



NATO Foundation
Defense College

EURASIA AND ARMED RADICALISM

SPACES, FLOWS AND FINANCES
OF AN EVOLVING TERRORISM

Terrorism is currently high in the political agenda of all G-20 countries but, despite the urgency, most international actors still seem lacking a coherent and comprehensive strategy since 2001. At a strategic level one has to recognise that terrorism is concentrated in five countries (Afghanistan, Pakistan, Syria, Iraq and Nigeria) and three operation areas (AFPAK, SYRAQ and Nigeria-Lake Chad), both in terms of attacks and deaths (78-80%). A reality that gives a necessary context to attacks conducted elsewhere.

Three main aspects emerged from the seminar's presentations and debate. A first necessity is to dramatically increase international co-operation especially when antiterrorism is rightly or wrongly associated with immigration control problems. Renationalisation attempts multiply the difficulties for law abiding citizens and law enforcers, but facilitate criminals. Smuggling and associated terrorist financing profit considerably from walls at the border.

The second priority concerns the stifling of illegal trafficking flows and criminal business opportunities that benefit in various ways terrorist and organised criminal groups. It must become a much more important strategic objective than the usual military-security approach, usually aimed at killing or capturing terrorists.

The third aspect regards the social and ideological prevention of armed radicalisation processes. It is a painstaking, specialised and complex work that is indispensable to whittle down the replication of an ideology that otherwise will endure for at least another decade.

Eurasia and Armed Radicalism
Spaces, flows and finances
of an evolving terrorism
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EURASIA
AND ARMED
RADICALISM

SPACES, FLOWS AND FINANCES OF AN
EVOLVING TERRORISM

Conference organised by the
NATO DEFENSE COLLEGE FOUNDATION

in cooperation with
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AMBASSADOR ALESSANDRO MINUTO-RIZZO
President NDCF

FOREWORD

This is a moment when the necessity for a good understanding and a clever analysis in human affairs is stronger than ever. Geopolitics has come back to the stage as an essential tool to look around the world. But it is not sufficient. The complexity around us and the interconnection among different issues which is prevailing, call for more.

Today you cannot divide the issues according to tradition. Diplomacy, economics, trade, finance security, politics are not divided by walls. On the contrary, they are mixed together so that to make a good synthesis is a difficult affair. Every season has its advantages and its challenges.

“Eurasia and armed radicalism: Spaces, flows and finances of an evolving terrorism” is a typical case. If you look for a word of entry into our time perhaps the best one is “volatility”, on various accounts. The instable and dangerous area of radicalism, its financing and the consequent flows is an evolving story and a very real one. An open wound in a world where we will continue to fight for the values of democracy, rule of law and free market.

We know that is a never ending story and that it has its roots in the imperfection of our system and perhaps also of the human nature. We are determined to search for the best ways to understand how our enemies work; especially we wish to open up these issues to a more general public. Otherwise they remain in a sort of grey area for the consumption of specialists. This would not be satisfactory.

The NATO Defense College Foundation is specialized in looking over the horizon into the pressing themes of our era. We devote to them all our efforts and our energy encouraged by the vast network of NATO countries and partners. We have put together for this conference the best existing expertise from three continents to make sure that we address the delicate issues at hand from as many angles as possible. Our hope is to contribute to the international effort to fight terrorism, money laundering and illegal trafficking.

This issue in itself, despite the common “terrorism” label, is rather new in the

sense that governments are not the sole international actors. Non state actors, even individuals often dominate the scene which makes the situation less stable and decisions more complicated.

In conclusion the concept of security has a larger dimension than in the past. Today they have a transnational aspect as the Berlin conference has stressed.

I am therefore proud to edit this book, shading light on phenomena which are difficult by their very nature. Berlin is a good location for doing this work, a central one in Europe. Philips Morris is a generous sponsor that I thank for its support as well as those who have contributed to its success.



ALVISE GIUSTINIANI
Philip Morris International

INTRODUCTION

“THE ILLICIT TRADE IN TOBACCO PRODUCTS IS ENTICING FOR ORGANIZED CRIME AND TERRORIST ORGANIZATIONS, AND HAS BEEN FOR DECADES” OECD (2016).

Illicit trade in counterfeit and pirated goods is a major challenge in an innovation-driven global economy. It has adverse revenue, economic, health, safety and security effects for governments and consumers, in addition to affecting the sales and profits of companies. Organized crime groups are playing an increasingly important role in these activities, benefiting significantly from profitable counterfeiting and piracy activities. The OECD shows that trade in counterfeit and pirated goods amounts to up to 2,5% of world trade, peaking in Europe with up to 5% of imports.

When it comes to circumventing law enforcement and at the same time making good profits, the trade in illicit tobacco products is ideal for criminal groups. For cigarettes, the price differential between countries with lower income and affordability compared to higher income countries makes smuggling a very profitable business for such groups. On top of this fact, the risks for smugglers can be very low: cigarette smuggling is still considered a petty crime in many countries where penalties rank much lower compared to other criminal activities.

The OECD warns that “*the illicit trade in tobacco products is enticing for organized crime and terrorist organisations, and has been for decades*”. Historical examples see cigarette smuggling as an instrumental part of the funding portfolio of terrorist groups¹. More recent examples can be found along Iraqi and Syrian

¹ Such as Al-Qaeda in the Islamic Maghreb (AQIM), Hezbollah, the Real IRA (RIRA), Al-Qaeda, Hamas, the Kurdistan Workers’ Party (PKK) and the Egyptian and Palestinian Islamic Jihad as pointed out in OECD (2016), *Illicit Trade: Converging Criminal Networks*, OECD Reviews of Risk Management Policies, OECD Publishing. Makarenko (2012) *Europe’s Crime-Terror Nexus: Links be-*

borders, where the so-called Islamic State is considered to have taken over the same cigarette-trafficking routes and taxation schemes used by the PKK in the past. Cigarette smuggling is estimated to have increased to 135% in Syria since the civil war began².

Together with governments, the entire supply chain and consumers, Philip Morris International is affected by the illegal trade of tobacco products. While EU governments have been deprived of 11 bio EUR in tax revenues in 2015 due to illicit trade³, a company like ours suffers from lost revenues caused by the distorted competition of illegal products. Philip Morris International's Anti-Illicit Trade teams operate in all markets with the goal to increase awareness of this problem and its societal consequences, as well as developing strategies and partnerships to combat it. For more than 12 years, we have implemented strong controls to prevent the diversion of our tobacco products. This includes technologies to track and trace our products in the supply chain, enabling law enforcement to verify their origin and trace the flows. Experience has shown that for such measures to be effective, they need to be constantly updated and improved to counter the latest smuggling techniques. International norms and widely recognized standards facilitate the operation of such systems, allowing them to be effortlessly used by multiple stakeholders.

In the fight against smuggling, every single piece matters. The black market in tobacco is a complex problem, which should not and simply cannot be addressed by one actor in isolation. In the last decade, governments, law enforcement agencies, manufacturers and retailers have joined efforts in the fight against illegal cigarette flows in the EU. The result of these efforts are clear: PMI counterfeit and contraband cigarettes seizures decreased by 85%⁴, 37.000 employees and 7.000 law enforcement officers across the EU have received compliance training, and around 90 illicit trade factories have been raided, inspected and shut down for good. However, a new challenge is ahead of us. In 2015, almost 90% of illicit products originated from outside the EU⁵, which remains the most attractive destination for international criminal networks. We are committed to tackling the problem of illicit trade in every market where we

tween terrorist and organized crime groups in the European Union. Study for the Directorate – General for Internal Policies, Citizen's Rights and Constitutional Affairs, Civil Liberties, Justice and Home Affairs. Rollins & Wylter (2013) *Terrorism and Transnational Crime: Foreign Policy Issues for Congress.* CRS Report for Congress. O'Neil (2007) *Terrorist Precursor Crimes: Issues and Options for Congress.* CRS Report for Congress. Rollins & Wylter (2013) *Terrorism and Transnational Crime: Foreign Policy Issues for Congress.* CRS Report for Congress.

2 OECD (2016), *Illicit Trade: Converging Criminal Networks*, OECD Reviews of Risk Management Policies, OECD Publishing, Paris.

3 KPMG SUN report 2015

4 European Commission (2016) *Technical assessment of the experience made with the Anti-Contraband and Anti-Counterfeit Agreement and General Release of 9 July 2004 among Philip Morris International and affiliates, the Union and its Member States.* SWD(2016) 44 final.

5 KPMG SUN report 2015.

operate. Part of this commitment is to support the proposed ratification of the FCTC Protocol by the European Union and its member states, which would enforce this International Treaty to eliminate all forms of illicit trade in tobacco products.

Enhanced public-private cooperation is paramount to this end. Philip Morris International is committed to its investment in this area and strives for effective policies, more joint actions, and increased awareness and understanding of the problem.

We know that the task is growing with time, and we are thankful to have had the opportunity to bring our contribution to this high-profile conference, outstanding in originality, cultural openness, and professional discussion of themes and topics so crucial to the world in which we live today. We are committed to sustaining research which goes beyond the mere impact of illicit trade on business, and stimulating a dialogue around its consequences for consumers and economies as a whole, as well as the implications for governments and for good public governance. An open and inclusive dialogue, bringing all actors to one table, shows the most promise toward affecting sustainable solutions to complex global and local problems.

The Foundation is at the forefront of a “whole-of-community” approach and we are looking forward to what is next on the agenda. Let this collaboration be an excellent first step down a common path.



ALESSANDRO POLITI

POLITICAL SUMMARY

Terrorism is currently high in the political agenda of all G-20 countries but, despite the urgency, most international actors still seem lacking a coherent and comprehensive strategy since 2001. Diverging national interests in certain war theatres are part of the obstacles hampering a successful antiterrorist strategy, as well as ineffective, failing or failed nation states, but, even when political consensus exists, practitioners are often confronted by the gap between rhetoric and concrete action.

At a strategic level one has to recognise that terrorism is concentrated in five countries (Afghanistan, Pakistan, Syria, Iraq and Nigeria) and three operation areas (AFPAK, SYRAQ and Nigeria-Lake Chad), both in terms of attacks and deaths (78-80%). The lethality of the terrorist groups is multiplied by the fact that civil wars are ongoing in these regions. The visibility of such organisations is of course increased by their more or less strong jihadist identity, which is a propaganda advantage for them and vice-versa blurs a correct perception of their real importance and goals.

Countries are expected to devise common political actions and operative strategies in order to reduce the severity of the threat in these five countries and others particularly affected by this scourge and closely collaborate to reduce the flow of weapons, people, propaganda and money that makes possible the higher-impact attacks in OECD (Organisation for Economic Co-operation and Development) member states. In reality beyond ad hoc coalitions set up just for the SYRAQ area, there is no overall anti-jihadist strategy, not even against the would-be states of ISIS or ISWAP (Islamic State West Africa Province or Boko Haram).

Three main aspects emerged from the seminar's presentations and debate. A first necessity is to dramatically increase international co-operation especially when antiterrorism is rightly or wrongly associated with immigration control problems. Entities like EU and NATO for instance are considerably weakened by renationalisation attempts that at the same time multiply the difficulties for law abiding citizens and law enforcers and create criminal business opportunities. Smuggling

profits considerably from walls and easily supports dangerous armed groups.

The second priority concerns stifling illegal trafficking flows and criminal business opportunities that benefit in various ways terrorist and organised criminal groups. It must become a much more important strategic objective than the usual mil-sec approach, usually aimed at killing or capturing terrorists. This instrument is quite effective against quasi-states with entailed recurring costs for armed units or administrative structures that contribute in controlling the population. Financial intelligence is a prerequisite that must be developed in energetic co-operation with the private sector, because crucial information is available only to financial operators both de jure and de facto.

The third aspect regards the social and ideological prevention of armed radicalisation processes. It is a painstaking, specialised and complex work that has to be carried out in communities, virtual spaces and prisons, more often than not by social operators and political actors than by intelligence, law enforcers and the judicial sector.



MATTEO BRESSAN

POLICY BACKGROUND PAPER

The Islamic State's (aka Dawla, IS, ISIS, ISIL, DAESH) origin can be traced back to 2003 when al-Qaeda in the Land of the Two Rivers was founded. Its effective year of birth is in 2006 when the Islamic State of Iraq sprung out of a previous terrorist umbrella group. Despite the decimation of its leadership, in 2010 Abu Bakr al-Baghdadi overhauled the group and led it to the proclamation of al Dawla al Islamiyya (IS) in 2014. This state emulation is a consequence of the statehood crisis in both Syria and Iraq.

The result is the vanishing of borders as already experienced in AFPAK (the operation zone encompassing Afghanistan and Pakistan); today we have a SYRAQ zone (made by the partial dissolution of Syria and Iraq). The entity with its unofficial capital in Raqqa could be summarised in its peak expansion through these figures: approximately 22.000-30.000 fighters (equal to two-three infantry divisions); 210.000 square km of territory controlled in September 2014 (an area slightly smaller than Great Britain); approximately 10 million subjects during last year. This para-state until today: a) monopolises the exercise of force; b) controls in varying degrees the population, the territory, the lines of communication, the infrastructures; c) manages local economic resources, the fiscal system and the social security and d) combines conventional war operations and hybrid warfare with terrorist attacks abroad.

In what is left of Iraq, the forces opposing Dawla are: the government security forces; numerous local militias (most of them Shi'ite, often assisted by Iran); the Kurdistan Regional Government (KRG) or other Kurdish political groups. In the Syrian chaos IS adversaries are: the regular Syrian troops supported by approximately 18 different militias; Iranian troops and Hezbollah, with the help of the Russian forces. The opposition to the government of Damascus consists of 160 militias, often at odds with each other, and the security forces of Syrian Kurdistan. However, the main anti-government formations are: the Al Qaeda group of Jabhat al-Nusra (an important medium term threat), the Islamists from Ahrar al-Sham

and the Free Syrian Army (FSA) made up in part of defectors from the government army.

The strong territorial character of ISIS is effectively complemented by a remarkable propaganda and religious marketing capacity, now enhanced also by the adoption of so called Muslim brotherhood gatherings (collective indoctrination retreats) and by exploiting other social motivations (social dislocation, secular community bonds, peers imitation). Both have contributed to maintain and reinforce the foreign fighters phenomenon, amounting to several Arab, Turkish, African, US, European, Asian and Australian volunteers, amounting to hundreds or thousands of individuals depending from the group. According to a United Nations report (April 2015) the estimated number of foreign fighters was around 25.000 units belonging to about one hundred countries. Other sources indicate that between 2014 and 2015 alone this number increased by 70%, with approximately 22.000 fighters deployed in SYRAQ, 6.500 in Afghanistan, 2.000 in Libya, some hundreds in Mali and some dozens in Nigeria. Between 10% and 30% of these fighters apparently returned to their homeland after getting some combat experience.

Unlike al Qa'eda (supported by own and foreign cash flows, money laundering and "charitable" funds), Dawla has improved its financial self-sufficiency since 2012 by appropriating the proceeds from crude and refined oil smuggling (Eastern Syria and Iraqi territories), with an estimated income of \$468 million/year. Furthermore, before the fall of Mosul, ISIS assets were estimated at \$875 million, in addition to approximately \$450 million looted from Iraq's United Bank for Investment. Other sources are: the sale of antiquities on the black market, extortions and "taxes" collected from subjects and public or private businesses, "duties" on goods in transit, kidnappings, smuggling of consumer goods (counterfeit clothing, convenience items like cigarettes, grain, livestock, etc.), traditional fundraising and crowdfunding, trafficking of human beings and drugs. Terrorists have turned to criminal activity as a source of revenue, providing for a gradual approximation and sometimes overlapping of practices and actions between organized crime and terrorist organizations. These criminal activities – and the organized structure behind it - are the natural targets of an effective economic and financial attrition campaign that still has to improve its results.

As already seen in the past protracted al Qa'eda campaign, different countries are being now touched by a wave of terrorist strikes (Denmark, Lebanon, France, Tunisia, UK, USA, Turkey, Indonesia, Pakistan, and Russia): media effects and political consequences appear to follow similar dynamics, despite the experience accumulated after 9/11 and the resilience shown by public opinions.

Besides these kinetic operations, Dawla and its affiliated groups carry out numerous cyber-activities and operations in the Web, chat rooms, forums and social networks. In fact, several recruits discovered ISIS and its distorted religious message through these tools and not at mosques. (Self-)indoctrination times tend to be shorter than in the past, because religious drivers are just one motivation

component. Dawla's campaign features now implantations in SYRAQ, Libya and Nigeria, while operations have been inspired in Bangladesh, Somalia and the abovementioned countries. Operations are directly carried out in: Chad, Algeria, Egypt, Saudi Arabia, Yemen, Quwait, Russia, and AFPK.

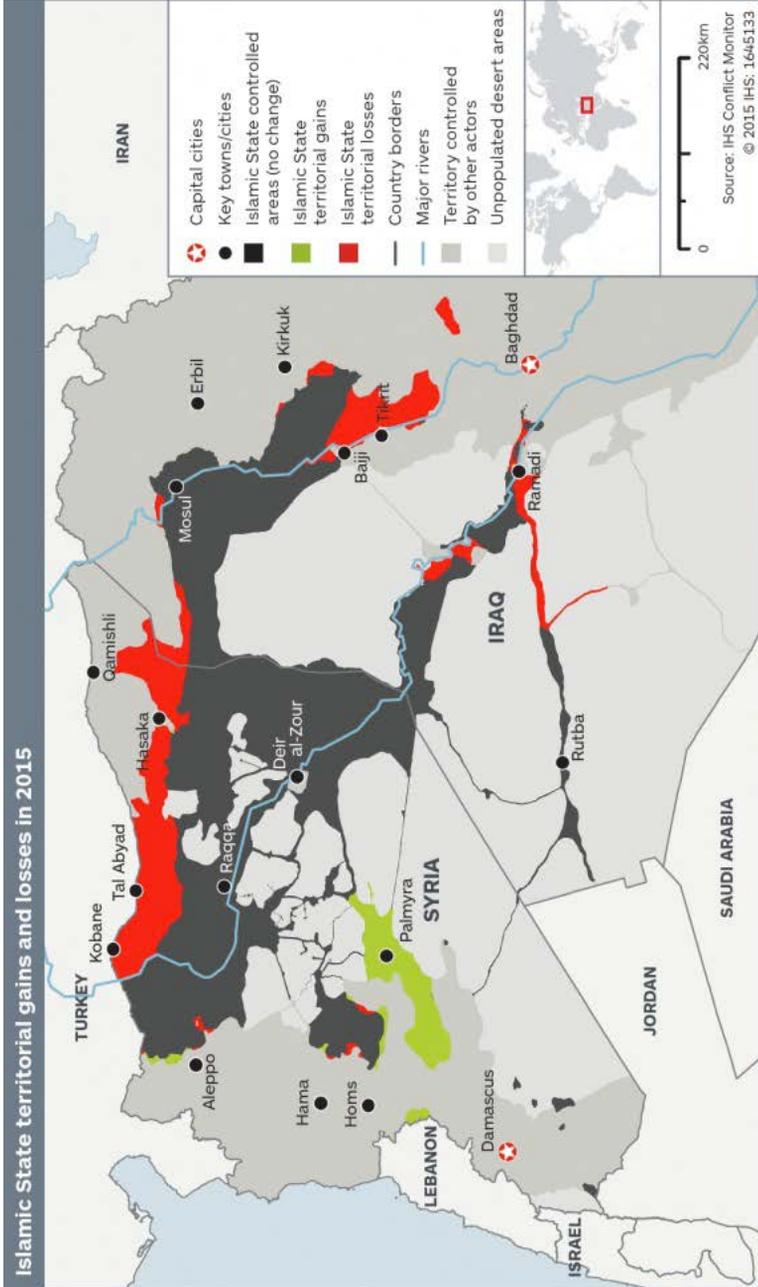
It is reasonable to expect that further penetration attempts will be executed in Lebanon, Jordan, other Gulf Co-operation Council countries, Morocco and Mauretania, while European countries will continue to tackle the "sleeper cell" and/or "self-radicalised terrorist" risk.

