



Terrorism Monitor

In-Depth Analysis of the War on Terror

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al-Aqsa Grain Foundation

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PRO-GOVERNMENT WARLORD LAUNCHES ATTACK IN SOUTH SUDAN'S OIL-RICH MALAKAL REGION

Fierce fighting broke out last week in the oil-rich region in and around Malakal, the capital of Sudan's Upper Nile State, after a government-sponsored militia leader made an unexpected return to the city, where he is wanted by local authorities for his role in a violent episode in 2006 that left 150 people dead.

Major General Gabriel Tanginya (a.k.a. Gabriel Gatwech Chan) led a pro-government militia in the 1983-2005 North-South Civil War. Following the 2005 Comprehensive Peace Agreement (CPA), Tanginya and his forces were integrated into the Sudan Armed Forces (SAF), with the militia leader being rewarded with the inflated rank of Major General. Bloody clashes with the Sudanese Peoples Liberation Army (SPLA) in 2006 led to the withdrawal of Tanginya and his militia to Khartoum, where they have remained since. His surprise return to Malakal on February 23 was seen by some southern politicians as a provocation designed to reignite the civil war (AFP, February 27; *Sudan Tribune*, February 26). The Government of South Sudan (GoSS) claims Tanginya was met in Malakal by members of the SAF's military intelligence. Peacekeepers belonging to the United Nations Mission in Sudan (UNMIS) asked Tanginya to leave shortly after his return to Malakal, but the militia leader refused.

Fighting erupted after the SPLA tried to arrest Tanginya on an outstanding warrant issued by the GoSS. Sudanese Armed Forces (SAF) units belonging to the Joint Integrated Units (JIU) formed from SPLA and government forces after the 2005 peace treaty joined in the defense of Tanginya against their former



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JIU comrades. Troops of the SPLA's 7th Division under the command of Major General Majier Amel pounded the SAF units and Tanginya's militia with artillery and tank-fire, driving these forces towards the Malakal airport (*New Sudan Vision*, February 25). Fighting also spread to the Faluj oil field north of Malakal, where the GoSS reported clashes between Khartoum's "petroleum police" and villagers in a number of places inside the oil-producing zones.

The fighting came to an end with the dispatch from Khartoum of a delegation led by Government of South Sudan (GoSS) Vice President Dr. Riek Machar, a controversial figure who led his own Nuer-based pro-government militia against the SPLA during the Civil War. Machar ordered Tanginya to return to Khartoum and UN officials urged the JIU to "demonstrate tolerance and uphold their professional obligations" (*Sudan Tribune*, February 27). The death toll in Malakal included 26 civilians, 15 soldiers of the SPLA, and 16 soldiers of the SAF. 84 soldiers and civilians were wounded (*Sudan Tribune*, February 27).

Malakal was the scene of tribal violence earlier this year when a dispute between the Chollo Shilluk and the Ngok Dinka over who should enter a local stadium first for a celebration of the fourth anniversary of the CPA turned violent. Nine people were killed and 90 injured by the fighting and police gunfire. Shortly thereafter as many as 12 people in the nearby village of Nagdiar were killed in an attack and two other villages burned to the ground (Miraya FM [Juba], January 25). Malakal lies in land traditionally claimed by the Chollo Shilluk. The Ngok Dinka arrived in the area in 1818, leading to disputes over land ownership (*Khartoum Monitor*, January 16). The Dinka are the most powerful tribe in the SPLA. The arrival of General Tanginya in Malakal may have been an attempt to exploit this dispute to create further divisions between the Shilluk and the Dinka in the lead-up to the 2011 referendum on Southern independence.

The fighting also demonstrated the fragility of the JIU, which broke into North-South factions as soon as the fighting began. Though it has always been difficult to find anyone with much confidence in the joint infantry units, there was still some hope they might provide a template for a combined national army if the South votes for unity with the north in the upcoming referendum.

In 2006 SPLA forces in Malakal clashed with Tanginya's second-in-command, Mabor Dhol, after the latter refused orders to leave Malakal. 150 people were killed

in the consequent fighting and a warrant was issued for Tanginya's arrest. GoSS Minister of Information Gabriel Changson Chang said, "We must stress that any attempt to evacuate or protect Tanginya and his accomplices will constitute a crime of harboring and aiding criminals" (*Sudan Tribune*, February 26). In response, Riek Machar described the arrest procedure as "a complicated matter:" "There is nobody that would arrest a Major General in the Sudan Armed Forces, except the command of the SAF, which I don't belong to" (*Sudan Tribune*, March 1).

