US problem. For this reason counter terrorist leaders in the UK (where the terrorist threat is assessed as 'Severe - an attack is highly likely') state simply:

'Assume vulnerability'

Superintendent Adam Thompson
Head, UK National Counter Terrorism Security Office



Risks

The risks associated with an Active Shooter Mass Casualty event can be broken down into four broad categories: Duty of Care, Physical Security, Operational Resilience and Liability. Developing an understanding of these risks and how they interact through the process of 'IDENTIFY, ANALYSE, EVALUATE', helps individuals and organisations generate an objective picture of their malicious risk landscape and from this analysis create the best strategies to manage risk either through mitigation or through transfer using insurance products:

Duty of Care Risk

Duty of Care risk occurs at the point of impact and is most likely to manifest as death, injury and / or mental trauma. It is primarily a peril for the individual but it can be mitigated at both an individual and at a corporate level.

Physical Security and Operational Risk

Physical Security and Operational Risk can impact concurrently with Duty of Care Perils or emerge as a result of it. It is most likely to take the form of property damage, interruption to business operations, or loss of attraction. Because these risks are less likely to impact life and limb immediately they could be considered a secondary peril. Mitigation of Physical Security and Operational Risk can be achieved by corporate activity, such as training and preparedness, as well as through risk transfer via insurance products.

Liability Risk

Liability Risk impacts when governance, due diligence, systems and people have not been considered adequately, comprehensively or holistically; are not up-to-date or up-to-speed; or have been found to be ignored. Mitigating Liability Risk is primarily a responsibility for the C-SUITE and requires both systemic action and robust risk transfer mechanisms.

Analysis of Active Shooter Mass Casualty events in the US in the past 10-years identify that all of these risks manifested during and after the event, and that in most cases the Liability Risks arising from these events have yet to be adequately resolved.



Mitigation Strategies

Having developed a thorough understanding of threats, vulnerabilities and risks, organisations should build on this information to include deep familiarisation with their people, their policies and procedures and their systems. Wide liaison with key stakeholders internally and externally³ are also fundamental to the success of malicious risk mitigation strategies.

Mitigating Duty of Care Risk

Those most at risk from initial impact are individuals. The optimum way to mitigate this risk is for business leaders, executives and owners to:

- 1 Develop an understanding of the existing and evolving threat environment
- 2 Identify and articulate the most likely and the most significant threats they face
- 3 Establish the vulnerability of their people and their organisations to this threat (who, how, what, why and where)
- 4 Capture and articulate connected risk to establish likely exposure and resourcing priorities
- 5 Design strategies to mitigate this risk by considering:
 - Individuals:**
 - Education on the risks and your associated risk mitigation strategies
 - Training to detect, deter and respond to an impacting threat
 - Corporate Exposure:**
 - Resourcing deterrence and detection systems
 - Liaising with neighbours, local, municipal and state authorities
 - Rehearsing detection and response with these same actors

3. Internal stakeholders could include staff, managers and leaders (C-SUITE and Boards). External stakeholders could include customers, clients, neighbours, contractors, consultants, insurance brokers, law enforcement agencies, the fire department and medical 1st responders



Mitigation Strategies

Mitigating Physical Security and Operational Risk

Physical Security and Operational Risk impacts an organisation's operations, brand, and reputation. Understanding exposure is key to designing strategies to mitigate this risk. This can be developed through:

- Probable maximum loss studies
- Impact assessments
- Insurance adequacy studies

And through the design, implementation and operation of

- Crisis risk management systems, and
- Business continuity management systems

The financial risks associated with Subsequent Impact are often most successfully mitigated through the purchase of robust insurance covering:

- Property damage
- Business interruption, and
- Loss of attraction

Mitigating Liability Risk

Liability Risk primary impacts boards, directors and officers, C-SUITES, employers, owners and leaseholders (including renters). This risk is most likely to materialise after an incident and is likely to be costly in terms of time, personal and commercial impact / commitment and, of course, financially.

Mitigating this risk requires strong, transparent, audited governance; robust due diligence of people, systems and suppliers; and a comprehensive suite of insurances likely to include (but not be limited to) Directors and Officers, Errors and Omissions, Employers, Personal Accident and 3rd Party liability.

References

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- iii <https://www.hsd.org/c/fbi-releases-its-2022-active-shooter-incidents-report/>
- iv Defined as 'a minimum of four victims shot, either injured or killed, not including any shooter who may also have been killed or injured in the incident'
- v <https://www.gunviolencearchive.org/reports>
- vi 14 August 2023
- vii <https://www.motherjones.com/politics/2012/07/mass-shootings-map>
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- xi 'Domestic Terrorism, Further Actions Needed to Strengthen FBI and DHS Collaboration to Counter Threats', United States Government Accountability Office, dated Feb 23
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- xx 'Pushed to Extremes, Domestic Terrorism amid Polarization and Protest', CSIS Briefs dated May 2022
- xxi <https://everytownresearch.org/mass-shootings-in-america>

About Samphire Risk

Samphire Risk was formed in 2021 and is a world-leading independent Managing General Agent (MGA) focused on insuring people and companies against hostile and malicious risks. Through an expert team and exceptional technology, Samphire aims to create world-class products that insure against extortionate crime, hostage-taking and kidnap; terrorism in all its guises; travel into, and within, insecure countries and locations.

To find out more about Samphire please visit our website www.samphirerisk.com or follow us on LinkedIn.

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