Moreover Southern, South-Eastern Asia and the wider Asia Pacific area are not immune to jihadist attacks and activities also linked with the Islamic State. ISIS-related risks in the Asia Pacific can be summed up as: the capacity recruitment of ISIS and its local network of supporters/sympathizers; the pledges of allegiance made by some groups or individuals; the risk of new attacks/threats; the problem of the so called "foreign fighters" returning from operational areas.

Nevertheless, as in the attached map, Dawla has suffered some important losses after its peak expansion, including the air base of Kweires in Syria and the cities of Sinjar and Ramadi in Iraq. British special operation forces put now at 8.000 the number of effective fighters ISIS could muster during September 2015 in Iraq.

If operationally Dawla as a state emulation can be brought down by an effective combination of ground offensives, close air support and counter-finance operations, strategically the issue revolves in the short term around the rebuilding of statehood and shared government in Syria and Iraq within a new regional power balance, while effectively protecting the Tunisian exception. In the medium term new government-society compacts have to be defined by local elites and citizens in order to dry up the jihadist discourse and its propaganda machine.

It took 23 years for jihadism to develop, rise and strike strategically through al Qa'eda in 2001. Ten more years were necessary to isolate and kill bin Laden. The Islamic State is officially two years old, but business as usual policies will inevitably extend its life.



Source: IHS Jane's



STEFANIE BABST

OPENING REMARKS

I would like to start by saying how much I appreciate this important initiative that Ambassador Minuto-Rizzo and Ambassador Kindermann launched jointly yesterday evening. I am particularly pleased to see the intellectual marriage of two well-known institutions to which I feel personally close: the NATO Defence College Foundation and the DGAP.

Let us take a moment to look around us. 2015 was a year that many have described as an “annus horribilis” - as the return of a world driven by harsh Realpolitik, as we Germans call it - and I have little hope this year will be any different.

The threats to our countries and societies have become more numerous, diverse and complex. They are driven by geopolitical competition between global and regional powers and dangerous asymmetric conflicts in our immediate neighbourhood and beyond. In today’s world, both emerging and established powers pursue assertive and highly competitive agendas, suppress democratic freedoms, insist on non-interference in their internal affairs and challenge Western interests, norms and institutions.

I reckon we all feel that the prospect of another Cold War-type of strategic confrontation between the West and Russia is looming out there, and yet we do not really know how to make Russia understand that we do not seek a confrontation but that we cannot possibly let assertive and threatening Russian actions in our neighbourhood go unanswered.

At the same time, a growing number of military non-state actors refuse to abide by international legal norms and existing territorial arrangements. Some of them – like the Islamic State - have explicitly declared war on our societies and democratic values.

At NATO, we assume that our immediate geographic vicinity will continue to be extremely volatile for many years. From the Arctic zone to Afghanistan, from Russia to North Africa, and from Southeast Asia to Eastern Europe, we will be challenged by several arcs of instability and violence. These arcs do not pose one

single threat, but many, with many different causes, from insurgencies to collapsing states. Some threats must be even faced at the same time, anyhow they require tailored solutions and they all ask for strong political stamina, creativity and resolve from our side – not to speak of considerable resources, both for security and reconstruction; resources that we need to use wisely and for real results.

Let's take the situation at NATO's southern borders. The entire Middle East today is going through a period of powerful, tectonic change that mostly we cannot control. I think our most profound challenge is rooted in the fact that many of the acute conflicts and sectarian tensions in the Middle East and North Africa are no longer confined to the periphery: through the rising threat of jihadist terrorism and the migration crisis, they have arrived and are acting in Europe's midst. And this is a new and important strategic paradigm.

I know that you will discuss the threat posed by the Islamic State throughout the entire day but let me offer you three quick points on how I judge this important issue.

First, NATO takes the jihadist threat very seriously. Among the many terrorist groups and players in the region, the IS has developed into the most challenging one. The Islamic State is more than a simple terrorist group. It is aggressively implementing the vision of a Sharia-based Islamic State. Its ambitions are not restricted to a specific or small territory because it seeks to establish an exclusive and universal Islamic Caliphate.

Thus far, the IS has done remarkably well in pursuing its vision. In the towns and territories it controls in Syria, Iraq and Libya, it runs a police force, a judiciary system, hospitals and schools. It enjoys a strong financial position and has created a dedicated narrative that continues to attract educated and qualified followers from across the world. The group has managed to create off-shoots and sleeper cells across the entire Middle East, reaching into West Saharan Africa all the way to South East Asia, for example to Indonesia and the Philippines. Wherever the jihadists show-up, they leave a trail of horror and blood.

The group continues to call for terrorist attacks against NATO countries and elsewhere, and its more recent attacks in Paris and Istanbul have demonstrated that the jihadists mean what they say. Every single casualty on our side is a strong reminder of the brutal nature of the threat we face. At the time of revising this contribution, further attacks in Paris and Brussels have further driven home this point in an all too harsh way.

While the international anti-IS coalition operating in Syria and Iraq has succeeded in degrading some of the group's capacities and in pushing back its territorial expansion, I strongly believe that it will be extremely hard, if not impossible, to defeat the group by military means alone. Any sufficient response to the jihadist movement requires a multitude of simultaneous actions: we need to counter their propaganda and narrative; we need to dry up their financial sources; we need to share information about the flow of FF (Foreign Fighters), and we need to gain le-

gitimacy by working with regional partners. For example, in Iraq, military options will only have success and a lasting impact if accompanied by local Sunni support.

Last but not least, we also need to address the root causes of jihadism in our own societies. What can we do to prevent young, well-educated men and women in our countries from sympathising with Daesh? What do we do with those fighters who have returned from Syria and Iraq? And should we not make a dedicated effort to deal with some parallel social structures in some of our cities that are ruled by the Sharia and not our laws?

But even if we were to put all these measures in place, they are still not likely to yield quick results. We need to have a realistic understanding that it will take some time to see permanent results.

Second, fighting the IS across the Middle East and North Africa is not enough. We need to have a dedicated strategy in place to help solve some of the most pressing conflicts in the region – notably the one in Syria. The Vienna process has made a promising start in the right direction and the UN has achieved to build a useful framework for diplomatic negotiations.

But we are still far from making real progress in sketching out how a transition process in Syria could possibly take shape. In my opinion a first important step would be to agree on a ceasefire. To date, still too many actors believe a military solution is possible, including the Assad regime, Iran and Saudi Arabia. Yet we cannot possibly hope to have all the parties agree to a political transition process if fighting – and suffering – on the ground continue. We have tried this before and it did not work.

Realistically, the current battle lines, while hardly ideal, would have to be the fundamental basis of any armistice. Limited territorial swaps may be necessary to facilitate the disengagement of combatants and assist in ceasefire implementation. Given these realities, the best hope for halting Syria's tragedy is the acceptance of agreed regional zones that take into account the ethno-sectarian divisions and current battle lines. The creation of such safe zone could allow for the much needed delivery of humanitarian assistance and exchanges of prisoners.

Clearly, some level of international military presence will be necessary to monitor and ensure maintenance of the ceasefire, ideally under the auspices of the UN Security Council. External forces could be deployed in areas friendly to them. Russian forces would be the obvious choice for the government zone. US troops would make sense for the Kurdish zone, since the United States are best placed to assuage Ankara's anxieties that this safe zone would morph into an independent Kurdish state in northern Syria. Finally, forces from Sunni states like Turkey and Jordan could be the logical external guarantor for the Sunni-Arab opposition zone. The territories still controlled by the IS would fall under the responsibility of the UN and would continue to be subject to UN-backed anti-IS operations.

I believe that such a scenario could be a useful starting point. Only once a ceasefire is established, diplomatic negotiations about Syria's future political outlook

would have a chance to succeed. Perhaps, the result would be a federal structure in Syria, or a confederation. Or it could encompass special forms of autonomy and power-sharing between the different sectarian groups. We simply do not know yet; but, for sure, the many key questions about the country's future can only be addressed if the international community makes the conflict in Syria a top issue. Hence the transatlantic community – Brussels and Washington – must continue to exert pressure on all conflict parties to make concessions in order to reach an acceptable compromise – and, more than anything else, stop fighting.

The conflict in Syria is killing hundreds of thousands of innocents, forcing millions of Syrians to flee their homes, destabilising neighbouring states, radicalising an entire generation of young Muslims and provoking a far-right backlash in Europe. Given these enormous costs, almost any peace in Syria would be better than the current war.

And thirdly and finally, what could NATO do to help address the challenges at our southern borders?

It goes without saying that NATO alone cannot solve the many acute conflicts in the region. They require the energy and efforts of the whole of the international community, from the countries directly affected to international organisations, such as the EU, the UN and the League of Arab States.

But even if NATO isn't the main actor, the Alliance certainly has a role to play. For the moment, every NATO Ally is supporting the US-led operation against the IS, whether as part of the air operations against IS targets or through training and equipping Iraqi security forces. And in a few days, the NATO Defence Ministers should decide whether they will support the coalition with AWACS, while later on there has been a decision to support with reconnaissance and monitoring activities the operations to stem the migrants' flows in the Aegean Sea.

In addition, we have stepped up our support in securing Turkey's borders and we have ramped up our Defence Capacity Building efforts in the region, helping our partner countries there to reform their security sectors, professionalise their armed forces, and improve their capacity to better defend themselves and stabilise their own neighbourhood.

For example: we are working with the Egyptian military to introduce new mine detection and clearing technologies. We support Morocco to enhance the capabilities of its Armed Forces, we help Tunisia to modernise its Armed Forces and defence institutions, including their Special Operations Forces and, in the future, we will help train Iraqi Armed Forces in Jordan.

But we must do much more. We need to make better use of our partnerships in the region to enhance the countries' national resilience against the jihadist threat, for example in the field of counter terrorism, special forces, mine clearing and medical services. If wanted, we could also train more local forces in situ as we have successfully done in Afghanistan. Furthermore, we need to closely join ranks with the European Union and the United Nations that also run training and secu-

rity sector projects in the region. In the medium term, however, I strongly believe that the region requires a much more comprehensive approach. Starting a Helsinki-like process in the Middle East may sound utterly unrealistic in some ears. Today, many of us only remember the role the process played in fostering human rights inside the Warsaw Pact, but the first priority in drafting the original accords – Basket I – was security, territorial integrity, and recognition of borders.

A similar focus on borders and security could be the starting point of a Middle East security conference. Of course, the Israeli-Palestinian conflict, as was the case with the “German question” in Europe, will not be resolved in a multilateral setting. But the basic security guarantees in the Helsinki accord – that all signatories will respect the territorial integrity of states and refrain from the use of force or the intervention in other states (including an end to support for terrorist organizations) – should be at the core of such a new organization.

Launching a new institutionalized diplomatic framework in the Middle East would not be easy. The issue of membership, for instance, would be problematic. For sure, a new security organization would add no value if only including the League of Arab States or US allies in the region. Hence a new organization should be as inclusive as possible and also include actors such as Iran, Turkey and Israel.

Is this too farfetched? Compared to the Middle East today, Europe in the first half of the 20th century had much deeper ideological divisions, ethnic tensions, and territorial disputes. Creating a security organization, which included former antagonists France and Germany or enemies such as the Soviet Union and the United States, was as difficult as any set of security, religious, ethnic, and ideological issues that now divide the Middle East. If nothing more, the very process of negotiating a Middle East conference on security and cooperation would create more regular interaction between countries in desperate need of more contact and a set of rules for the road to guide their relationships.



9:43 AM

isis

iPad

Propaganda by armed radical groups



Session 1

THE DIFFUSION AND CONFUSION OF ARMED RADICALISM



PETER NEUMANN

FB JIHADISM: THE URGE FROM ZERO TO HERO

What I want to do is to talk briefly about a question I have been asked over and over during the past year and half, which is: “Who are the people who go from Western Europe to Syria and Iraq to join the Islamic State? Who are these people and why do they go?” And I feel I have an answer to the question because at my institute we have done an extraordinary research on this particular population.

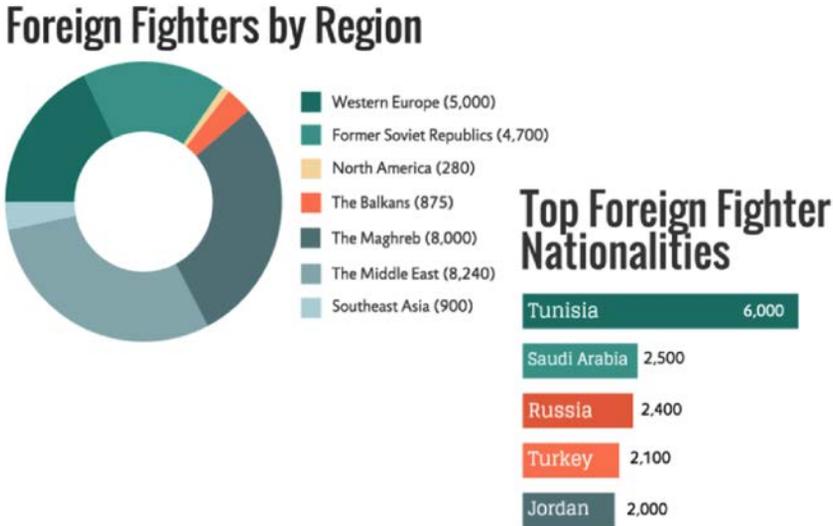
In 2012, one of my colleagues noticed that young British Muslim were going to Syria, in order to join militant groups and not only he was noticing this flow, he also noticed they continued to be active on social media, they maintained their Facebook profiles, their Twitter profiles; it was relatively easy to follow them, which is what we did, which we found very exciting, because it was an extraordinary source of information, was almost like a battlefield diary. You could follow them on a daily basis.

At some point it occurred to us that not only it was possible to follow them on social media, it was also possible to communicate with them. So by now, we have compiled the database that contains 715 online social media profiles of people from Western countries that have gone to Syria and Iraq and we communicated with a hundred of them in addition to do field work in the Turkish border area with Syria.

I want to talk a little bit about who these people are. First of all, in terms of numbers, I think it is important to recognize that what we have seen over the past three or four years is an unprecedented mobilisation of people. In according to the latest estimates by the Soufan group, nearly 30.000 people from 100 different countries have gone to Syria and Iraq as fighters, over the last three-four years.

You can see the top nationalities on the slide, what is really interesting in making this mobilisation different from others mobilizations, is that about 20% (5-6.000) of the accounted fighters are from Western Europe. Even if you look back to Afghanistan in 1980, when you had the first significant mobilization of Muslim foreign fighters, the number of Europeans back then, was fairly small. Now it ac-

tually constitutes 20% of the overall population that has gone. If you look more specifically at Western Europe, the remarkable thing is that, of course, the largest European countries, France, Britain and Germany have produced the largest numbers of foreign fighters.



Source: The Soufan Group, December 2015

However, specifically the smaller countries are disproportionately affected. If you look at Denmark, Sweden or Netherland, for example, you will see very high numbers. In the case of Sweden 300 fighters: compare that to Britain or to Germany, which have less than 800 units, but have nearly - in the case of Germany - ten times the population. The most significantly affected country, and I'm sorry to say to our NATO colleagues, is Belgium, with nearly 500 fighters for a population of 11 million people.

So the mobilisation of fighters from Western Europe, specifically in smaller northern and central European countries, has been extraordinary, exceeding everything we have seen before. Indeed, if you look at the historical mobilisations of foreign fighters, you will easily spot that the greatest mobilisations in history of most foreign fighters was, of course, the Afghan conflict, that over an entire decade (the Eighties), mobilised up to 20.000 people. Now, in the space of 4-5 years, we already exceeded 30.000 combatants. This is already the largest mobilization of foreign fighters that has ever taken place. The conflict is not likely to end anytime soon.

The risk or the problem that concerns us, of course, is that what is happening in Syria and Iraq will be a repeat of the passion that we saw in Afghanistan in the Eighties? In Afghanistan then a lot of fighters were mobilised across the Muslim

world to go to Afghanistan and to fight against Soviet Union. Let's not forget that Osama Bin Laden's "career" in international terrorism started as a foreign fighter in Afghanistan. When the conflict ended in 1997, in the next year a lot of fighters were there and they did not know what to do.

And then, in the subsequent decades, Nineties and the 2000 decade, you then saw these fighters popping up in practically every conflict in the Muslim world: from Algeria to Chechnya to the Philippines, you always had this so called "Afghan veteran element" which typically made these conflicts worst and more difficult to resolve. And of course, one of the most significant outcomes of that conflict was al Qaeda, the international terrorist network, which goes back essentially to people who met each other in Afghanistan.

And this is why I am always saying that the consequences of this conflict in Syria and Iraq will be with us for a very long time. The attacks in New York and Washington happened in 2001, fourteen years after the conflict in Afghanistan ended. So, even if the conflict in Syria and Iraq ended today, which is impossible, we are likely to be feeling the consequences of this conflict in ten, fifteen, possibly even twenty years.

Who are the people who are going? Based on our research and on the 750 people that are in our database, we have established three types:

1. The first type we call "*the defender*". These are typically people who went from Western countries in 2012-2013 when there was the notion of an existential threat against Sunnis in Syria particularly. The sense was that there was essentially a genocide going on. A genocide led by Bashar al Assad with his allies in Iran and Hezbollah with the main intention to eliminate the Sunni population in Syria. Now we can argue about if this is correct or not, I think it is certainly exaggerated, but that was the message that was sent to these people.

Based on a notion of an existential threat and based on the idea of a common identity, people were been told: "Look, no one is helping us. NATO isn't helping; America isn't helping; the West isn't helping; the Arab aren't helping... If being a Muslim means anything to you at all, you now have to come over and support your brothers and sisters and protect them against being raped, eliminated, threatened, extinguished".