EGYPTIAN ISLAMIST HANI AL-SIBA'I EVALUATES THE STATE OF JIHAD IN SOMALIA AND GAZA

On February 7, Egyptian Islamist and al-Qaeda supporter Dr. Hani al-Siba'i gave an interview on Al-Ansar Pal Talk in which he evaluated the present state of the global jihad, including observations on the situations in Somalia, Gaza, and the Arabian Peninsula. The four-and-a-half-hour interview was open to forum members who communicated with al-Siba'i through a moderator.

Al-Siba'i is on both the UN and U.S. lists of designated supporters of terrorism for his association with al-Qaeda and other extremist groups. An Egyptian national, al-Siba'i lives in London, where he has claimed political refugee status (he describes himself as "a prisoner in a Western country"). Formerly a leading member of Egypt's Islamic Jihad (IJ) organization, al-Siba'i was sentenced to 15 years imprisonment after being tried *in absentia* in Egypt. In London he is the founder and director of the Almaqreze Center for Historical Studies.

During the interview, al-Siba'i denounced the new Somali government led by Shaykh Sharif Shaykh Ahmad, the former chairman of the Islamic Courts Union (ICU). Suggesting that the new President had been "brainwashed by the Americans" (presumably during his brief detention by American security forces in Kenya in early 2007), al-Siba'i describes Shaykh Sharif as being like "Karzai in Afghanistan," an American agent brought in to create sedition in the ranks of the mujahideen. He rejects the advice of Egyptian-born Shaykh Yusuf al-Qaradawi (a prominent and influential Qatar-based member of the Muslim Brothers) for Somali Muslims to rally behind the new president: "[his] recommendations are invalid because he is tainted."

Al-Siba'i condemns the emergence of new armed Islamist groups in Somalia (such as Dr. Omar Iman Abubakr's Islamic Party coalition) as unnecessary and the product

of Eritrea's intelligence services, warning that "this new Islamic Party, if it persists on continuing in its dealings, the Mujahideen Youth Movement [al-Shabaab] will be forced to fight it." He describes America's concern with Islamism in Somalia as being based on the country's proximity to the Middle East ("unlike Afghanistan").

According to al-Siba'i, it is not necessary to have al-Shabaab make a formal declaration of unity with al-Qaeda "because an alliance already exists." Joint operations between the two groups "should be carefully planned and studied in order not to make mistakes that would have a long-lasting effect." He fears "an organized international media campaign that will defame and distort the Mujahidin Youth Movement and portray them as killers and scoundrels and nothing but al-Qaeda affiliates."

The unification of al-Qaeda forces in the Arabian Peninsula under escaped Yemeni terrorist Nasir al-Wuhayshi is described as a great blow to the Saudi regime that will help "keep the idea of expelling the Crusaders from the Arabian Peninsula and the rest of the Muslim world alive." The union will "cause the Americans to re-evaluate their positions once again after believing that they were successful in expelling, weakening, and breaking [al-Qaeda]." Al-Siba'i warns that Saudi Arabian and Yemeni intelligence services will collaborate to bribe various tribes and recruit young people to infiltrate al-Qaeda in the Arabian Peninsula.

Turning to Hamas, al-Siba'i describes the movement as "useless," condemning it as an affiliate of the Muslim Brothers composed of "mercenaries and traitors." He ridicules anyone who suggests the Israeli assault on Gaza was a victory for Hamas; "Hamas is in a phase of bankruptcy and what happened was not a victory." Al-Siba'i describes the evolution of Hamas into a political party as "theological perversion" counter to Islam.

Al-Siba'i also discusses his own opponents in the Islamist community, some of whom have accused him of being a secret Shiite or an agent of Scotland Yard. In closing, al-Siba'i complains of his impending deportation order from the UK, denying he is a "threat to national security." According to his "Christian lawyer," British authorities intend to "make his life hell."

