

Time to Cut ISIS Off

While airstrikes grow, the World must unite to eradicate barbaric group's financial flows

Summary

- The November 13th terror attacks in Paris has catalyzed global collective action to destroy ISIS and its affiliates.
- While airstrikes diminish ISIL's capabilities, its financial network remains largely intact.
- Oil smuggling and antiquities trafficking have provided primary sources of funding.
- For countermeasures to have their fullest effect, illicit finance networks must be penetrated and dismantled.

Commentary:

Friday's horrific attacks in the heart of Paris confirmed the fears of many intelligence experts who have warned policymakers about the potential threat of returning foreign fighters from the Syrian civil war. By now, the Islamic State (ISIS/ISIL) has claimed responsibility and went on to even threaten Washington with similar attacks.¹ The terrorist attacks, which claimed 129 innocent lives, should serve as a renewed wakeup call for governments worldwide to counter the cancerous growth of the Islamic State. Already, there are signs that major powers have set aside differences to face the threat of ISIS, collectively. France almost immediately began pounding ISIS targets this weekend in Syria, with President Hollande declaring war against the group. At the G-20 meeting this weekend, Barack Obama and Vladimir Putin were photographed in lengthy exchanges- a shift in the icy public relationship seen over the past couple of years. In the midst of such a

¹ Reuters, November 16th

<http://www.reuters.com/article/2015/11/16/us-france-shooting-brennan-idUSKCN0T528F20151116#71rIQzj6rtD6QyT4.07>

human tragedy as in Paris, perhaps a hopeful, renewed spirit of collective action will begin to emerge.

Strike bank accounts, as well as fighters

While the November 13th attacks will undoubtedly generate more resources directed toward pummeling ISIS from the air, a concerted effort must be made to hit the terrorists where it really hurts—their finances. Since the U.S. commenced airstrikes last year, ISIL's infrastructure has been seriously damaged, though not crippled. Efforts to stifle the group's arguably number one funding source, oil smuggling, have demonstrated varying degrees of success. Other sources of funding range from antiquities theft to kidnapping for ransom, and extortion. Thus, traditional counter-terrorist finance measures such as bank know your customer (KYC) rules may prove prohibitive to ISIS, but they cannot eliminate more unorthodox funding channels.

It does not appear that the Islamic State has faltered due to a lack of financing. Sound intelligence must increasingly depend on access to networks of businesses and facilitators, a market virtually closed to outsiders for obvious reasons. The U.S. has made efforts, at the grassroots level, to pierce these opaque networks. Recently, the State Department issued a financial reward notice to individuals who have information regarding the oil and antiquities smuggling networks that ISIS utilizes.²

Cultural heritage as ISIS's treasure

It has been estimated that the revenues from antiquities theft amount to the second largest source of financing for ISIS's diabolical activities.³ Hence, beyond the looting and rampant destruction taking place at world-historical sites such as Syria's Palmyra, ISIS has adeptly filtered through archaeological treasures to keep the most precious pieces. Then, a stealthy

² <https://www.rewardsforjustice.net/english/trafficking-oil-and-antiquities.html>

³ Levitt, Matthew. "Terrorist Financing and the Islamic State." Testimony to the House Committee on Financial Services. November 13, 2014.

network of dealers and collectors facilitate the movement and purchasing of the artifacts and provide payment back to the Islamic State.⁴

Checkmate IQ's proprietary research [report](#) from May 2015 titled "Artful Transactions: Transnational Threats and Unconventional Illicit Finance," sheds light on the illegal smuggling of antiquities used by terrorist groups. CMIQ's report illustrates that art and antiquities smuggling for the purposes of terrorist finance is nothing new. As Der Spiegel Magazine reported in a professor at the University of Gottingen in Germany had been approached by Mohammed Atta, the leader of the 9/11 attacks. Atta reportedly told the professor that he was looking to sell some ancient Afghan artifacts and wanted to know how to reach potential buyers.⁵ Whether or not Atta was successful in eventually selling the Afghan artifacts, as reported, the use of the illicit art market as a potential funding mechanism for terror activity remains a logical possibility. A more compelling example of terrorist finance in relation to illicitly acquired art was the case of the Iraqi insurgency following the U.S.-led invasion. In this case, the insurgents used illicitly acquired art and antiquities as a primary financing system for their terrorist activities.⁶

To Combat ISIS terror, the U.S. needs more Indiana Jones and less James Bond

Good intelligence most always necessitates having reliable agents on the ground to convey mission-critical facts and perspective. It also requires the ability to infiltrate the enemy's organizations and networks without being compromised. To effectively disrupt ISIS, the U.S. and its allies must employ this tradecraft, in addition to massive airstrike campaigns. Nonetheless, this enemy has adopted tactics that can help them evade traditional intelligence strategies. Thus, effective intelligence must come from the business and financial networks that ISIS relies upon to feed its growing territorial and personnel machine. Oil smuggling operations must be pierced by credible agents that understand the local black markets inside Syria, Iraq, and Turkey. The often misunderstood antiquities market presents similar issues.

⁴ Kohn, David. "ISIS's Looting Campaign." The New Yorker, October 14th, 2014
<http://www.newyorker.com/tech/elements/isis-looting-campaign-iraq-syria>

⁵ <http://www.spiegel.de/spiegel/print/d-41106138.html>

⁶ Bogdanos 2011

Art dealers, archaeologists, curators, and collectors all have a responsible role to play in providing detailed provenance to particular artworks and artifacts. Suspicious behavior and individuals should be reported to the proper law enforcement agencies even if it means a potential loss in revenue from the sale of a work. Also, financial intelligence units (FIUs) must be engaged in this complex global market and create structures that streamlines compliance procedures, much like in the banking system.

In the wake of the Paris attacks, perhaps one hopeful development will be a world committed to the eradication of ISIS and jihadist groups that seek to impose their barbaric will upon civilization. Let's hope and pray that we will do all that is necessary before it is too late.

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