This is a typical example of someone that we followed for a very long time: Iftikhar Jaman from Portsmouth. He was initially sceptical about going to Syria, a quite intelligent guy. He was saying: "Everyone tells this is a civil war among Muslims", so he did not want to have anything to do with that. And then he was starting to listen to the fiery preaches, often coming from Saudi Arabia, who were really appealing in a very direct way to this notion of Sunnis identity. It was said: "Think of that child that was killed, imagine it was yours; the sister, the mother, the old sheikh; feel the pain, the wounds, the fears. 'Believe in us, you brothers' says the holy Quran; does this brotherhood have any practical meaning?"

If you listen to the speeches and at the same time you are seeing constantly the stream of pictures coming out of Syria: people been killed, people been tortured, women been raped; if you do feel a strong sense of Sunni identity then, perhaps, that sort of motivation appeals to you and indeed he then said in an interview with my colleague Shiraz: "The Muslim were being slaughtered, I had to do something". This is the first type of person that went around 2012-2013 in response to the notion of existential threat.

2. The second type we describe as "*the seekers*". They are a quite different. They are often not the people who went in the first wave in 2012-2013. They often went a little bit later on 2013 and especially in 2014 when the so-called "caliphate" was being declared. What you dealing with here is essentially a counterculture that I think it is the best way to understand these people who are excited about going to a place where they can be heroes and where they can be strong.

I give you an example from France. This is a guy who called himself Jean-Edouard (aka Abu Tasneem "the father of a spring in paradise"). We followed him for a very long time. Twenty years old, from the suburbs of Paris, someone who is not stupid, but who understands that in the French society he would never really have a chance of success. He looks at the pictures, like the ones I have just showed you and what does he see? He essentially sees himself and he looks at these pictures and he thinks: "These guys, six months ago, they were in exactly the same position as me: they were in the suburbs of Paris, they did not have any prospects in French society. Six months later, they are over there, they are heroes, they having enormous amounts of fun, they are having the greatest adventure of their lives, they are incredibly powerful, they are deciding about life and death of people and they are the most esteemed group in that society". So you can go from zero to hero in just a few months' time. And in a weird way for people like Jean-Edouard, this is an incredibly empowering notion.

So he is tweeting from Syria "The English, Bosnians, Somalis, Japanese, even the Chinese, we are the Euro Disney of the mujahedeen. We offer slaves, pizza and martyrdom". So he is not the most sophisticated defender type, but he is sadly someone who thinks that by going there, he is finally getting the recognition and getting the sense of happiness, and power also, that he was seeking.

One important last point regarding the second group is of course that here you do find a lot of people who have failed in the European societies. A lot of people who have been involved in petty crime, small forms of drug dealing, credit card fraud and other kinds of crime. For whom this kind of "adventure" is the sort of salvation that they are seeking and whose skills, which they acquired as petty criminal activities, are used now for other purposes.

3. Finally, and this is the last point, there are the so called "*follower*". As a profile they are essentially very similar to the seekers except that their main motivation

is to follow others who have already gone. This is the pattern we have seen in all Europe. People are not going randomly, people are not randomly recruited through the internet. In every European country you have clusters of people: in Britain for example Portsmouth, Cardiff, Brighton; in Germany Solingen, Dinslaken-Lohberg, and Wolfsburg.

In Belgium, for example, 60% of foreign fighters are coming from three relatively small towns. And the reason for that is not the internet, because, if it was the internet, you would expect people to come from everywhere, because internet is ubiquitous. The reason is that you have these clusters is because these are people who know each other, have been friends with each other, who have gone to high school, who play football together.

Typically the pattern is: one or two of them are going and successively they are bringing over their friends. You have numerous examples, we have found numerous examples of people who have gone, literally, only because their best friends had gone to over.

Here's an example of Ibrahim B. from Wolfsburg who said: "These are not random people there I were with. They were my oldest friends, good friends. It used to be that everyone had a particular haircut, downloaded Bushido (a German rapper) to the cell phones; then you were part of the group. In 2014 they all grew a beard, dressed definitely, went to religious meetings; that is what we did and, if you did it, you were part of the group". For him, the principal motivation was to remain part of the group, this is why he became a Salafist and automatically why he went to Syria because the best friends have gone to Syria. This is also a group phenomenon.

Let me conclude very briefly by saying that we are now into the second phase of this phenomenon. A lot of people have gone over, about 10 to 15% of them have died, but the fact is that between 25% and 40% of the people from Western Europe who have gone to Syria and Iraq, have by now returned to their European home countries.

The discussion about what to do about returnees is no longer a future discussion. A lot of people have returned already to their European home countries. But it is clear that some of them are disillusioned, some of them no longer want to be associated with ISIS, what is clear is that some of them are clearly disturbed, they have mental disorders as a result of being involved in the war. But it is also clear that some of them are dangerous and some of them are deliberately, as in the case of Paris, being sent back in order to carry out terrorist attacks.

My very last sentence would be that our success in dealing with these issues will be decided ultimately by our ability to distinguish between people who are disturbed, people who are disillusioned and people who are truly dangerous.



ANNE GIUDICELLI

PARIS, FRANCE: LESSONS LEARNED

I just have two remarks. The first one is when you said, Ms Babst, that NATO is facing a worldwide chaos that we have not created; I'm not so sure because we have also to take into consideration what we have created: unfortunately we are actors of the chaos as well. I have been asked to focus a bit on the French case. So let me start with some relevant points about the way France has dealt with one of the ISIS campaign phases i.e. when ISIS targeted France's own territory. This background will allow me to provide you with a frank assessment for the debate.

France has harshly and directly experienced terrorism attacks carried against its own flesh and territory, twice in one year, despite all the security resources and capabilities the authorities claimed they had deployed on both the external and internal level to fight and prevent such aggressions. What happened exactly on the home front?

A few points on the internal front:

1. The Charlie Hebdo attack in January 2015 was officially categorised by the authorities as a violent action targeting one of the so-called French founding values: freedom of expression.
2. Eleven months later, the November attacks, simultaneously targeting several café terraces and a concert hall in the heart of Paris, as well as a football stadium at the gateway of the French capital, has since then been officially determined as a declaration of war against the country and its citizens, targeting no specific targets but instead the French society at large and its lifestyle as a modern democracy, living in peace on its own territory – but at the same time waging war abroad.
3. The Charlie attack stunned deeply both government and public opinion. The January 11 march, hastily organized by the government, gathering side by side head of states from the whole world, including some for whom freedom of expression is intended as a threat to national security, had a counterintuitive effect. No matter how it may have impacted in other audiences, the symbol provided

additional arguments - if needed - to the jihadist recruiters about an existing collusion and conspiracy, linking western democracies and dictatorial regimes. No need to mention that some of the regimes which were represented at this event are among those who have contributed to create a radical opposition, first at home and then abroad, in order to stay in power on behalf of western interests under the mantle of the fight against terrorism. However, the march was mainly aimed at showing France as a victim of a common enemy able to hit everywhere and everyone – and consequently at denying any kind of responsibility or error regarding the attack.

4. After the Paris attacks in November, which killed over 130 people, emotion and national unity soon gave way to questions and concerns. What is wrong with our intelligence system? Most of the perpetrators were indeed already monitored and had been classified as potential threats due to their links with extremist groups. So what is wrong with our legal system that has already passed a dozen of anti-terrorism bills over the past fifteen years? With the result that almost 200 French citizens are linked to jihadist networks in France, and some 600 others are fighting alongside ISIS in Syria and Iraq. France shows, right behind the Belgian case you mentioned Dr Neumann, the highest number of European jihadists in proportion to its population. Why? Most of the January and November attack perpetrators were born and raised in France. How can French citizens decide to kill fellow citizens?
5. Anyway, unsurprisingly, and now as part of a worldwide well established security logic that builds further security after each aborted or successful attack since 2001, the government announced in the wake of these last attacks a further enhancement of an already strengthened security system and additional antiterrorist bills. Moreover it immediately enacted a three-month state of emergency, further widening the powers of police and security agencies. And the President knowing the uncertainty we are in as a society, is calling upon the parliament and the senate to vote in favour of extending this very exceptional measure for another three months and amending the constitution to carve in stone this provision.

On the external front:

- I. We have seen a remarkable diplomatic shift, regarding the Syrian case. In the name of self-defence and preventive action (a radical strategic change of approach in the SYRAQ crisis), France, as one of the first countries to join the international coalition against ISIS, began in September 2015 to expand the range of its airstrikes across the Syrian territory. Before the attack, bombing Syria was rejected by the French government as it would only help reinforce the Assad regime. Now, after the attacks, this option has become legitimate as an appropriate action to respond to ISIS attacks and avoid the next ones. Assad's case would be addressed in a second time to overcome disagreements within the coalition on the dictator's fate.

- II. The last attacks have largely contributed to create a new, almost full, consensus within the political class at the end of November 2015 in extending the military engagement, and at the same time to hush persistent political dissent for the sake of a much needed national unity to defeat the enemy.
- III. Another concern regarded burden sharing. The national effort deployed internally and externally, a costly engagement in term of human losses, security assets and funding, needs definitively to be shared with France's allies in order to be sustainable and efficient in the global mobilisation against ISIS.

What happened at the international community level?

- a) The UN Security Council has granted France political support with the unanimously adopted resolution (2249), reaffirming the engagement to resort to "all necessary measures, in compliance with international laws" to fight ISIS – but not to the use of force, as the crisis has not been placed under chapter VII of the UN charter.
- b) At the EU level, France has called upon an effective operational cooperation, more necessary than ever, between EU intelligence agencies and the development of similar links with third country partners in the area. It has also invoked Article 42-7 of the European Union Treaty at the Foreign Affairs Council held on November 17 to call upon state members for aid and assistance on a bilateral basis. France has underlined that the use of article 42-7 TUE was "a political act" to be kept apart from similar clauses of the NATO treaty, notably in reference to Article 5 (military assistance) which was invoked only once since the 9/11 attacks.
- c) At a bilateral level, Germany along with the UK and the US has favourably responded to France's call in engaging more military assets against ISIS in Iraq and Syria. To compensate the French war effort on other fronts, countries like UK, Ireland, Finland and Germany also have simultaneously committed military reinforcements in Africa to support France's global action against terrorism, while Belgium as well as Austria and Portugal are currently studying different options aimed at supporting France's effort in Mali.

The last point is about what we can call lessons learned. First of all we have to analyse the failures. Regarding the security aspects we have different points:

- Lack of coordination between the different national intelligence agencies;
- Persistent lack of coordination at the UE level, I think we are all agree on this;
- Necessity to better understand the nature of the threat; the nature of who is the enemy to be able to anticipate its next evolution;
- As a direct practical implementation of it, monitoring criteria have to be constantly updated since this kind of threat evolves accordingly to the measures to counter it and the progress in the fight against ISIS.

Concerning the strategic aspects:

- As we already said, ISIS can be defeated by military force on its territories, but

this does not mean that the world will be rid of it;

- ISIS can redeploy dynamically in other areas where it has already set up operational bases (notably in Middle East, North Africa and Asia) and activate sleeping cells, notably in Europe;
- In this respect its ideology could not only survive, but become even more powerful.

Even if preserving our territory is a matter of immediate emergency, we need to be aware of the well-known perverse effects of a pervasive security policy as well as its counterproductive effects that play ISIS' hands and contribute to boost its ideology. We have to think about a long-term approach, which has to tackle the roots of the phenomenon. The issue of home-grown cells still has not been properly addressed until today. Europe's societies should question their development models as they are no longer attractive for a growing part of their youth, thereby allowing ISIS to be an alternative model. This requires a strong and concrete political will.

It might be useful if a large audit were to be carried out in each country in Europe at a national level on how each citizen defines his/her identity as a French or German, Italian, Spanish, British national and so on. What are the fundamental common values that form our community? What means secularism? What does really mean the principle of equality? This kind of actions seems to be again taken under the spur of emergency in order to face the next evolutions of the threat, if they are not coming already too late.



AYMENN JAWAD AL TAMIMI

THE BUREAUCRACY OF THE ISLAMIC STATE

I am going to talk about the more local situation in Syria and Iraq, particularly focussed on the Islamic State, but also jihadism more generally, because jihadism is not just limited to the Islamic State: one should be careful not to become obsessed by the Islamic State alone.

Assessing the Islamic State (Dawla), I think this should constitute the bulk of this presentation because I think is the biggest problem at the present time. What we have seen in Syria-Iraq since the announcement of the caliphate in the 29th of June 2014 is a comprehensive and sophisticated bureaucratic system embodied in a series ministries (diwans), central ministries of the government with provincial branches in the provinces (wilayat) of the Islamic State. This is most significant in Iraq and Syria; the reason I make this distinction is because, as we know, there are many Islamic State affiliates outside the Syria-Iraq, like in North Africa. But generally speaking, with the exception of the city of Sirte (Surt) in Libya, we have not seen bureaucratic structures as we have seen in such a scale in Iraq and Syria. These ministries with their provincial branches, for example, the Education (diwan al-Taleem), the Services (diwan al-Khidamat), the Precious Resources (diwan al-Rakaz) deal jointly in oil, gas and antiquities, or in other words the purview of the diwan al-Rikaz (aka department of Natural Resources).

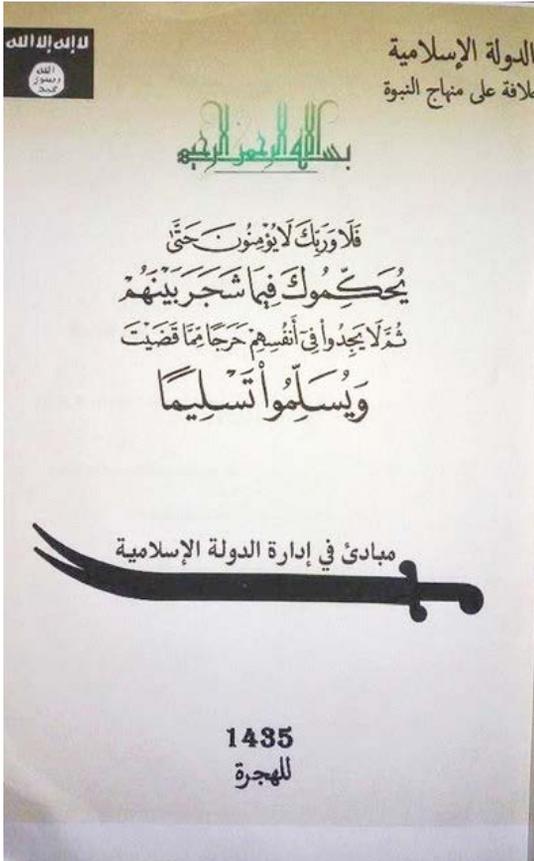
In the recent months, whereas my other colleagues at ICSR track foreign fighters in the databases, I am pursuing a particular line of evidence that consists in tracking internal documents especially of the Islamic State but also of other jihadist groups. Particularly with the Islamic State it has become easier now to obtain documents from the source with the evolution their bureaucratic system. These internal documents suggest at the present time there are some key challenges facing the IS, like: military cohesion, brain drain, particularly in healthcare, and most recently financial problems.

I know finance is a very big question that policy makers debate. I think that the policies that have been pursued have impacted on IS finances seriously. Evidence

is this document that came out from the Rakka province, which is a de facto capital of IS in Syria, suggesting a 50% salary cut for fighters of all ranks, regardless of their position, which is significant because, financially speaking, I can give an estimated round number: two-thirds of IS expenditure goes towards military upkeep, that is foremost embodied in fighters' salaries.

Also we have seen a great degree of paranoia as coalition strikes have been able to take out high-ranking IS personnel, like Dawla's celebrity figures like the so-called Jihadi John, which has led to more regulation on information diffusion, both within Iraq and IS territory and towards the outside world. My colleague Neumann mentioned the issue of foreign fighters on social media accounts, how ICSR has been able to track hundreds of such people, but certainly now what is happening is that ISIS is trying to warn fighters and members against opening social media accounts. What we find is that lot of cases of tracked individuals go back to 2012/2013 when there was a more or less free for all; but stricter regulations, including the suspension of accounts, mean that there is now a much more strict information environment and it is much harder to track those kind of individual profiles.

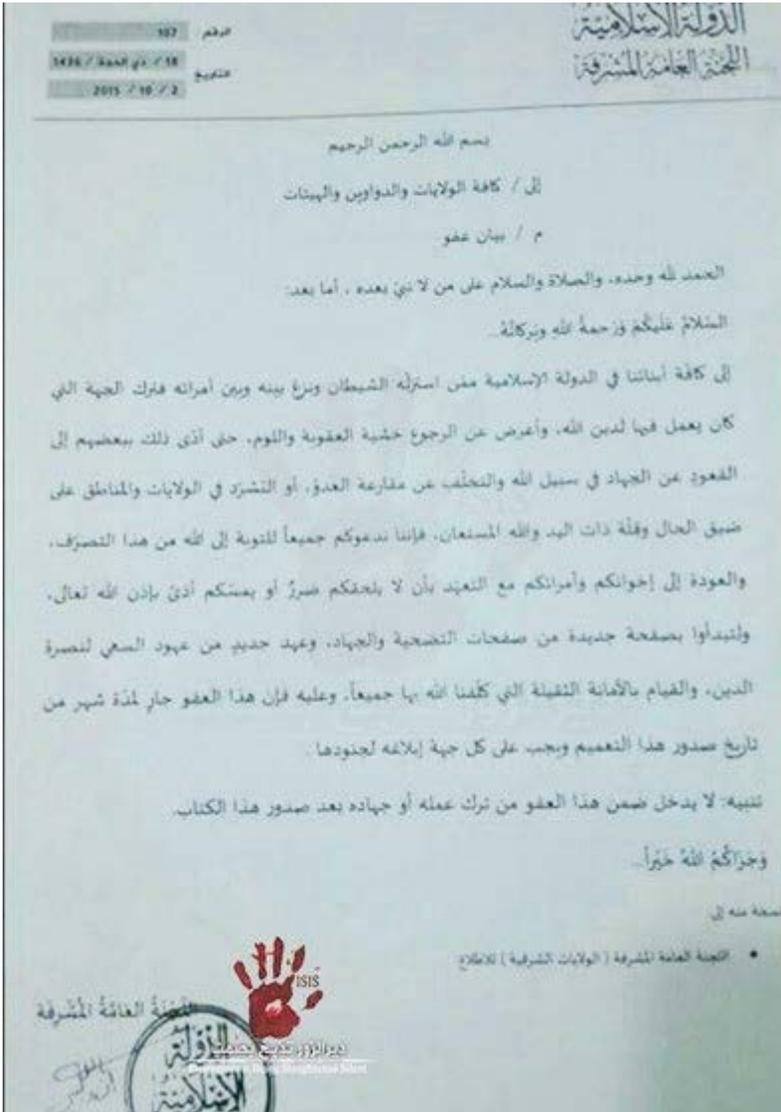
This is like an IS bureaucratic master plan we managed to obtain, entitled "Principles of the administration of the Islamic State". It was written after of the Declaration of the Caliphate, I just put it here to illustrate my point about the emphasis on the bureaucratic system.