Jihadis Question al-Qaeda's Relationship with Israel

By Abdul Hameed Bakier

Since Yemeni president Ali Abdullah Saleh announced the arrest of an al-Qaeda cell connected with Israel on October 6, 2008, many Islamist forum members have continued to speculate on al-Qaeda's possible links to Israel (Al-Arabiya, October 6, 2008; AFP, October 7, 2008). Moderate Islamists questioned al-Qaeda's ability to perpetrate massive attacks such as 9/11 without the help of a powerful country such as Israel or the United States. Others believe al-Qaeda is being manipulated by these countries, which also explains why al-Qaeda is incapable of attacking Israel (al-yemen.org, January 10). Pro-al-Qaeda jihadi internet forums responded to these speculations by posting instances of al-Qaeda generated attacks on Israeli targets (muslm.net, February 14).

Those speculating on al-Qaeda's possible links to Israel question the chances of a group of Islamists being able to penetrate US defenses, especially those of the U.S. Department of Defense (as in the Pentagon attack), unless they have inside collaborators. A forum member, nicknamed Sarhan, points to the Islamic terrorist cell arrested in Yemen in 2008 as proof of al-Qaeda's ties to Israel. Sarhan alleges that Israel, in an attempt to divert attention from its secret links with al-Qaeda on the eve of the arrest of the Yemeni terror cell, sowed confusion in Yemen's international waters by encouraging simple Somalis to disrupt international maritime traffic in the narrow strait between Somalia and Yemen. As evidence, Sarhan cites the use of high tech weapons and equipment that Somalis do not usually possess nor could operate unless trained by a highly capable country. The other diversion Israel tried to create, Sarhan alleges, involved accusing Yemen of supplying Hamas with Chinese-made rockets. Another forum member agreed with Sarhan's hypothesis: "You said the right thing. Al-Qaeda is simply a Zionist organization set up to dismantle Islam and invade the Arab world. All the sectarian violence we are witnessing today is the work of the Jewish lobby" (al-yemen.org, January 10).

Some forum members even suggested that Israel paved the way for the 9/11 terrorist attacks through the Zionists in U.S. security and military echelons (alqumaa.net January 8). In the same way, a member of the Lebanese national resistance front forum noted that since the announcement of al-Qaeda's existence in 1998, the

organization has waged jihad against everybody but the Zionists. According to the post, Arab nationals should know by now that al-Qaeda is a terror organization and Dr. Ayman al-Zawahiri offered nothing for Palestine except “political pornography” on TV screens. The forum member recalls that, when asked why al-Qaeda has not attacked Israel, al-Zawahiri’s explanation that al-Qaeda was busy fighting in Iraq was yet another example of diverting attention from Israel. The forum member rejects the “too busy” defense, pointing out that for 16 years, long before al-Qaeda’s involvement in Iraq, the group carried out complicated terror operations such as the assassination attempt on Egyptian prime minister Atef Sidqi and Interior Minister Hassan al-Alfi in 1993 (operations that were actually carried out by al-Jihad, rather than al-Qaeda); commenced a terror campaign in Saudi Arabia in 1995; and reached almost all Arab and Western countries except Israel in the following years.

Contesting the accusation against al-Qaeda, a pro-al-Qaeda chatter called on Arabs to rid themselves of conspiracy theories and believe in the ability of al-Qaeda to attack the strongest country in the world, adding, “When are we going to stop glorifying other nations’ heroes and glorify our own?”

Other Salafi-Jihadi forum members were quick to respond by listing al-Qaeda’s attacks against Israeli targets. Jihadi chatters mentioned al-Qaeda’s attack on a Jewish synagogue in Tunisia in 2002 (see *Terrorism Focus*, February 25), the car-bombing of an Israeli-owned hotel in Mombasa in 2002, a Katyusha rocket attack on Eilat in 2005 (that caused no damage or casualties), and the February 2008 attack on the Israeli embassy in Mauritania (muslm.net, February 14).

Another opinion on al-Qaeda’s links to Israel took a more thoughtful approach. A posting by a Yemeni forum member, nicknamed al-Mahnon, suggested al-Qaeda is being unconsciously exploited by Israel because Israel is aware of most of al-Qaeda’s terror plans. By assisting al-Qaeda in perpetrating successful terror attacks, Israel paved the way for a U.S. war on al-Qaeda in Afghanistan, consequently impeding jihadi expansion, removing the Iraqi threat to Israel and humiliating the world under the pretence of fighting terrorism under an American-Zionist flag. Without al-Qaeda’s awareness, Mossad sought the same objectives because they served the Israeli cause in the long run.