Source: al-Tamimi, Archive of Islamic State administrative documents

I would like now to show you documents that illustrate my point about internal challenges, like the mentioned military cohesion problem.

This is a document of a notification issued for a general amnesty for fighters who deserted the ranks in IS. This is, of course, significant, because normally the punishment for fleeing from battle with appropriate justification is the execution. This was a month-long amnesty for October 2015.



Source: al-Tamimi, Archive of Islamic State administrative documents

What we also find is that mobilisation efforts launched by the IS did not achieve their objectives. This document comes from the Aleppo province, in northern Syria, around the same time of the amnesty. It is from the IS Sharia committee in Aleppo province and it is calling for mobilisation.



Source: al-Tamimi, Archive of Islamic State administrative documents

The reason is because the regime and Iran were trying to move troops east of Aleppo city, trying to break an IS siege on a regime air base. However this mobilisation call did not work, IS could not continue the siege and this is also important. They even opened a new training camps in Aleppo province as part of this mobilisation effort, as other original documents show.

This issue of brain-drain comes up many times and the Islamic State issued calls summoning doctors from around the world. It is also in their propaganda featuring some foreigners who say that people could not come only as fighters, but also as professionals, engineers, doctors. But by their own admission they have shortages

of qualified medical professionals. They admit it also in their own propaganda, but, as the other documents show, one of the reasons for this brain drain, why doctors flee IS territory, is that the standard IS regulation for doctors that go out of Dawla's territory and do not return in 15 days, foresees the confiscation of the clinic and all his personal goods. At a general level then the waiting period has also been extended to one month with multiple warnings before confiscation. This is an egregious example of the shortages affecting the diwan al-Siha (Health ministry).

This document is from Mosul University, which was still run by ISIS, it emanates from the Education (al-Taleem) but it refers to several departments in the engineering colleges, not being able to function around the 25th of October-25th of November, offering students to apply for transfer to other colleges; I also think this was a part of medical brain drain problem where the Health ministry tried to get some engineering students. But also some of the engineering departments have been clearly affected by drain-brain problems, so they cannot function finally.

اعلان

الى طلبة الأقسام غير المغفلة في كلية الهندسة و هندسة الالكترونيات والتقنية الهندسية

بالنظر لعدم تعهّل أقسام الهندسة المعمارية والبيئة و هندسة السدود والموارد المائية وتقنية هندسة التبريد والتكييف وتقنية هندسة البناء والإنشاءات وتقنية الأجهزة الطبية وعدم وجود اقسام مناظرة مغفلة لهذا العام لذا قررت جامعة الموصل (المجموعة الهندسية) السماح للطلاب في جميع المراحل بالتقديم للكليات التالية :

1- الهندسة بأقسامها المغفلة

2- مجموعة العلوم الصرفة

3- المجموعة الشرعية (كلية معاذ بن جبل)

4- مجموعة الزراعة والثروة الحيوانية

في حالة رغبتهم بالانتقال أو البقاء في أقسامهم لحين توفر الظروف الملائمة

عما أن القبول سيعتمد على معدل الإعدادية والطاقة الاستيعابية للكليات المغفلة والقبول سيكون في المرحلة الأولى .

لذا نهيّب بطلبتنا الأعداء الراغبين بالانتقال مراجعة عمادة كلية الهندسة لغرض ملئ استمارة النقل وتسليمها في العيادة نفسها .

مستصحبين معهم المستمسكات التالية :

- تأييد من أقسامهم
- درجات الإعدادية

وجزاكم الله خيراً

بدر بن السليم
جامعة الموصل
رئاسة جامعة الموصل
ادارة المجموعة الهندسية

Source: al-Tamimi, Archive of Islamic State administrative documents

About financial aspects I did mention the salary cuts. One of the factors causing financial strain to IS, has been that the Iraqi government no longer pays salaries to government workers living in IS territory, including teachers. So IS was asked to account for the suspended expenditure in some way and so they imposed additional costs on students, getting the text books printed themselves. So in a variety of text books, you find a given number pages for each text book and the price in Iraqi dinars for getting a print in colour or black and white. The cost, by the way, is

in Iraqi dinars and normally the currencies used by Dawla are Syrian pounds, Iraqi dinars and US dollars. There is no evidence about the use of the so called “gold dinar” about which they made a big deal in their propaganda.

This is a repentance card from Aleppo province, in northern Syria, which indicates another interesting feature of this quasi-government. When the IS takes over an area, people who worked under the previous regime, need to repent for this which involves a financial fee to get an indispensable document, subject to renewal on an annual basis. There is population control rationale behind this, but also the need to extract further cash and resources from the population.



Source: al-Tamimi, Archive of Islamic State administrative documents

Pictures from the budget suggests an economy relying primarily on extortion and taxation, with a significant proportion of expenses directed towards military upkeep in bases and fighters’ salaries. That system is sustainable only as long as a

cash flow between IS and the outside world is maintained, most of the time illicitly. One examples is the trade in cigarettes, which come into Syria via Turkey both legally and illegally to be then taken and smuggled into IS territory, for example in oil tracks. Normally, when the cigarettes is sold for contraband in the IS environment, it is for around twice the price what it would sell for in Syria, as local news page for Manbij (Manbij Umm al-Dunya) show.

واخيراً #الدخان

6000 كروز المعسل تفاحتين

4500 كروز الجيتان

4500 كروز الكيلواز

2200 وكروز فرخ الجيتان

2100 وكروز المستر

Cigarettes [Syrian pounds]

Box of Mu'asal al-Tuffahatain [e.g. [here](#)]: 6000

Box of Gitanes: 4500

Box of Gauloise: 4500

Box of Gitanes Light [?]: 2200

Box of Master: 2100

Source: al-Tamimi, not an Islamic State document, but via a local news page for Manbij (Manbij Umm al-Dunya)

Another issue, often talked about by people, is fighters/citizens distinction, the first being somehow more privileged than the latter. There is some truth to this as comes out in this document, because it seems that fighters had access previously to a '24/24' electricity line. But this statement from October 2015 shows that by order of the general government committee, which is a kind of higher IS governing body, this electricity line was cut from fighters' homes and reserved for military bases only. The statement says that this is done in order to achieve fairness between the soldiers and the civilians under the Islamic rule. So clearly if the fighters in their homes had access to more electricity than the locals, they acted as a privileged class; in having their perks cut, I think this points to more internal changes facing the Islamic State.

Finally on the information restriction, for example, this was a notification issued, calling upon the ban of satellite dishes; they said it had to be completed within a six month time, but then another notification coming two weeks after the statement in November 2015 reinforced the prohibition including every possible satellite apparatus.

I am talking just in general terms about the causes of the mentioned challenges that IS faces: the assessment is that they are confronting multiple mounting problems, but I do not want to mislead you by inferring that therefore an internal total collapse is imminent. It is still clear to me that they have a rigid security apparatus and they are able to control their heartlands and territories particularly in Syria and Iraq and eastern Syria (Deir ez-Zor) and this will continue as long as there will be no local rivals to challenge Dawla on the ground. There are no local forces to challenge them from within and they are very efficient in suppressing internal revolt.

Nevertheless this does not apply to jihadism in general, and there are plenty of jihadist groups operating in the Syrian theatre, for example, Jabhat al-Nusra (an al-Qaeda group that has absorbed many smaller ones, as Jaish al-Muhajireen wal Ansar - the Army of the Emigrants and the Followers) or other groups that are linked to al-Qaeda, but take a more extreme view in how they approach the implementation of Sharia and in the choice that they do not believe acceptable to fight IS except for strict self-defence. Other groups instead believe that it is good to take the fight to IS, just not under the cover of an international coalition like Iraqi-origin groups Jamaat Ansar al-Islam (the Army of the Followers of Islam). Ansar al-Islam probably you know it since the Nineties, it still exists today, except the Iraqi branch is largely inactive, while there is a Syrian branch still active in Western Syria.

There also what I classify under the category of notification groups: these jihadist groups are very small and are very weak. For example, Ajnad Kavkaz in Syria, which attracts Circassian fighters from north Caucasus, Jordan and Syria, has no more than one hundred fighters. Jund al-Sham which is led by the Muslim al-Shishani does not have more than 35 fighters. One of the problems they are having is that they were involved in very heavy fighting in Latakia along the Syrian coast and have been subject to very intense regime and Russian attacks, suffering considerable attrition.

Jabhat el-Nusra is the strongest of all, has some bureaucratic departments, but not the all comprehensive machinery of IS including public services, fishery, health, etc.

Concluding, against IS we can work on multiple levels, but even so we must take into account that IS will stay for the years to come in the Syrian heartlands of Rakka and Deir ez-Zor. IS will also have a broader influence in the wider jihadi world, including inspiration for plotting actions in Europe and training some assets for attacks within EU countries. The past attacks in Europe are likely to play out for many decades and this is a long term trend.

If there is a medium term priority for NATO, I think it is stemming the flow of foreign fighters into Syria because this is their main venue into the Syria-Iraq arena. They do not come through Iraq: they come to Syria first, normally via Turkey. So the priority is to remove IS from remaining borders areas along Turkey and it is necessary to step up support for local rebels in the north Aleppo countryside, which does not include Jabhat el-Nusra that regards unacceptable to fight IS with international support.

Another weak spot of the Islamic State is internal dissent as in Yemen, where the IS overall governor of the Yemeni provinces (the wali) faced an internal revolt despite Dawla telling locals that they should be loyal to him. In the longer run al-Qaeda in Syria could be problematic for IS because it is deeply entrenched there and this could serve as a basis for future attacks in the context of the infighting of the civil war.

EUROPÄISCHE UNION
BUNDESREPUBLIK
DEUTSCHLAND



العربية السورية
SYRIAN ARAB REPUBLIC • REP

BERLIN / Berlin / délivrance

2007/3/26 / valide à partir de

ONE ENTRY / entrées

95142878 / Passeport N°

2007/3/26 / date de délivrance

Occupation / Profession

Remarks / Remarques

تير الثا
قرواني



Armed terrorist



Session 2

ASIATIC VETERANS AND FOLLOWERS



ALAIN JUILLET

THE AFRO-ASIATIC CONNECTION

I want to speak about the European and African dimension of jihadism linked to the Asiatic one, because I think that it is possible to get information and understanding through what is happening not only in Europe, but mainly in Africa, to see how it connects to Asia.

It is clear that since 40 years we face an evolution of terrorism worldwide, with the decrease of ideology and a very important instability of nation-states' control or autonomy and a huge increase of religious goals. I will say that, when you look at the protection of territories or the control of an area, you fight from a terrorist perspective against civilians or officials, you fight against the occupier or the invader. I remember in Europe IRA against the Brits, ETA against the Guardia Civil, Chechnya against the Russian, the Tamil in South India and Ceylon, in all places we know very well how it works and that was the main terrorist activity for a long time during the previous century.

To promote your ideology, you attack specific targets or in general you create troubles in order to acquire support from part of the population, a big difference with the first tactic. Remember the trials made by Red Army Fraction here, Action Directe in France and the Red Brigades in Italy. Now, when you promote or want to push a religion, you use it as a flagship to implement rules and principles of the sect or cult, in a specific place, area or in a country. Today, after centuries of peaceful relationship, it is clear we suffer the consequences of the development of the Wahhabi trend..

We pay the structuring of the Middle East made by the French and the English at the beginning of the previous century. It is very clear: Salafist practices are directly promoted by the practice of Wahhabism and when they emerged in Yugoslavia, we have then seen what really happened under the pressure from a religious aspect on some areas, in Bosnia for instance. Now we are facing it in Middle East; we are facing it in Africa; we are facing it in those places also as we speak about.

It is necessary to have in this religious focus the case of the Muslim Brothers,

because you do not have to forget that the Muslim Brothers are not a religious sect; it is an organisation based on the practice of Sharia, which is far from the need of a caliphate as required by Salafist, but positions itself in the middle of the spectrum. We have seen it in Tunisia, in Egypt and in Turkey, where in these three cases, Muslim Brothers did the revolutionary job or are leading the country.

In the process of the promotion of this kind of Islam, we are observing more and more factions and I think it is important to really distinguish the situations and to understand them because what happens is not only IS, despite all the talks about it.

Al-Qaeda relied on a political concept: to destabilise societies with very tough actions, to create opposition between the Muslim world and the rest; just remember the contribution by bin Laden and al-Zawahiri on this issue. For me from an Eurasian perspective, I can see in political terms Al-Qaeda and ISIS being parallel in the Communist world to Trotsky the first and Lenin and Stalin the second. It is a very similar philosophy.

Now Dawla is very different because it relies on a territorial dimension. So we can say, as the Egyptian ambassador to Germany declared, "this not an Islamic State" and we can agree with this statement. Nevertheless behind Dawla exists a geographic concept, they want to control territory in order to apply Sharia rules and their system, exactly as a state. But showing a big difference from a usual state, IS can move from one place to another; knowing today what happens in Syria, it is clear that they are preparing a new kind of IS state in Libya, in the centre of Libya, in Sebha from Bengasi to the South West.

It is clear they want to create a caliphate because they are seeking the right time to focus on this political project despite being not credible. While they are trying to make it, they meet a lot of problems, especially religious ones, because the Quran, the real Quran, does not allow some ISIS practices. Therefore, these imams are obliged to publish fatwas to explain false concepts, like, for instance, that it is allowed to assassinate Muslims. The Quran says that you are not allowed to kill Muslims and you are not allowed to kill people you are confronting on some issue; it is written. In order to allow its fighters to do it, they have published fatwas, and the same falsehood is used to justify the act killing themselves in suicide bomb attacks. These fighters are playing a role which is not allowed by Quran: but since you cannot kill yourself, these imams are finding a way.

In fact they are using parts of a very narrow-minded interpretation of the Quran and this gives us an important indication: for us it is important to explain to all people involved in Dawla or living in that "state" the reality of the Holy Book, instead of letting them be manipulated by their imams. It is important to try to explain that this a special, hijacked Quran that has nothing to do with the real one.

The promotion of terrorist groups is also an important issue and it takes very different forms in Europe, Africa and in Asia. Al-Qaeda, in the past and now, is just using the media, i.e. they carry out an attack and show that the media were

speaking about it. Thus the promotion of Al-Qaeda as a brand, an organization and an ideology is mainly made through attacks worldwide. Dawla is very different because they in Europe, for instance, they are using a very well organized system, implemented through social networks. It is impressive to see e.g. in Europe, France, Belgium, that they use special tools to cover the social network sphere and check when someone is speaking about incidents and collective or individual problems. When a young guy or female explains that he/she has troubles and he/she has difficulties in his/her school or with his/her family, they get in touch with him/her through the social network and start to explain that the solution is to join them. And they are very effective.

In France our worst problem is how to devise countermeasures against this grassroots recruitment system, because it is easy to control sites and shut them down, but it much more difficult to enter in direct contact and conversation with people from Maghreb and young Arab persons.

They also publish a very good magazine called *Dabiq* (a mythical place for an Islamic eschatological battle. Other versions of the publication for different publics are called *Dar al-Islam* and *Konstantiniyye*). It is not only editorially attractive, but also very interesting because in first instance it explains the philosophy of Dawla, but then it goes into operational details. It shows how people have to execute attacks or terrorist actions and moreover it discusses into some detail past attacks to draw some lessons learned. For instance, after the Bataclan massacre or the failed Kalashnikov attack on the Brussels-Paris train, they explain all the mistakes or the practices that have to be improved. Regarding the Bataclan attack, they explained why it will be necessary to change the methods and tactics in order to achieve more deadly results. When a country faces this kind of propaganda and follow-up actions, it is very difficult to fight against them if one does not have a real organisation focussed on the internet sphere.

I agree with what Peter Neumann told before regarding the three categories of jihadist recruits, but I can say that for in France, after all the studies and survey we have made, the second one, the seekers, are the majority. Why? Because the offer to young people is very simple: "If you join us you will be covered and protected by God and therefore, being submitted to God, you will not have to decide anything. You will be only online, so no problem for you".

If you think you are not existing in your own life, as Peter Neumann said, it is possible for you to exist through religion, being a fighter, a shaheed, a suicide bomber, marching until you meet death. The problem is when you want to be a fighter because, if you go to Syria, it is easier since you will be trained but when you are in a European or African country this is much more difficult and it touches the problem IS faces today: the quality of fighters. In fact in the execution of all the attacks in Europe they were mistakes and the same applies in Africa (Ouagadougou, Bamako, Nigeria and other places. Therefore they are not so well trained as expected, so efficient as expected and this is an opportunity for our security forces

because they are also discovering that IS employs criminals instead of ordinary people. Of course the organisation saves time because criminals are already accustomed to the use of weapons and they have already an idea on how to execute an action, speeding times from recruitment to actual attacks. The majority of terrorists now attacking in Africa and in Europe are criminals indeed, young little ones, but already felons. It is an important point since criminals have often already been known to police forces and it is easier to profile them

This information allows also to relativise the analysis published by Europol (25/1/2016) where an analogy was drawn between the IS attacks and the *modus operandi* of special forces; on the one hand it may be similar, but on the other, as I said, they are luckily not as efficient as special forces since they lack their training.

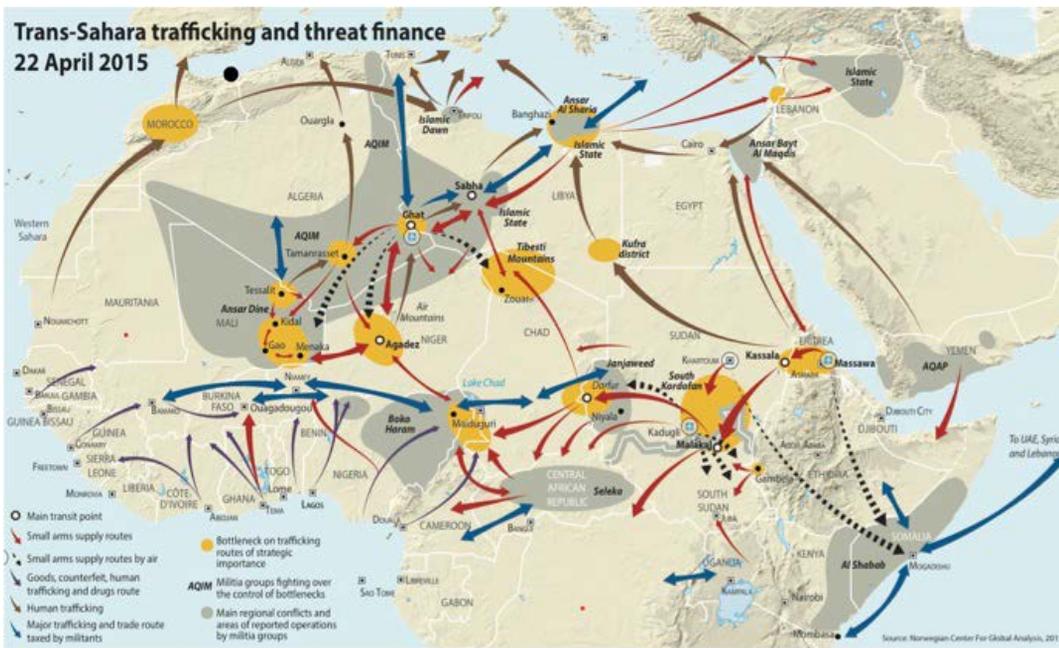
Nevertheless it is important noting that the attacks of the 13th of November against the Bataclan and the Saint Denis Stadium are rather similar to the attacks that happened in Mumbai (Bombay), which amounts to say that they try to apply the same method in all places. This is demonstrated also in Africa: the attack against the hotel in Bamako is exactly the same as the one against the Ouagadougou hotel. So there are some models that, once analysed and known, allow devising protective measures or appropriate counterattacks.

I would also like to add something on radicalisation. Once, based on past experience, we were thinking that it was necessary a long time in order to radicalise somebody; this belongs now to the past: in three months you can be radicalized through internet and it happens very quickly. We have a lot of examples now about IS had shortened the times of the radicalization process.

The new attacks are focussed against soft targets. They look for these objectives because this is enough for them to exert pressure and fear on countries. We see this happening in all places and maybe it is a very important point. This tactical choice is for the moment an implicit admission that it is too difficult for them to attack well defended sites, like a nuclear plant, a military base, etc.. Even when they are targeting soft objectives (cafes, hotels or a stadium), they are prone to evident failures. In the same night of the Bataclan attack, they also mounted an action against the football stadium, but they arrived 20 minutes after the beginning of the game. Luckily by then no one was outside the structure because, if the attackers would have arrived in time, they could have struck against a crowd and it would have been a disaster. Coming back to the terrorists operational objective, if you look at what is happening today in Africa, as in Burkina Faso, Kenya, Mali and Senegal (yesterday there was an alert) - and everybody waits for something in Ivory Coast [note of the Editor, the 13th of March jihadi terrorist executed a shooting attack on the Grand Bassam beach], they are covering the entire area with this psychological pressure campaign.



Source: conference slides



Source: Norwegian Center for Global Analysis

Their problem is not to get big military tactical results, their goal is to instil fear in the population and especially in the elites, declaring through this propaganda by the deed “We are stronger than anybody else, we can do what we want”. This matters.

Financing is a very important issue for ISIS since war needs money and terrorist attacks too. In France, the CAT (Centre d’Analyse du Terrorisme - Centre for Analysis on Terrorism) has completed a survey last year on 75 cases of terrorist attack since 2001 until now; 50% of these have been executed by people who at the same time were terrorists and smuggling, trafficking cigarettes, drugs and weapons.

Let us look at this first map, that is Africa, North and Sahel, you see:

- red arrows for weapons' smuggling;
- green arrows for drugs;
- black arrows for smuggling of migrants and cigarettes.

In this following map, you see that migrants are following again the same routes that is to say, in Africa today the same routes are used by terrorists, migrants, drugs, cigarettes and all are controlled by terrorist groups. These routes are subjected to "terrorist" taxes or to other payment systems so that they can make a profit out of it. So we can say that today in Africa the money used by terrorist is all due to trafficking and smuggling. It is very interesting because in this area live impoverished populations and IS can no way receive a zaqat (Muslim flat tax) as in Europe.

But also in Europe smuggling networks, especially cigarette ones, come regularly up since 2004, as it is published for the first time by the CAT. Every important European country is covered by this mixture of trafficking and terrorism. A view at a glance through this list of main cases is instructive:

- Fehti Al Haddad, Italy for GIA/GSPC/AQMI (1995-2002). Cigarettes trafficking in the cities of Naples, Milan and Rome to finance the Algerian GIA;
- Swiss for ETA (2004). Cigarettes trafficking by eight Swiss residents for ETA from the Buchs free port (canton Sankt Gallen). One billion Euros had passed through Swiss banks before being sent to ETA;
- Portugal, GSPC/AQMI (2006). Network linked with GSPC and AQMI using for logistic and financial purposes: clandestine immigration, cigarettes smuggling and car trafficking Belgium;
- Rasim Delic, Bosnia Herzegovina (2007). Cigarettes smuggling in Bosnia to finance the Mujahedeen battalion;
- United Kingdom, IRA (2010). European inquiries investigation had brought to light than 2 Irishmen had built a huge traffic to import weapons and explosives in northern Ireland financed by cigarettes smuggling;
- Amedy Couliblay and Djamel Beghal, France (2010-2015). Cigarettes and drugs trafficking to finance ISIS attacks on French territory and the escape attempt of Smaïn Aït Ali Belkacem from a maximum security jail;
- France to Syria and ISIS (2012-2016). Several jihadists have paid their trips to Turkey, Libya or Syria through cigarettes and drugs trafficking.



ZHOU QI

COUNTER-TERRORISM: CHINA'S STAKES AND ROLE

Terrorism has become one of the major sources of non-traditional security threats in today's world. Islamic extremist forces, in particular, inflicted huge damage to large tracts of the world, be it Europe or America, even China, or Iraq and other countries in the Middle East. Terrorist violence masterminded by these forces not only engineered humanitarian crises, but also created huge pressure on refugee transit and recipient countries, even evolving into destabilizing factors for these societies. How to cope with terrorism and the IS cries out for coordination among all major countries.

COUNTER-TERRORISM REFLECTS NEW CHANGES IN INTERNATIONAL RELATIONS

For decades, the international system put in place following WWII has been largely effective in forestalling and regulating war behaviour among states, making wars a rare occasion and generally limited in duration and scope. This has started to change with 9/11 terrorist attacks and the two wars on terror the US launched. According to Middle East analysts in China, with the rise and expansion of Islamic extremist political forces, the Islamic fundamentalists rated as terrorists all set for themselves the objective of creating caliphates or replacing modern law with Sharia law. This presented a critical challenge to European countries and the US, which follow the Christian faith.

For centuries, migrations by Muslims from the Middle East and South Asia have disrupted the traditional social structure in Europe, making it all but impossible for Europe to digest what may be the third wave of the Islamic shock, the first two being in the 8th century when invading Arabs were repelled and the 15th century when Islamic forces from Ottoman Empire overran South-eastern Europe, leading to the partial Islamisation of Europe. With disproportionate growth in birth rates leading to decreasing Christian and non-monotheism populations, Euro-

pean countries have been less able to assimilate the Islamic influence. Conflict of religion and civilization intertwined with political and economic pursuits has surfaced.

The US not only got stuck in the Iraq and Afghan wars, and the war in Syria in the past year, it also suffered from multiple terrorist attacks to its homeland. The latest case was a shooting incident leading to 14 deaths at the hands of 3 attackers in California. President Obama himself wrote a speech and spoke to the nation in the White House, signalling that the terrorist threat has gotten to a new level. The threat is real and America must defeat it.

Some thus are predicting that this conflict triggered by extreme Islam will degenerate into universal force and everlasting non-conventional warfare. Some in China warn that such danger is emerging in mixed civilization areas such as Europe, South and Central Asia. Others in other countries went so far as to claim that "The Third World War against extremist Islam has broken out." Given the otherwise catastrophic consequences, combating these terrorist forces should be a common objective of all peace-loving forces in the world.

The IS has become a standard-bearer of extreme Islam. All major countries have come to an understanding of the dangers posed by IS and terrorism and the necessity of taking joint actions. The US assembled an international coalition against IS composed of 54 countries. Russia started air raids on IS targets in Syria on Sept 30th 2015, which was the first open military action taken by Russia outside its territory since its withdrawal from Afghanistan. Russia is also joining forces with the governments of Iran and Syria. Syria now is the only country in the Middle East on whom Russia has some influence. Turkey's downing of a Russian jet has eliminated any hesitation Russia may have on bombing Syrian areas bordering on Northern Turkey. And finally there is the Islamic coalition assembled by Saudi Arabia.

What we are seeing in the fight against IS are three inter-connected layers in international relations. The first layer is the conflict within Syria, including players such as the Syrian government, opposition, Kurdish forces and IS; the second layer is the interaction among regional countries. For example, Saudi Arabia leads some countries in fighting IS, but is also competing with Iran for the domination in the Muslim world. The latter is apparently on the upper hand in terms of regional security issues. The third layer is the interaction among US, Russia, and Europe, which has been confronted with the influx of refugees fleeing IS areas.

If we compare the fight against IS with that against Al Qaeda in 2001, a major change would be in the nature of relations among nations. In the latter case, international relations after 9/11 had been subordinate to the anti-terror alliance led by the US, which drew the line at counter-terrorism: "You were either with us or against us." Whereas now, counter-terrorism is subordinate to existing international relations. Here we've got a complicated situation. A major difference would be that the US was more like a major participant, rather than a leader in international counter-terrorism.

As the US announced its pivot to Asia in 2010, with which it sought to shift its global strategic focus into the Asia-Pacific, it tried its best to stay out of the new round of turmoil in the Middle East. The US only provided 2 billion US dollars to NATO air attacks on Qaddafi government troops, and it for the first time did not ask for commanding position in the NATO action. The US was initially hesitant when Arab Spring occurred before it decided to give limited support to the opposition when the latter was already taking over. And President Obama never wavered in his determination not to send ground troops to fight in the civil war in Syria. Although it would be impossible for the US to leave the Middle East completely, the US is apparently no longer anxious to be the leader in the Middle East. The shifting role of the US has led to profound changes in the international landscape on counter-terrorism, creating room for more countries to exert their role and influence and also making the anti-IS situation more complicated.

Russia came in to fill the geopolitical void left by the US in the Middle East. At the major power level, the new Middle East situation was mainly about the rivalry between the US and Russia, who both compete and cooperate with each other.

So the fight against IS has taken on a geopolitical dimension. The underlying issue is: Who will dominate the internal politics of Syria? Who will take over Syria following the cease-fire? Although the US agreed to resolve the civil war in Syria through negotiations, yet its objective remains to maintain air attacks and overthrow Bashar Al-Assad's rule through strengthening the opposition. Russia called for negotiations as soon as possible to maintain Bashar's position. At the regional level, the contest is between Iran and Saudi Arabia. Saudi Arabia and Gulf countries wanted their role in addressing the political issue in Syria. They are concerned about a possible US-Russia deal which may involve concessions or agreements against their will. Sectarian, ethnic and Kurdish issues were all involved in this geopolitical game.

According to a diplomat in Egypt, the Islamic state is largely run by the Sunnis and is the product of Sunni-Shiite rivalry in the region. The defeat of IS would mean a defeat for the Sunnis in general, or the rise of the Shiites, which is far from desirable for Sunni countries. This is an important factor for the complexity and protracted nature of the IS issue. The Syrian question will be a key issue in the political and religious landscape in the Middle East and different political forces have different considerations. Therefore, the approach to Islamic State is very much coloured by religious and political calculations.

The IS network is now global. Therefore, even technically, the fight against Dawla is no longer national or even regional. It is a global warfare with the involvement of almost all major countries. However, in terms of prospects, this war may well be long dragged out, as air attacks cannot resolve all issues. The US air attacks in Syria since September 2014 have wiped out some 20,000 IS fighters, yet 8,000 attacks later, there are still about 20,000 IS fighters in combat, which is a good indication of its viability.

Since its nuclear deal with the US, Iran has seen its influence in the Middle East rising, with a strong momentum in its external relations unseen for the past 30 years. Iran's relations with the US have also reached a high point. At the same time, it formed strategic cooperation and security alliance with Russia on the questions of Iraq and Syria.

THE PROSPECTS FOR IS

Would IS be able to exist for a long time? IS grew out of Al Qaeda, but is also an upgraded version of Al Qaeda. Different from previous terrorist groups, IS has 12 provinces and 16 ministries (the figure is still evolving). But what we need to recognize is that it is a type of ideology and a way to realize this ideology that Baghdadi is really calling for, and there can be much more carriers of this ideology than only IS. Baghdadi himself and IS may be killed and eliminated, yet this ideology may be carried on by other individuals and groups. Even if IS was defeated by US and Russian air raids, its believers will enter other groups or cross into other borders and may rise again when the conditions are right. Furthermore, there are quite a few people who sympathize with IS in Western countries. Take France for example, whose Muslim population accounts for more than 7% of the total. After the Paris terrorist attacks, a survey found that 25% of respondents showed sympathy with IS and 27% did not like the US.

Even a conservative calculation would put the Syrian opposition to 130.000, the normal estimate being 200.000. Among these, IS accounts for 40% and the Supporting Front 30%. The Syrian government troops number about 110.000. Far from being dissipated by two months of Russian air raids, the Syrian opposition has only shown signs of being strengthened. Extreme Islamist forces are always ready to go with the stronger force. If the Islamic State is wiped out, its members may well join other groups, such as al-Nusra Front. As things stand, there are hundreds of thousands of migrant armed fighters in Syria, and 100.000 in Iraq. Attacks against the IS would do little to affect these groups.

Moreover, the IS as a dispersed group cannot be eliminated through air attacks alone. Yet none of the major countries have any appetite for ground war. The fact of the matter is the bombings have created more problems than they have solved, as they tend to reignite age-old animosities between the Islamic and the Christian faiths. The West was labelled as anti-Islam and anti-human who kill the aged, women and children with advanced weapons. Therefore, the eventual resolution would only come through contest between ground forces.

CHINA'S ROLE IN INTERNATIONAL COUNTER-TERRORISM

China is also a victim of terrorism. The terrorist violence in Xinjiang autonomous region has everything to do with international terrorism in terms of ideology. In-

digenuous terrorists in China followed the lead of Islamic extremists and created multiple terrorist attacks in Xinjiang and somewhere else in other cities in China, such as in Beijing and Kunming. Their organizational links with IS can also be seen during the civil war in Syria, where fighters came from Xinjiang to fight for IS. Therefore, preventing and combating terrorist attacks aimed at hurting innocent civilians have become a primary objective for China in its effort to maintain domestic security and stability.

The IS and the incidents and catastrophe it created attracted much attention in China. More and more international relations scholars are studying what kind of role China should play in international counter-terrorism as the most pressing non-traditional security threat. And the following are some of their views:

First, the Eastern Turkestan movement in Xinjiang is part of international terrorism. China must prevent terrorist violence in Xinjiang and other parts of China and fend off IS infiltration into China and collusion between IS and Eastern Turkestan forces. Through its global recruitment, IS has infiltrated into Afghanistan and Pakistan, recruiting from 31 out of 34 provinces in Afghanistan.

Second, every nation shoulders the responsibility of preventing its citizens from joining the IS. So does China, especially when there are already at least several hundred Xinjiang Uyghur fighters within IS.

Third, China must protect the Belt and Road Initiative from being disrupted by IS expansion. The kidnapping and killing of Chinese citizen Fan Jinghui and the killing of 3 senior executives of China Railway Construction Corporation in Mali show that such threat is very much real.

Fourth, it may be an inevitable trend for China to combat terrorism beyond its borders. The security needs and interests of Chinese citizens must be safeguarded. China is going to adopt legislation soon to authorize external actions by public security personnel. Yet China will not send troops to fight terrorism on its own. Its preferred approach is to cooperate with local security apparatus to this end.

Fifth, some people believe that the Middle East is a touchstone for China's major power status, as is the case with all major powers before. Looking from this, China is not yet a major power and is far from being one in terms of capabilities compared with such major powers as the US and Russia. Yet more and more people would like China to undertake more international obligations. The conditions are not yet ripe for China to go beyond its borders for purposes of counter-terrorism. China's aircraft carrier is not fully capable of combat with a carrier group. China has no overseas military base. China's air force cannot execute long-distance missions. And poor intelligence is probably the weakest link in China's participation

in counter-terrorism. Furthermore, apart from Russia and Syria, no other party has raised request for China joining the military action.

Sixth, China's advantage lies in economic assistance. China can contribute positively to post-war reconstruction and humanitarian assistance. China may provide financial resources for rebuilding the infrastructure destroyed by the terrorists. And if necessary, China may consider providing assistance to air attacks against IS. In any case, China should be a staunch supporter of counter-terrorism in the strategic sense. In fact, counter-terrorism is the most important area of cooperation within the Shanghai Cooperation Organization.



FELIX HEIDUK

SOUTH EAST ASIA, JIHADISM AND ISIS: A NEW CALIPHATE IN THE MAKING?

This is a recent phenomenon but there are very little comprehensive data about it, so I will give more often an overview than a clear cut analysis. Starting with very recent events: the attacks in Indonesia on the 14th of January 2016 were executed by a group of Islamist militants that staged an attack against a Starbucks shop and a small police station nearby in plain daylight in central Jakarta.

In many ways it was an imitation of the Paris attacks but luckily with minor outcomes: eight people were killed, including the four perpetrators. It was a low-cost, low-level attack, but with a high probability of spreading fear and garnering media attention nationally and internationally. Where is the IS link in all this? The Indonesian police has attributed Jakarta's attacks to Muhammad Bahrin Naim Anggih Tamtomo, an Indonesian national affiliated with Islamic State in Iraq; currently, if the information published by the Indonesian police is correct, residing in Rakka (Syria).

Bahrin Naim actually posted an article on his blog sometime before the attack entitled "Lessons to be learned from the Paris attacks" in which he was full praise of the way the Paris attacks were carried out. So it seems safe to argue that the Paris attacks have in many ways inspired at least some of the Indonesian militants involved in the Jakarta attacks. More so, intelligence information has been released which reveals that one of the attackers actually was part of a jihadist group in Indonesia together with Bahrin Naim in the late 2010s, and that he also apparently received a bank transfer from Naim to fund the attacks. Hence there seem to be personal connections as well as some degree of financial support between Indonesia jihadist groups and members of ISIS.

Whether the target was selected from Rakka or the attackers were chosen from Rakka or the action timing was defined by Rakka, I have no information. Making any suggestions on this would be pure speculation. Let us now contextualize these attacks. The attack puzzled various people because Indonesia had been very quiet on the terrorist front since between 2009 and 2016 no major terrorist attack had taken place in the country.