The conspiracy theory claiming an Israeli link to terrorist organizations, in this case al-Qaeda, is not the first one nor will it be the last as long as Israel is

targeted by terrorist groups. In the 1970s and early 1980s the radical Palestinian Abu Nidal Organization (ANO) was also accused of links with Israel.¹ So, was ANO connected with Israel, or is al-Qaeda cooperating with Israel? The answers to these questions lie in the fact that the security apparatus of any country aims to penetrate enemy ranks and collect whatever intelligence is necessary to prevail over the enemy. Furthermore, advanced intelligence services go beyond penetration and manipulate an enemy to their advantage. Intelligence operations involving the manipulation of an enemy’s resolve are always highly confidential, known to very few even in the security service itself. Therefore, the lack of such concrete information leads to the proliferation of conspiracy theories of all kinds. In the end, the spread of such beliefs serves to cause dissension within the ranks of a targeted organization, such as al-Qaeda.

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Does Cairo Bombing Mark a Return to Terrorist Violence in Egypt?

By Chris Zambelis

A bombing in Cairo’s ancient Khan al-Khalili market has raised fears about a new round of terrorist attacks in Egypt coming amid the 2009 tourist season. The February 22 attack left one French tourist dead and over 20 local and foreign bystanders injured, including French, German, and Saudi tourists. Located in the historic Old City (Islamic Cairo) section of Egypt’s capital, Khan al-Khalili is a bustling tourist magnet and trading center. Though terrorist violence has been at a low ebb lately, Egypt has experienced a series of major terrorist attacks in the past by radical Islamists targeting foreign visitors and the country’s tourism infrastructure — the lifeblood of the Egyptian economy — as well as symbols of the Hosni Mubarak regime, especially the security services (al-Jazeera [Doha] February 23; February 25).

Initial reports based on eyewitness accounts at the scene of the bombing indicated that explosives may have been thrown from the roof of the nearby al-Hussein hotel or

1 Patrick Seale, *Abu Nidal: A Gun for Hire*, Random House, New York, 1992.

from a passing motorcycle (al-Jazeera, February 23; *al-Abram* [Cairo], February 26). According to Egyptian investigators, however, the perpetrators of the attack placed a crudely made explosive device composed of gunpowder and rocks under a stone bench outside of the historic al-Hussein mosque, adjacent to the Khan al-Khalili market. The device is reported to have weighed between 500 and 750 grams, consisting of two explosives-filled canisters that were concealed in a plastic water cooler. The bomb was detonated with a washing machine timer. Egyptian security officials uncovered a second device approximately 30 meters away from the initial bombing that failed to detonate (*Egypt Daily News* [Cairo] February 25). At this point, Egyptian investigators believe the material for the explosives may have come from locally manufactured fireworks, typically used during the annual Eid festivities (*Egypt Daily News*, February 25). This is not the first terrorist attack at Khan al-Khalili that has targeted tourists: a suicide bomber struck at the market on April 7, 2005, killing two French tourists and an American, and injuring scores of others (al-Jazeera, February 23).

Over 14 suspects have been detained for questioning by the Egyptian authorities since the attack; however, no individual or group has claimed responsibility for the bombing (*al-Abram*, February 26). Based on the crude nature of the bomb, a consensus among Egyptian investigators and local observers appears to rule out involvement by al-Qaeda or other radical Islamist groups with a history of executing major attacks in Egypt against tourist centers. These include Egypt's Islamic Jihad (IJ), a group formerly led by al-Qaeda's deputy commander Dr. Ayman al-Zawahiri that has since merged with al-Qaeda; and Gama'a al-Islamiya (Egyptian Islamic Group- EIG), a group that renounced violence in 1997 and entered into a unilateral ceasefire with the state following a major crackdown by the Egyptian authorities. An obscure faction within EIG led by Muhammed al-Hakaima is opposed to the ceasefire and claims to have merged with al-Qaeda. (al-Jazeera, February 25; *Terrorism Focus*, October 24, 2006; *Terrorism Focus*, September 12, 2006). Many Egyptian media sources and other observers suggest that the attack was most likely executed by a small terrorist cell, possibly without ties to foreign terrorist organizations, but nevertheless determined to act against the state on their own initiative by striking out at the regime's economic lifeline (*Al-Dustour* [Cairo], February 23; al-Jazeera, February 23). Other sources do not rule out the possibility that the attack was executed by a small

splinter cell that may at one point have been linked to IJ or EIG during the height of Egypt's radical Islamist violence in the 1980s and 1990s (al-Jazeera, February 25).