There were a lot of attacks in the early 2000s in Indonesia, most famously the Bali bombings in 2002, which were carried out by Jemaah Islamiyyah (JI), the Islamist network with ties to various parts of Indonesia but also with ties to the Philippines and Malaysia. There were other attacks in 2003, 2004, 2005, 2007, 2009 mostly on so-called soft Western targets: embassies, hotels and so on. With each attack, however, Jemaah Islamiyah became weaker. Firstly because there were a lot of arrests, over a thousand actually across South East Asia in that time period. Also by 2009-2010 Jemaah Islamiyyah was split internally over tactical and ideological issues and had limited resources at hand. There have been a few splinter organizations carrying out small-scale attacks since 2009, but they have differed greatly in terms of their capabilities, size, and ability to engage in and sustain violence from JI. Moreover they changed tactics: most of the targets between 2009 and 2016 were policemen and other representatives of the state - the "near enemy" as they were called. There were no bomb attacks on so-called soft, Western targets in the 2009-2016 period (on the so-called far enemy). More importantly there was a power vacuum in terms of the proclaimed leadership of jihadism in Indonesia after the weakening and fragmentation of Jemaah Islamiyyah.

And that is actually where ISIS comes into play when we talk about jihadism in South East Asia in 2016. The links between ISIS and Southeast Asia is a very recent phenomenon that has really taken off only during the last two years and basically what we can see is a two pronged strategy by ISIS. On the one hand ISIS is increasingly trying to consolidate a support base mostly within Indonesia but also in other parts of South East Asia, especially the Southern Philippines and Malaysia. On the other hand there is also an increasing number of fighters from the region that have gone to fight under the banner of the ISIS caliphate in Iraq and Syria.

In fact the bigger part of the phenomenon consists of militants from the region going to Syria and Iraq. It has been estimated that since 2014 600-900 fighters have gone to the Middle East. At the beginning most of them, were fighting with Jabhat al-Nusra (the al-Qaeda affiliated group), but that has completely changed since late 2014. Since then the overall majority of them actually fight with ISIS. A Bahasa-speaking (Indonesian speaking) IS brigade called Katibah Nusantara has been set up and a Bahasa language Youtube channel has been set up, too. There are also a number of websites, blogs, etc. Already more South East Asians have joined ISIS within the last 18 months than they ever joined the mujahedeen in Afghanistan over the course of 16 years.

Let me come back to the other aspect of ISIS links with Southeast Asia: the fact that ISIS is building a support base in the region. Several fighters have returned and some of them actually joining local terror cells and plotted or executed attacks over the last 12 months including bombing plots against the Myanmar embassy in Jakarta or the Carlsberg brewery in Kuala Lumpur. Both groups were arrested during the planning stage. We also had in March 2015 a chlorine bomb planted by a Syrian returnee in a suburb of Jakarta that luckily did not explode.

So what we can basically see is that ISIS is also making inroads mainly by latching on to existing groups and networks, and this is quite interesting if you compare it to other parts of the world. Many of those groups have pledged allegiance to IS in the last year or less, including parts of Abu Sayyaf, Ansar al-Khilafa, Bangsamoro Islamic Freedom Fighters (BIFF) in the Philippines, Mujahidin Indonesia Timur (MIT) in Indonesia and other groups. There were pro-IS demonstrations in parts of Indonesia that have attracted over 2.000 people and police estimates suggest that in Indonesia around 1.000 people are actually organised in IS affiliated organizations. This is, I know, nothing when we compare it to the overall size of Indonesia, which is the state in the world with the biggest Muslim population: 204,8 million. Loads of other countries, including European countries like Belgium, have sent much more ISIS recruits per capita than Indonesia. However the swiftness with which ISIS was able to take root in Indonesia is quite outstanding.

So how has all of this been received in South East Asia? First of all, with regard to previously existing jihadist networks they have been split into pro-ISIS and pro-al Qaeda groups. This is a phenomenon that also can be found in other parts of the Muslim world. So while a number of groups have pledged their allegiance to IS, others have not. Actually preeminent al-Qaeda supporters have condemned the January 14 attacks as a violation of Islamic law, because most of the victims were Muslims. But for IS supporters, this and other apparent successes in the Middle East, have offered a way to revitalize jihadist activities, training, support, money, ideology and all that. Some say that ISIS has at least the potential to become the new Jemaah Islamiyah; especially if they were to establish a new, charismatic leadership with the objective of uniting the currently divided jihadist scene. At the moment, however, this seems unlikely as ISIS has caused many divisions among jihadist. As a result there are various groups operating autonomously in the country and the region.

However, if we move beyond the militant fringe, then we will find that the mainstream Islamic organization have all distanced themselves from IS, so have all the Islamic political parties in the region as well as the respective governments of Indonesia, Malaysia, Philippines, Singapore and so on. We also find in most countries an active Islamic civil society that has, for the most part, promoted a moderate interpretation of Islam and that has distanced itself very clearly from IS, as well as from Al Qaeda in the wake of September 11 attacks. There are also effective counterterrorism police forces operating in the region, which have been quite successful in infiltrating networks, disbanding them, imprisoning jihadists and also, this needs to be clearly mentioned here, de facto liquidations of terror suspects during police raids.

Nevertheless, I would argue on the basis of the available information that it is safe to say that IS has made some "small" inroads into the region and has become much more than an online fan club. It has done so by mainly on the basis of the latching on of existing groups. So far we find very few cases of internet-only, lone

wolf radicalisation and recruitment in the region. The majority of the people who have joined IS-affiliated organisations and who have travelled to the Middle East to fight have been recruited through established jihadist networks that were existing and functioning well before the emergence of IS.

The roots and the drivers are hereby often found in local grievances within the region rather than in ISIS's performance in Syria and Iraq. The available information shows that local grievances such as taking revenge for perceived state oppression by state security forces, or the defence of Muslim communities in East Indonesia against Christian attacks are often the drivers of this. Now, does this mean that ISIS is threatening the stability of the region and is there a new caliphate in the making? These fears are, for the time being, overstated. Indonesia, the country with the largest Muslim population, has a tiny jihadist movement relative to its size.

If we look at European countries such as Belgium, but also Sweden or Germany (with a Muslim population of about eight millions, for example) have seen as many fighters leave for Syria and Iraq as Indonesia with a population of over two hundred million Muslims.

Plus, there are many factors, if we look at the region, which have kept militant jihadism in check: stable government, albeit not necessarily democratic ones. If we look at internal conflicts, they exist in Malaysia, Southern Philippines, Southern Thailand, some parts of Indonesia, but not to the scale of the civil wars in Syria, Iraq, Libya, Afghanistan to which ISIS and Al-Qaeda were able to latch onto. We find also a largely peaceful neighbourhood in terms of interstate conflicts in Southeast Asia, too.

Hence, to conclude I would like to argue that a new caliphate is not in the making, at least not in the foreseeable future. ISIS in Southeast Asia is in terms of military capacities still very weak. The inventory of the Jakarta attackers illustrates this very well: two pistols, a couple of homemade bombs, two homemade suicide belts, but no semiautomatic assault rifles, no advanced bomb-making skills displayed and so on. The emergence of ISIS has split the jihadist scene into ISIS-supporters and their opponents, further weakening those wanting to establish an Islamic state in the region. Additionally, extremist jihadists have not much scope for operation in stable political environments, let alone possibilities to seize territories and establish a state or a quasi-state with parallel state-like structures. More importantly, there is no widespread insurgency to latch on to in Indonesia, Malaysia or the Philippines at the moment as they did in Iraq, Libya and Syria. All of this makes the establishment of an ISIS caliphate in the region for the foreseeable future very unlikely.

9:43 AM

★ ISIS



An ISIS image search in Thailand



Putting under the lens money laundering



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Session 3

POST-QAEDA FUNDING



TOM KEATINGE

FINANCIAL INTELLIGENCE: AN UNFINISHED BUSINESS

I came across the topic of terrorist financing in 2011, so not that long ago, when I wrote my master thesis at King's College; I went to Peter Neumann, who was very helpful even if thinking, like many other people, that the topic was irrelevant.

It is interesting to remember when I was doing my research that, going around and seeing people working for security authorities, people really felt that terrorist financing was not an issue on different accounts. There would point out to the fact that with a cost of 8.000 pounds you could shut down the London underground network or to the fact that it is very hard to track money moving around the world. All of which is true. In the end the subject of my dissertation was to look at the global effort against terrorist financing and how it could be made effective. The answer, in my view, during the years 2011-2012 was: "No, it cannot be".

Why do I say that? I say that with more confidence now, four-five years later, because if you look at the handwringing all around the world regarding the Islamic State (IS) financing and the Paris attacks and other attacks, every leader, who gets a platform, stands up declaring: "We must do more to tackle terrorist financing". My question is: "What the hell have we been doing for the last 15 years since 9/11, when financing was very clearly a fundamental issue that has not been addressed. If start seriously looking at this kind of things, the financing monograph within the 9/11 Commission Report is a really good read. Then the question is: "Why have we spent 15 years saying that tackling terrorist financing is an important thing? Why have we published rafts of UN Security Council resolutions? Why setting up the FATF (Financial Action Task Force) and all the rest of it? Why terrorist financing is still such a difficult subject to deal with?"

I give you an example of this, taking advantage of the Chatham House rule: about this time last year I was invited to an event in Brussels, a briefing by a US government department about the financing of ISIS; all EU member states were there, there was a number of others countries present. With a couple of exceptions, all the rest of the audience found that the briefing itself was rather mediocre,

nothing that could excite anybody. I do not want to be discourteous, but the item of IS money is a bit more difficult to be explained than an uninspiring briefing can do. So it is really interesting to see how that rhetoric has changed over the last 12 months.

After this internal cognitive/operational obstacle (talking about finances and not knowing/working on the issue), there are other objective challenges. First of all money is like water, it will find a crack, it will flow through barriers or around. Bin Laden is reported to having said that his financiers knew the cracks in the Western financial system like the lines on the palms of their hands.

A second important issue, which often emerges, is who owns the data that may be useful for tracking terrorist finance. It is not the public sector, it is the private sector: it is the bank, it is the remittance companies, it is those that are transacting at a grassroots level. The public sector does not have access to the data that might help. The bottom line is, in my view, to have a fundamental re-thinking about the way one tackles terrorist financing and, at the core of it, the recognition that the authorities have delegated the management of financial flows to the private sector and thus the responsibility for tackling terrorist financing.

I know from my own experience in banking, if you do not do what you are meant to do with regards to things like money laundering, terrorist financing and the like, this is considered a dismissable offence. Banks are required to deal with it and indeed in many cases they have not dealt with it and that is why you see the large fines that have been levied on banks over the last few years. So if you put the financial institutions on the front line, how do you empower them? How do you help them to do the job they need to do?

Bearing this in mind, I decided that the foreign fighters' phenomenon was highly topical 12 months ago. I decided to have a look at the way in which financial intelligence, financial tools could be used to identify and track individuals who were thinking of travelling to Syria and Iraq, who had travelled and perhaps had returned. To go and see what banks are doing, because would not get any guidance from the authorities - the authorities barely knew where foreign fighters were, until Peter Neumann started publishing Twitter stuff. The essence of the exercise is to learn from banks and syndicate that to the authorities.

I started looking at FATF itself, because it has already been told that the effectiveness of authorities both in detecting and investigating terrorist activities is significantly better when counter-terrorism intelligence and financial information are used together. Who has the financial information? Mostly it is the private sector, so you better work with them.

So I started talking to banks to understand how they were trying to identify foreign fighters. In the UK and elsewhere - but very noticeably in the UK - there has been a massive drain-brain from the security sector into the financial one over the last five or so years. What I mean is that you have people sitting in banks and remittance companies, and think how they could have conceived, organised and

done their job at the Security Service (MI-5), if the financial information had been available to them.

I heard a number of very interesting cases where banks had identified individuals who were planning or who were travelling to Syria and they identified those individuals through their own intelligent analysis. As one person told me: "In my old job, when we were faced with this terrorist challenge, our question was: 'What is a good place where I can sit and watch these people'? And then I thought: 'What is a good place to monitor from a financial prospective people using their credit or their debit cards'?" So, combining different information one can quite quickly pinpoint relevant people and networks and identify key individuals of those networks who need to be disrupted.

There is one critical issue on which partnerships stand and fall: it is the sharing of information. I can speak about a few countries that I have looked at, but in general governments are very bad in sharing information within the silos of governments, as it relates to information sharing for tackling terrorist finance and other forms of financial crime. The information flow from the public sector to the private sector is terrible. The ability for banks and others who have use of this information to share it with each other is basically, in most countries, zero: actually you are not allowed to. In the USA, there are certain provisions of the Patriot Act which allow potentially this to happen; it does not work very well but nevertheless there is a model worth looking at.

Information sharing between countries, as we see in the post mortem of the attacks in Paris, when two countries like France and Belgium cannot share information among each other effectively when it comes to finances, you are in real trouble. It is interesting to see that Europol has published details of this new counter-terrorism centre they are going to be operating. Actually financial intelligence, financial information is going to be one of the key parts of that.

To summarise very briefly a very big topic, my very strong belief from the research I have done is that we need to retool the way we think about tackling terrorist finance; we need to prioritise understanding financial flows; we need to understand: is it just money we are talking about? is it barter trade? One of the linkages we have to understand is across the border between Turkey and Syria, between gold shops in Gaziantep and Jewish gold shops in Raqqa, for example. We need to focus on understanding those flows and financial sources and then we need to develop practices and actions that are based on this *acquis* to exploit and disrupt. At moment what we are doing is we are taking, what we think might work, trying to apply it and clearly after 15 years of limited success, we need a massive re-evaluation.



ERNESTO SAVONA

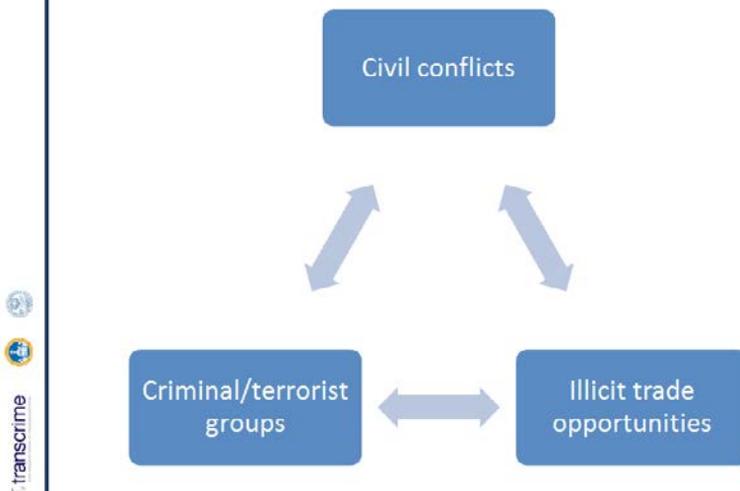
THE VICIOUS TRIANGLE AND THE OPPORTUNITY CUTTING STRATEGY

I will try to explain two or three key ideas that are driving my research activity at Transcrime. Many years ago, I was working on organised crime and, discussing about terrorism with Louise Shelley (with whom I am working since were children - it was 1986, when we met), I always thought that they were two completely different things and they are still two completely different things. because the rationalities behind organised crime and terrorism are completely different.

Today, things have changed a lot, it is really complex to explain what is been changing; I can just say that globalisation has been reducing the difference between two (organised crime and terrorism), by creating a common ground, which is what we call “the economic opportunities” and this is what I’m going to do today, explaining what I call “the vicious cycle”, between conflicts, illicit trade opportunities and criminal/terrorist groups.

In few words, there is an interaction between the three: civil conflicts have produced the emerging of illicit trade opportunities, which get exploited by criminals or terrorists. On the other hand, criminals and terrorists become attracted by illicit trade opportunities, whose exploitation creates destabilisation and civil conflicts. The story of the world is done by this vicious cycle: you can apply it to the Balkans after Tito’s death; you can to Libya today, where the absence of a government is producing illicit opportunities; you can move the same framework to many different places. This is really relevant, because it means: what is really changing is what we do against the emergency of a new type of terrorism and a new type of organised crime also, where the illicit trade is the common denominator of both. It started with gasoline smuggling in Balkans many years ago and moved to something else today in the Balkans, the same thing in Syria and Libya and the same in many other places of the world. How to interrupt the cycle?

The conceptual framework (2)



Looking at the example of maritime piracy in Somalia; you understand immediately that this is really a specific case of the most global transnational crime located in only one country (Somalia), because the opportunities of crossing the sea between the two shores, of the transit of cargos, the opportunities given from the failure of the Somalian state (no law enforcement, no government), the fragmentation of these things have produced an old crime, which is a completely modernized piracy. If there were not these many different factors, the failing state, the opportunity created by the strait of Bab el Mandeb and other things, piracy would not exist there.

Today remedies have been found, piracy is moving somewhere else. But you can consider many different cases: opium in Afghanistan, exactly repeating the same model; amphetamines in the Syrian conflict; you can move across all different case studies (e.g. oil and Boko Haram in Nigeria): opportunities drive organised crime and terrorist groups.

Let me focus on terrorism much closer and speak about ISIL. Once again you find for this organization that opportunities provide instruments for governing the different territories. It could be oil, cigarettes, antiquities, it could be anything they can produce or intercept, but if we will be capable to interrupt these flows, at least a remedy could be found.

This is my assumption and now let us look closer at the conclusions:

- Criminal and terrorist groups can be weakened by the disruption of illicit trade opportunities representing their main sources of income;
- Interrupting such trades would limit the ability of criminals/terrorists to carry out their actions and undermine their credibility and moral legitimacy among

- members and populations subjected to their power;
- A reduction of terrorism through an opportunity reduction approach is more forward-looking than any short-term military/repressive action against criminal/terrorist groups



The problem is that we need to understand and change the paradigms in explaining our phenomena. In 2000, there was the UN Convention on Transnational Organised Crime, signed in Palermo. This convention came at the end of a process, the rise and fall of violent organised crime, and the beginning of another one, organised crime with a reduced violent component and a very relevant economic component, through the infiltration of legitimate business. This is becoming the public enemy number one in the sector of organised crime. If we now consider the terrorist scene, we see that of course it remains violent, but that also these groups are moving towards illicit trade, i.e. as I said before the common denominator of both.

If we touch the illicit trade, we close the loopholes and thus reduce opportunities for both of them; I think and I believe, together with many colleagues, that this could work quite effectively. The problem is that is very difficult to do, because we don't know much about that. We don't know much about the flows because:

- research is limited,
- we do not know the financial flows and how big there are,
- where the business comes from,
- where it goes and across which countries,

- who are the main perpetrators and how much money they make.

Until February 2015 the UN has been always working against organised crime and terrorism, but reducing its attention toward the economic component of these risks and highlighting other more visible components (violence, capabilities, hotspots etc.). Now the resolution of February 2015 is putting on the table the idea that if we will be capable to limit illicit financial flows, this could be a very relevant remedy for reducing the amount of organised crime and terrorism, two phenomena that the UN still puts together. I think, this is really a reasonable approach.

More: in the Post Development Agenda, which was set up by the UN General Assembly on the 23rd of September 2015, the measuring of illicit financial flows has become the only indicator. UN are working on in order to estimate the amount of organised crime existing around the world, looking for indicators, which means also that the UN - which are really an elephantine bureaucracy - are looking for something that could be explained easily on: how much money is going to a certain country, to another country, where this money coming from.

As a researcher, I think we need to put this issue as number one in our research agenda, at least for what concerns Transcrime. It is relevant not only because new information is lacking, but because, if we synergise with law enforcement, we will change its mentality and thus the quality of its investigations in the area, since they need to be completely different from the actual practices.

I want to add something that probably not many colleagues of mine share: if we will be capable to do what I have outlined, empowering law enforcement in the end, probably the importance of the military component in peace operations will be reduced. My theory is that this is a job that cannot be done by the military; it is a police job. Investigations are a long-term activity, in order to move police action from one place to the other having only one key goal in mind: looking where the money comes from and where the money goes, because in this way if you will reduce the flow and its attendant opportunities, probably you will win.



LOUISE SHELLEY

THE HYDRA OF TERRORIST FINANCING

The financial report accompanying the 9/11 Commission Report missed much on the criminal finance behind the attacks. What was missed then, is still the major thing that we are missing today — that is the role of illicit trade. Illicit trade merges with the legal economy and is a very important part of terrorism financing and of trade-based money laundering.

A few months ago there were a few people testifying, before the bipartisan Task Force to Investigate Terrorism Financing on the Hill. There was a congressman who was a businessman before becoming a politician, saying: “Thank God, you are talking about this”, because I think we have been too dependent on the financial sector, looking at the banks and not enough at the trade area.

When we think about this problem of terrorist financing, it is not we need to be just talking to the banking sector, we need to be talking to all sectors of the financial community. I think that is why it is important we have people here who are specialists in illicit trade from the business community.

We also need to be thinking about the expenses of terrorism. For example:

- for ISIS — as we talked about today and Mr al-Tamimi talked about looking at the budget — the one month budget flow from a province may be around \$5 million, so a large amount of money;
- but terrorism in Europe, the terrorist attacks, if you are doing the training in the Middle-East, cost very little to execute;
- you need to have totally different financial strategies for collecting money in Western Europe than you do in the Middle-East. And you can think about this as one form of terrorism financing. There are enormous regional variations.

When Peter Neumann talked about the large involvement of petty criminals in terrorism, this helps explain why so much of European terrorism is funded by petty crime, because it is a necessity and an opportunity. This is what is so valuable

about this seminar: the coming together of different disciplines and expertise. You have here people who understand the biography of a terrorist, another putting together administrative pieces or probing the financial aspect, and so you begin to understand the operational strategies that can come out from the different elements of this research.

Why are certain crimes selected? It is not only because some people were trained and so their skills can be exploited — as Mr al-Tamimi or Alain Juillet have talked about. It is also the availability of commodities and then the use of established supply chains (as Mr Juillet showed us with his chart) that allow the phenomenon of convergence. By the way it would be a very useful exercise to look at other charts from other parts of the world. This is what we need to be getting at to understand the role of trade in terrorist financing.

Market forces are another relevant component that needs to be examined. There are some products that seem to have a varying demand and price (oil), but there are other commodities that hold up even if when there is a contraction in the economy. We need to understand where to look at in illicit flows. One of the things that I am looking concerns illicit wildlife trade. How is this crime going into some terrorism funding flows? The animals are coming from West Africa, along with drugs, weapons, cigarettes and even if there seems to be a reduction in other funding areas, the illicit wildlife trade does not diminish.

So we have to widen the scope when looking at larger financial forces: if we are having a contraction in the overall economy, what is happening to the illegal economy (who may account of 10% of the overall economy) within this financial upheaval? These flows are remaining unmeasured, undetected and they are able to increase or decrease instability.

During the last six months you have had increased migrant flows from the Middle-East into Europe, there is a discussion today about the illegal “taxing” these people and extorting them for money: these migrant flows have been taxed as well and nobody has been talking about that today.

Last week I had a researcher at my centre, who gave a fascinating presentation based on his field research in Egypt, Lebanon, Jordan on what is happening in human trafficking and kidney transplants markets. As a former kidney transplant person, he is qualified, he has the legitimacy to infiltrate these circles of organs trade. What he is finding is that there is an increasing business as people are selling their kidney to finance the migrant smuggling of their family members into Europe. It is a new trend and we need to think on how we can anticipate and stem it. The kidney trade is also a funding source for terrorists in the region.

Today and it was very useful, we got a European and a bit of an Asian perspective, but to understand further evolutions, we need to do some further cross-continent comparisons. Not everything that I am talking about pertains to ISIS, the human organ trafficking for instance seems to pertain to other terrorist groups in the Middle East such as al Nusra that profits from this.

Another financing model has surfaced with the San Bernardino (Calif.) attack that was funded with a fraudulent bank loan. The terrorist applied for a bank loan, met all the criteria for it, but falsified the justification for which he was obtaining this bank loan. Then we had Coulibaly, who like some other terrorists linked to other attacks, has engaged in bank fraud. Seeing this in Europe and in United States at the same time, suggests somebody is learning from some playbook. Do not just compare what happened in the attacks in Europe, look at the financial flows within the United States and compare between the US and the European experiences and you will find that there a lot more similarities than you realise.

We also need to be thinking more broadly as well. One of my she-colleagues in my centre, before working for us, was doing projects with the US government on financial flows, looking at how used clothing and used cars were been shipped from the United States to Africa (some of this were very clearly linked to Hizbolah and some other terrorist networks) and was going back into the US banking system. By looking at the trade bases and the money laundering connected to these commodities, it was possible to understand a lot about terrorist financing. There are some things I think you need to be thinking about that, that I have not heard discussed today. Funding sources that have been identified in other place, should be investigated also in Europe.

Terrorist financing comes from human smuggling but, there is also an evolution in commodities and changes in the commodities that are used to fund terrorism. Illustrative of this are cigarettes that once were only a dual problem of diversion and counterfeit. Now there is also a problem of illicit whites. We also have the rising importance of environmental commodities for funding terrorism such as the trafficking in elephant tusks that is being carried out on a massive scale and threatens the survival of the species.

I have not heard enough today about cyber-facilitated crime, not just bank loans online like in San Bernardino, but other elements of cybercrime, that are helping to fund terrorism. This is something that we know back from the Bali-bombing (2001), where the main perpetrator funded the attack by hacking bank accounts. This should be focussed on more as well. We need to be thinking about the types of the cyber-trade, that are not just the online version for traditional commodities, but an online trade that works on commodities related to the cyber world, such as malware, botnets, Trojans etc. and on the access and use of the dark web by terrorists.

There are different types of dark web: the English, the Russian and the Chinese, for instance; people who are fluent in these languages are finding things and links with terrorism. This is something that needs more attention, it is an enormous challenge for Europe and it is a challenge that you are not talking about.

We had some discussion about convergence and we have interesting maps on the phenomenon. If we just think that the Paris attacks and the weapons market in Belgium were connected with traffickers and criminals from the Balkan route

(Balkan and Turkish arms trafficker), we need to be thinking about supply chains and not just one ring that is the source of funding, it is a whole supply chain that needs to be examined.

Here is a map that I have in my last book “Dirty entanglements: corruption, crime, terrorism” which is about the funding of the Beslan attack in Southern Russia (Northern Caucasus), how the money came out of Los Angeles and the ways the cars that funded the terrorism travelled.

This case was investigated over a decade ago. In this supply chain, we see an interaction of crime and terrorism at certain points and then between crime and corruption at another point. You can only understand terrorism funding by looking at the global supply chain.

Corruption is a key factor in understanding terrorism financing but it is rarely discussed in reference to this topic. It is also a great problem in the banking sector. But if we clean up the banking sector, this would help reduce terrorist financing. Another effective counter-terrorism financing track would be to address trade based money laundering. Trade based money laundering is possible when you are moving things across borders in the Middle East and moving these commodities to other parts of world. We also need to think more about the service market for terrorism: it is not just the criminal activities that fund terrorism, but those facilitating it. False document, passports, online currencies, crypto currencies and bitcoins are an enormous concern in United State and people are seeing what is going on in the dark web. In Europe there does not seem enough awareness in appreciating terrorism risks and how much illicit trade is funding terrorism. We also need to understand how much terrorism is financed with crypto currencies. Terrorist financing lies along a continuum. They come from simple small businesses (like the Belgian night shops) or from very large scale activities online.

We have also to keep in mind money laundering into real estate, as a practical way to store money for future operations. I testified before Congress, that we have had dead Yemenis buying real estate in Georgetown. I can give you numerous examples, that it is not just crony capitalism, not just oligarchs but we have terrorist money laundering into real estate in the United States. We have no legislation that provides any oversight on this. The first measure to address this issue was just taken about two weeks ago by providing greater reporting requirements on real estate purchases in New York and Miami. Europe is not doing enough in this area and it is really problematic because you can store large amounts of money by buying propriety and generating revenue and using it for terrorist operations.

The problem is not just a question of telling the police to focus on financing but prioritising low level criminal activity that maybe is facilitating terrorism. Until recently we have not set priorities in the United States for law enforcement to focus on consumer commodities that have been chosen by terrorists to finance their activity.



Source: L. Shelley "Dirty entanglements: corruption, crime, terrorism"

This hole in the system has existed since the time of Osama bin Laden. So nobody is looking sufficiently at terrorist financing derived from used clothing, cigarettes or counterfeit T-shirts. This is why you need to prioritise the police to do this.

What does Europe need to do, especially continental Europe? You need to focus much more on:

- trade-based money laundering;
- the need to understand and establish framework for following online currencies;
- supply chains;
- internet trade that funds terrorism, such as antiquities;
- you need more linkages between counter-crime and counter-terrorism operations in law enforcement. There is the need also to have greater control over money laundering into real estate.

To address terrorist financing, we need not only greater cooperation among multinational organizations and states. But we also need NGOs, the media, and researchers to focus on this topic. But we need to be careful about who is working on the problem because not all NGOs are good, some are false NGOs and are vehicles for money laundering. We need not just legal framework to focus on terrorist financing. Beyond the legal base, we also face a resource challenge to counter terrorist financing. We need the political will to think about this issue in different ways.



KARL-HEINZ KAMP

FINAL REMARKS

At the conclusion, which is always difficult to draw, we have a rich interesting discussion, although a very depressing one. Let me try to wrap up some take aways in three steps: namely, reporting the bad news which we had; the good news, there are some, not many ; and the to-dos. Let me start with the bad news.

First

we have the prospect that ISIS and jihadist terrorism are going to stay with us for many years, if not decades to come. It is also likely to hit all of us; statistically, Charlie Hebdo is likely to happen everywhere, not just in France, even if its security forces managed to prevent a number of events before, but statistically once you fail, you are hit and this means that also in our societies we are likely to be hit.

Second

this risk is persisting because the turmoil in Middle East will also last decades. Why? Because what we see there in the Middle East - in NATO parlance, MENA (Middle East North Africa) - is not so much a revolution or a turnover, because a revolution comes to an end and then you have a new order; you may not like it but it is there. What we see, instead, is a lasting erosion of order and statehood; if this is the case, if states are missing in last analysis, then in the long run there is no one to intervene against or in favour of, be it economically, militarily or politically. In addition, we have in all our societies an intervention fatigue because overall past interventions were not so terribly successful.

Third

this means that we will hardly be able, although it sounds so nice, to tackle the root causes of this phenomenon. Not at least, because we are not willing to take action decisively and fight on the ground, for good reasons. All what we are doing is suboptimal; not doing anything is not an option as well, but we are doing a little

bombing here and a little action there, knowing that this is not enough. But there is not anything else more in the cards.

Fourth

this means a fundamentally new trend during the last three years, i.e. that we, Western societies, have to suffer the consequences of something (refugees, terrorism, jihadism, violence, etc.) without being able to tackle the reasons. This form of political paralysis is new, you did not have this in the past, and this is also something which indicates we have a fundamentally new situation.

Fifth

even if we would be able to end the conflict in Syria or in Iraq today, still the fighters would be around, which means that in the next 10-15 years we are still likely to be victims of violence exactly like with the 9/11 attacks that happened 14 years after the end of the Afghan war against the Soviet Union.

To cheer up a little bit, there are few good news, I have actually three and they are not that smashing but I think at least they are indicative.

A The awareness of the security policy needs in our societies, has increased significantly over the last one-two years. We have the Minister of Interiors, the other day in conference at our institute, saying: "We in Germany are discussing security policy at the kitchen table again. This did not happen for 10-20-30 years: it does not solve any problem, but at least the level of awareness is higher and it is likely to grow slowly but steadily". This implies that our societies are more and more willing to increase resources to deal with these issues in an attentive and homoeopathic way. Very homoeopathically, but in the meantime in Germany we have discussed in 2013 the increase of our defence spending. Two or three years before that would have caused a revolution, now this year it is only a small headline in the newspapers. This has changed.

B The resilience of our societies has increased significantly. I can only pay France a compliment, in the way they were able to deal with a national catastrophe without acting in a completely catastrophic way. This is something that we all have to learn, not to panic, even if the root of any Charlie Hebdo scenario is likely to exist.

C The pendulum between security and freedom, which we always were discussing back and forth after 9/11 in the US, will move a little further to security, a little away from freedom to security. This is accepted and much less discussed. We have much less discussion in Germany on data protection and all this kind of things which caused a revolution a while ago.

Last point: what to do? What are the conclusions? Just three points:

- I more international cooperation and this includes also China. China becoming a world player is a nice development for Beijing, but being a world player also means more responsibility;
- II we will have an increasing shift, and this will be painful on our societies, of our resources in spending away from social expenditures (we all like them and they are nice) to security policy, prosecution and law enforcement expenditures. We had, in Germany, a defence budget that 20 years ago was about 20% of our federal budget and social expenditure was 35%. Today is 55% social expenditure, 10% defence. This has to be reverted step by step in order to cope with the current security challenges.
- III just to refer to last session, we have to have more information sharing between the countries with regards to finances and money laundering. I was shocked to listen to all kind of crimes that are committed to finance terrorism. On this “happy” note, I thank you for your patience.

SPEAKERS' BIOGRAPHIES

Ambassador Alessandro Minuto-Rizzo

President, NATO Defense College Foundation, Rome

He has considerable experience in a number of areas, not just international relations, including industry, energy, and aerospace. A specialist on security affairs worldwide, he is a frequent public speaker. Senior Advisor of several Ministers of Defence, with a strong focus on the various Balkan crisis. In 2000 he has been a founding member of the Political and Security Committee of the European Union with Javier Solana. Deputy Secretary General of the Atlantic Alliance from 2001 to 2007. His mandate was mostly carried out in relations with sensitive countries, such as those in the Gulf, in the Southern Mediterranean, Afghanistan and Pakistan. Chairing the Atlantic Council on several missions. Senior Strategic Advisor of ENEL from 2008 to 2012. A member of the Board of the Italian Space Agency and later of Finmeccanica in 2013-2014. A teacher of European Security and Defence Policy at the LUISS University, School of Government, Rome. Columnist for "Europa", daily of the Democratic Party of Italy. He is the President and founder of the NATO Defense College Foundation. Author of the books: "The road to Kabul", Il Mulino 2009 and "A political journey without maps. Diversity and future in the greater Middle East", Rubbettino 2013.

Alessandro Politi

Director, NATO Defense College Foundation, Rome

Alessandro Politi is a global political and strategic analyst with 30 years of experience. Director of the NATO Defense College Foundation, the only NATO-affiliated NGO think tank. He was senior researcher for the Italian MoD (CeMiSS-Centre for Military and Strategic Studies) regarding the strategic monitoring of Latin America. He also created and has led the Global Outlook project within CeMiSS, published in Italian and English (third edition, 2015). WEF Global Shapers facil-

itator and TEDxLUISS speaker. He has contributed to the Italian Defence White Paper and currently advises the IT MFA. He has directed the CEMRES research on CBMs in the framework of the 5+5 Defence Initiative, presenting the conclusions to the Ministers in Granada. He teaches geopolitics and intelligence at the SIOI. He teaches conflict management, crisis, peace-making and analysis at different governmental centres. His most recent hearings at the House Foreign and the House Defence Committee were on cyberdefence, future orientations of the Italian foreign policy and European armaments co-operation. He has been acting director of the School of Intelligence Analysis at the LCU in Rome. He has been advisor in Italy and abroad to four Defence ministers (among which the actual President of the Italian Republic, Hon. Mattarella), one National Armaments Director, one Intelligence Co-ordinator, one Chairman of the Oversight Intelligence Committee, one Head of the Italian delegation to the NATO Parliamentary Assembly (actually EU HR, on. Federica Mogherini). Born in Germany, lives in Rome. He has published as author or co-author 25 books on strategic and security matters. His most recent book in Italian is about the next possible Israel-Iran war.

Matteo Bressan

Middle East author and journalist

He has a M.A in International Strategic and Military Studies, 2007 - Joint Services Staff College, Italian Centre for High Defence Studies (CASD), Rome. His Italian books are: "Hezbollah between political integration and armed struggle", Datanews, 2013; "Lebanon into the abyss of Syria crisis", Poiesis, 2014. He is a columnist for the European Post and analyst for: Il Giornale, Rivista Militare and Formiche.net.

Stefanie Babst

*Head for Strategic Analysis Capability, Emerging Security Challenges, NATO HQ
Academic degrees*

M.A. in Political Science, International Law and Russian Studies, Christian-Albrechts-University/Kiel (December 1991)

Ph.D. ("Summa cum laude") in Political Science, Christian-Albrechts-University/Kiel and Harvard University, Cambridge (December 1993)

Member of the Board of the German Council for Foreign Relations (DGAP)

Member of the WIIS (Women in International Security Studies).

Professional experience

4/1991-12/1992: Assistant Professor at the Institute of Political Science/Christian-Albrechts-University/Kiel

1/1993-8/1998: Lecturer of Russian and East European Studies at the Federal Armed Forces Command & General Staff College/Hamburg; Delegate of the OSCE election monitoring mission: Moscow (1995), Rostov (1996)

9/1998 -9/2001: German Information Officer, Office of Information & Press, Inter-

national Staff, NATO/Brussels

10/2001-5/2006: Head, NATO Countries, NATO Public Diplomacy Division/Brussels

5/2006-6/2011: NATO Deputy Assistant Secretary General for Public Diplomacy, NATO Public Diplomacy Division/Brussels

2011-2012: NATO Acting Assistant Secretary General for Public Diplomacy, NATO Public Diplomacy Division/Brussels

Since summer of 2012: Head, Strategic Analysis Capability for the NATO Secretary General and Chairman of the NATO Military Committee

Anne Giudicelli

President and founder of TERR(o)RISC

As an Arab and Muslim world specialist, Anne Giudicelli, worked for eight years in the Middle East section of the French Ministry of Foreign and European Affairs for eight years, in Paris as well as in other countries. She has studied Arabic and after 9/11 she has been in charge of the analysis and follow-up of subjects related to terrorism and Islamism in the Middle East and North Africa. In 2005, she started up her own consultancy firm, TERR(o)RISC and since then she has added the Sahel area as part of her expertise. She has lived in most Arab countries, with a particularly long stay in the UAE, first as a reporter then as a government representative. She has been a French investigative journalist and has written a book about violence in the French suburbs ("La Caillera", Jacques Bertoin, 1991) with an updated version in May, 2006 after the November 2005 riots ("Caillera... Cette France qui a peur", Jean-Claude Gawsewitch). She has also published, in 2007, an essay on counterterrorism policies in Europe ("Le risque antiterroriste", Le Seuil). She regularly holds conferences and training sessions in various international institutions, media organizations as well as in private companies, and she contributes to strategic research programmes for French and European governments.

Felix Heiduk

Asia Researcher, SWP

2011–2014 Lecturer, Department for Political Science and International Studies, University of Birmingham

2009–2010 Visiting Post-doc fellow at the Weatherhead Center for International Affairs, Harvard University

2007–2009 Research Associate, Asia Division of SWP

2004–2007 PhD fellowship Forum Ebenhausen

Alain Juillet

President Club des Directeurs de Sécurité des Entreprises

After some years as officer in French special forces and foreign intelligence service (then SDECE), Alain Juillet has worked as international sales manager be-

fore becoming director and CEO of French and international companies as Pernod, Ricard, Jacobs, Suchard, ULN, Andros and finally as chairman of Marks and Spencer, France. In 2002 he was appointed as Intelligence in the DGSE (foreign intelligence service) and further as Head of the new Economic Intelligence in the Prime Minister's office. At this stage he has been involved in defining a national cyber strategy and has worked on offensive and defensive cybersecurity tools and processes with French and international experts. Today he is a global specialist in the field of competitive intelligence, including business intelligence, security and influence. He was a member of the Economic Security Council of the Ministry of the Interior from 2008 until 2010, Foreign Trade advisor from 1978 until 2002 and President of the Circle Culture Economie Defense in the period 2004-2009. He joined, in 2009, Orrick Rambaud Martel firm as a Senior Advisor. He was decorated, among other distinctions, as Commander of Légion d'honneur.

Karl-Heinz Kamp

President of the BAKS (Bundesakademie für Sicherheitspolitik)

Dr Kamp began his career as a Research Fellow at the Center for Science and International Affairs at the John F. Kennedy School, Harvard University (1988). In 1992 he earned his doctorate at the Universität der Bundeswehr in Hamburg. From 1989 until 2003 he was a research assistant, later head of department security policy and director of the planning department of the Konrad Adenauer Foundation in St. Augustin. During this time he was temporarily seconded as a security consultant for the planning staff of the Foreign Ministry (1997-1998). From 2003 until 2007 Kamp was coordinator for Security Policy at the Konrad Adenauer Foundation. In 2007 Kamp became a Research Director for the NATO Defense College, Rome.

Subsequently, from 2013 until 2015 he worked as director of Development at the BAKS (Federal Academy for Security Studies). The 1st of October 2015 he became the head of the Academy as president.

Tom Keatinge

Director of the Centre for Financial Crime and Security Studies, RUSI

His research focuses on the nexus between 'Finance & Security', in particular the funding of terrorist/extremist groups and assessing the extent to which disrupting financing can enhance international security. He also studies the use of FININT as a security tool; enhancing security via public/private partnerships; the impact of counter-terror finance regimes on financial access; the use and effectiveness of financial sanctions; terrorist/insurgent use of kidnap-for-ransom, and the role of the financial services industry and the play in disrupting global 'evils' such as human trafficking and the illicit wildlife trade. Mr Keatinge also runs a project at RUSI on counter-proliferation finance together with the Institute's nuclear proliferation team. He holds a Masters in Intelligence & International Security from

King's College London, where he wrote his dissertation on the effectiveness and consequences of the global counter-terror finance (CTF) regime. Recent research topics include: The Business of al-Shabaab, How Finance Shapes the Syrian Conflict, The Application of Sanctions in the Russia/Ukraine Case, The Use of FININT in Tracking Foreign Fighters, the role of public/private partnership in tackling terrorist financing/resourcing, and the Impact of Counter-terror Finance on NGOs and Remittance Companies. Prior joining RUSI, he spent 20 years in investment banking at J.P. Morgan where he was a Managing Director in the Financial Institutions Group and Head of European Public Sector client coverage.

Harald Kindermann

Secretary General, German Council on Foreign Relations (DGAP)

After studying law at the Universities of Erlangen, Marburg and Cologne, he worked as a research assistant at the University of Giessen (1973-1978). Kindermann started his career as a lecturer in Civil Law and Legal Theory at the University of Giessen, he was also a lecturer in Civil Law and Legal Theory (1981-1987). From 1987 he started to work at the German Federal Ministry of Justice. In 1992 Kindermann was appointed the Foreign Service and until 1999, he was head of the Policy Planning Staff of the Federal Foreign Office. From 1999 until 2003 he was ambassador of the Federal Republic of Germany in Saudi Arabia. From 2003 until February 2006 he served as predecessor of ambassador Michael Geier in Bulgaria. From 2006 until 2011 he was ambassador in Israel. Afterward, from 2011 until 2014 he was ambassador in Sweden. Since September 2014 Kindermann is General Secretary of the DGAP.

Peter Neumann

King's College

Neumann serves as Director of the International Centre for the Study of Radicalisation, which he founded in 2008. He has authored or co-authored five books, including "Old and New Terrorism", published by Polity Press in 2009; and "The Strategy of Terrorism" (with MLR Smith), published by Routledge in 2008. He is the author of numerous peer-reviewed articles, dealing with different aspects of terrorism and radicalization, especially 'home grown' radicalization in Western countries. Shorter articles and opinion pieces have appeared in, among others, the New York Times, Der Spiegel, and the International Herald Tribune. He has taught courses on terrorism, counterterrorism, intelligence, radicalization and counter-radicalization at King's College London and the School of Foreign Service at Georgetown University, where he continues to serve as adjunct professor. He has an M.A in Political Science from the Free University of Berlin, and a Ph.D. in War Studies from King's College London. Before becoming an academic, he worked as a radio journalist in Germany.

Romeo Orlandi

Vice-President Osservatorio Asia

Romeo Orlandi is an economist and teaches various post-graduate courses. Romeo has directed the think tank Osservatorio Asia since its inception in 2004. He was Trade Commissioner for the Italian Government in Singapore, Shanghai, and Beijing (for Greater China). He is an international strategic consultant for governmental institutions and companies, a regular contributor to national and international media, and author of several books on China, India, Vietnam, Indonesia and ASEAN.

Zhou Qi

Senior researcher and executive director of National Strategy Institute, Tsinghua University

Ms Zhou Qi holds a Ph.D. from the John Hopkins University's School of Advanced International Studies, and a B.A. and M.A. from Fudan University. Prior to her work at CASS (Chinese Academy of Social Sciences), Zhou Qi was full professor and director of the Department of American Politics in the Institute of American Studies at the Chinese Academy of Social Science. Zhou Qi has, in the past, taught at Pomona College as a Frank M. Johnson visiting professor (1998-1999); she was twice a visiting scholar at Harvard University (1990-1991, 2001-2002) and was a visiting scholar at University of Hong Kong. She was also a 10-year member of the Political Sciences faculty. Prof. Zhou has published a number of academic books, papers, academic reports, periodical reviews and column articles. She joined the Institute of American Studies of the Chinese Academy.

Henning Riecke

Head of Transatlantic Relations Program, German Council on Foreign Relations (DGAP)

Riecke has been head of the DGAP's Transatlantic Relations programme since January 2009. He joined the DGAP in 2000 as a programme officer responsible for the study groups on "Strategic Issues", "European Policy" and "Future Global Issues". Before joining the research institute, he was a Thyssen Post-Doctoral Fellow at the Weatherhead Center for the International Affairs at Harvard University, where he worked on a project on US small arms and light weapons policy. Between 1994 and 1999, he held several positions at the Center for Transatlantic Foreign and Security Policy Studies at the Freie Universität, Berlin. In 1995, he spent five months as a visiting fellow at the Center for Science and International Affairs at Harvard's Kennedy School of Government. He holds a doctorate in political science, for which he wrote a dissertation on the Clinton administration's nuclear non-proliferation policy, and a diploma from the Freie Universität, Berlin. He studied political science, history, national economy, and international relations in Frankfurt-am-Main and in Berlin.

Volker Rühle

Former Defence Minister

Volker Rühle is a German politician affiliated with the CDU (Christian Democratic Union). From 1983 until 1989 he was a CDU whip in the parliamentary Committee on Foreign and Security Policy. Under the period of 1989-1992 he was Secretary General of the CDU. He served as German Defence Minister from April 1992 until the 27th of October 1998, succeeding Gerhard Stoltenberg during the first government of a reunified Germany in the fourth cabinet of Chancellor Kohl. From 2002 until October 2005 he chaired the Foreign Affairs Committee. He has been an advisor of the Cerberus private-equity firm. He has been a member of the German Bundestag for 29 years, and is actually chairman of the parliamentary committee on Military Operations Abroad (Kommission zur Überprüfung und Sicherung der Parlamentsrechte bei der Mandatierung von Auslandseinsätzen der Bundeswehr). Volker Rühle is a member of the Executive Board for the European Leadership Network (ELN).

Ernesto Savona

Director of Transcrime, Università Cattolica

Prof. Ernesto U. Savona has a degree in Law (1965-University of Palermo) and a PhD at the Postgraduate School in Sociology and Social Research (University of Rome "La Sapienza" 1966-1968). He is a professor of Criminology at the Università Cattolica del Sacro Cuore in Milan since 2003. He is also Director of TRANSCRIME, the Joint Research Centre of the Università degli Studi di Trento and the Università Cattolica del Sacro Cuore. From 1986 until 2002 he was professor of Criminology at the Faculty of Law at the Università degli Studi di Trento. From 1971 until 1986 he was associate professor at the Faculty of Statistical Sciences at the Università "La Sapienza" in Rome. He is also a coordinator of the International Ph.D. Programme in Criminology of the Università Cattolica del Sacro Cuore in cooperation with the Università degli Studi di Trento together with the Universities of Bologna, Cardiff, Erasmus of Rotterdam and Macerata (Teramo). He was also appointed as President of the European Society of Criminology for the years of 2003-2004. He has been consultant to the United Nations, Council of Europe (where he was appointed as one of the seven members of the Scientific and Criminological Council in 1996), the European Union and various national governments. From 1990 to 1994, he was visiting fellow and project director at the National Institute of Justice, Research Centre of the U.S. Dept. of Justice, Washington D.C, where he was a manager of two projects on organised crime and international money laundering. In May 1998, the British Presidency of the European Union, who implemented a recommendation of the Action Plan against Organised Crime, invited him together with five European academics to deliver a paper on the situation of organised crime in Europe. Today he is a member of the EU Commission expert group on 'Policy needs for data on crime and criminal

justice'. Recently (2002) he has lectured in Argentina at the Universidad Católica de Salta (Subsede Buenos Aires) and Concepcion in Uruguay. In 2003 he was appointed as an Editor in Chief of the European Journal on Criminal Policy and Research, an international refereed Journal published by Springer. He is also part of the Editorial Board of the journal *Sociologia del Diritto*. In June 2011 he was appointed President for the 2011-2012 term of the Global Agenda Council on Organized Crime of the World Economic Forum. Professor Savona participates as a speaker at major international conferences.

Louise Shelley

Director of the TraCCC (Terrorism, Transnational Crime and Corruption Center)

Dr. Shelley is the Omer L. and Nancy Hirst Endowed Chair for civic intellectual as well as a University Professor in the School of Policy, Government and International Affairs and the founder and Director of the Terrorism, Transnational Crime and Corruption Center (TraCCC) at George Mason University. Her latest book is "Dirty Entanglements: Corruption, Crime and Terrorism" (Cambridge University Press, 2014). Her previous book is "Human Trafficking: A Global Perspective" (Cambridge, 2010). Dr. Shelley has written books and dozens of articles and books chapters on the subject of transnational crime and corruption.

She is presently working on a book on illicit trade in the real and virtual world. She served for six years as a member of the Global Agenda Councils on Organized Crime and Illicit Trade of the World Economic Forum. She is a life member of the Council of Foreign Relations. She is the recipient of many fellowships and prizes including the Guggenheim, two Fulbright and two MacArthur Foundation grants. Dr. Shelley has testified for the United States Congress repeatedly on these issues and has addressed fora of the OSCE, OECD and other national and international bodies and she appears in the media frequently.

Aymenn Jawad Al-Tamimi

Research Fellow, ICSR, King's College

Since 2015 Associate Fellow at the International Centre for the Study of Radicalization and Political Violence.

Graduate from Brasenose College, Oxford University, with a degree in Classics and Oriental Studies.

During the 2014-2015 academic year, he will be the Rubin Research Fellow at the Global Research in International Affairs Center (GLORIA) within the Interdisciplinary Center (IDC) in Herzliya. Currently holding also a position of Fellow at the Middle East Forum think-tank.

A leading expert in his field, his work focuses on militant groups of all affiliations in Iraq and Syria, with particular interest in those of jihadist orientation. He has been widely cited in international media outlets for his insight on developments in Iraq and Syria.



NATO Foundation
Defense College



Deutsche Gesellschaft
für Auswärtige Politik
German Council on
Foreign Relations

EURASIA AND ARMED RADICALISM SPACES, FLOWS AND FINANCES OF AN EVOLVING TERRORISM

RESTRICTED SEMINAR

*organised by the NATO Defense College Foundation
in cooperation with the German Council on Foreign Relations (DGAP)*

BERLIN, THE 27TH OF JANUARY 2016

Venue: Berlin, AXICA Kongress- und Tagungszentrum, Pariser Platz 3

BERLIN, THE 27TH OF JANUARY 2016

9,00-9,30 Registration and welcome coffee
9,30-10,00 Welcome remarks
Amb. Alessandro Minuto-Rizzo, President NATO Defense
College Foundation
Amb. Harald Kindermann, Secretary General, German
Council on Foreign Relations (DGAP)

OPENING REMARKS

Stefanie Babst, Head for Strategic Analysis Capability,
Emerging Security Challenges, NATO HQ, Brussels

Session 1

THE DIFFUSION AND CONFUSION OF ARMED RADICALISM

While Al Qaeda was a global network availing itself of existing recognised or de facto governments, other prominent radical armed groups have created a de facto entity that destroys established borders and extends its influence to other “provinces”, also by incorporating older terror groups. What will be the development of the entity sprawling across SYRAQ? And how can governments of the wider region and NATO co-operate?

10,00-11,15 Chair: **Matteo Bressan**, Middle East author and journalist, Rome

- **Peter Neumann**, King’s College, London
- **Anne Giudicelli**, president and founder of TERR(o)RISC, Paris
- **Aymenn Jawad Al-Tamimi**, Research Fellow, ICSR, King’s College, London

Q&A

Session 2

ASIATIC VETERANS AND FOLLOWERS

The phenomenon of armed radicalism, although having a strong regional and local character, needs to be considered in its wider dimension: Middle Eastern developments reverberate in the rest of Asia, continental and insular alike. The panel tries to bring together an Asia-Pacific perspective from different angles including bigger and smaller countries.

11,15-12,30

Chair: **Romeo Orlandi**, Vice-President Osservatorio Asia, Imola

- **Alain Juillet**, President Club des Directeurs de Sécurité des Entreprises, Paris
- **Zhou Qi**, Senior researcher and executive director of National Strategy Institute, Tsinghua University, Beijing
- **Felix Heiduk**, Asia Researcher, SWP, Berlin

Q&A

12,30-13,30

Light lunch

Session 3

POST-QAEDA FUNDING

Funding is actually considered the critical and still to be tackled dimension of terrorism. During the Cold War it was mainly a governmental undercover operation, while bin Laden succeeded in privatising and "liberalising" terrorist financing and operations. The panel explores the new and complex reality of terrorism financing in terms of covert private and public funding, criminal trafficking and money laundering.

- 13,30-15,00 Chair: **Henning Riecke**, Head of Transatlantic Relations Program, German Council on Foreign Relations (DGAP), Berlin
- **Tom Keatinge**, Director, Centre for Financial Crime and Security Studies, RUSI, London
 - **Ernesto Savona**, Director of Transcrime, Università Cattolica, Milan
 - **Louise Shelley**, Director of the TraCCC (Terrorism, Transnational Crime and Corruption Center), Fairfax, USA

Q&A

- 15,00-15,10 *Final Remarks*
- Karl-Heinz Kamp**, President of the BAKS (Bundesakademie für Sicherheitspolitik), Berlin

SPECIAL THANKS TO PMG



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Mourning terrorism victims in Strasbourg

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The NDCF is a unique think-tank: international by design and based in Rome, due to its association with the NATO Defense College. Its added value lies in the objectives stated by its charter and in its international network.

The charter specifies that the NDCF works with the Member States of the Atlantic Alliance, its partners and the countries that have some form of co-operation with NATO. Through the Foundation the involvement of USA and Canada is more fluid than in other settings.

The Foundation was born five years ago and is rapidly expanding its highly specific and customer-tailored activities, achieving an increasingly higher profile, also through activities dedicated to decision makers and their staffs.

Since it is a body with considerable freedom of action, transnational reach and cultural openness, the Foundation is developing a wider scientific and events programme.

The new avatar of armed radicalism (ISIS) is a fundamental change in the structure and practice of terrorism. Al-Qa'eda in 1989 was a major innovation because it was a network, able to self-finance itself and to act with considerable political and operational freedom vis-à-vis traditional states sponsoring terrorism.

ISIS on the contrary pursues the project of a new "state" that wants to destroy the old Middle Eastern geography. It created in the SYRAQ zone a hostile political and operational entity, while synergising in a flexible way with other terrorist groups, exploiting terrorist attacks elsewhere and competing with other terrorist groups.

The restricted seminar was organised around a three-panel structure. The first panel is dedicated on the diffusion and apparent confusion created by the proliferation of groups, cells and "provinces" by prominent radical armed groups in the Arab region. The second focusses on the transnational nature of the risk, considering its reverberations not only in South and Central Asia, but also in Africa, South East Asia and East Asia. The third tackles the difficult issue of terrorism funding.

The seminar provided precious insights on the nature of the threat to the integrity of Iraq and Syria by showing the twin faces of an unprecedented stream of foreign fighters and a structured bureaucratic apparatus in the territories occupied by the de-facto Islamic State. At the same time it showed the enduring lessons of the French case in terms of attacks management and prevention.

Finally it demonstrated objectively the serious vulnerability of current anti-terrorism strategies in detailing the lack of meaningful investigations on financial flows, frauds and criminal opportunities that feed the terrorist propaganda and operations.

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