In another Khan al-Khalili incident targeting foreigners, an American teacher living and working in Egypt was attacked while shopping with his wife on February 27 by a man wielding a knife. The victim suffered only minor injuries. Although Egyptian authorities reported that the attacker has a history of psychiatric problems, they also reported that the attacker acted due to his "hatred for foreigners because of the Israeli offensive in Gaza" (*Egypt Daily News*, March 11; *al-Arabiya* [Dubai] February 28). In a mysterious incident the following day, an unidentified man hurled an incendiary device at the crowded Helmet al-Zaitoun subway station in Cairo while it was packed with commuters. The device failed to detonate and the perpetrator managed to escape. No injuries were reported. No further reports have surfaced regarding a possible motive behind the subway attack (*al-Arabiya*, February 28).

There are no indications that the bombing at Khan al-Khalili and the subsequent attacks in the market and subway station are in any way connected. However, the timing of the attacks, coming so soon after Israel's December invasion of Gaza, may be telling. Egypt was widely seen across the Middle East as having actively conspired with the Israelis against the Palestinians of Gaza. This wave of attacks may therefore represent the first round in a looming campaign of violence led by a new generation of Islamic militants with no formal ties to established terrorist organizations, but who are nonetheless driven to retaliate against the Mubarak regime for its perceived complicity in Israel's attack against Gaza. Radical Islamists have long harbored a deep hatred of the Mubarak regime over what they see as its repression, corruption, and heresy. The Mubarak regime is also widely viewed by militants—and many mainstream Arabs and Muslims alike—as an agent of U.S. and Israeli interests in the Middle East. Moreover, both Osama bin Laden and Ayman al-Zawahiri issued public statements during the Gaza crisis lambasting Arab regimes for what they saw as their collusion with Israel's actions, singling out Egypt in particular for its refusal to open its border with Gaza to allow besieged Palestinians entry into Egypt. Both bin Laden and al-Zawahiri called on Muslims to rise up and retaliate on behalf of the Palestinians (al-Jazeera, January 15). Given the global financial crisis, a period where Egypt is considered a bargain tourist destination compared

to other destinations, a new round of attacks against Egypt's tourism industry and other targets in Egypt could go far in undermining the Mubarak regime. While it is still unclear whether the recent attacks in Cairo can be attributed to festering resentment in Egypt over Gaza, the rudimentary quality and sequence of the attacks indicate that Egypt may have to face its own brand of homegrown terrorism in the months ahead.

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Insurgent Attacks on the Iraqi Energy Sector

By Fadhil Ali

With the recent reduction in political violence, the Iraqi government is looking to make greater use of the nation's formidable oil wealth, a frequent target of Iraq's varied insurgent groups. Iraq and the Coalition have set out a new strategy aimed at protecting the oil industry, including the 7,500-km network of pipelines that cross all over the country. A force of 17,000 military personnel supported by helicopters and advanced communications equipment is responsible for securing the oil sector. General Hameed Abdullah, commander of the force, said that by 2012 his men will be able to handle the security of Iraq's oil infrastructure and stop the existing smuggling and sabotage (elaph.com, November 6, 2008).

Last year, the Iraqi Minister of Oil, Hussain al-Shahristani, indicated that the monthly average of attacks on the oil sector had dropped significantly, from 30 in 2007 to only 4 in 2008. Al-Shahristani attributed the drop in sabotage to the participation in security operations of Sunni tribal fighters of the Sahwa (Awakening) councils (nahrannet.net, June 25, 2008).

History and Background

The Iraqi economy has always been dependent on oil revenues. None of the governments in Iraq's modern history have worked to change that situation despite

the oil sector's vulnerability. Conflicts with Iran and the United States have caused significant damage to the oil industry since 1980.

After the U.S.-led invasion of 2003, Iraqi oil installations became attractive targets for different insurgent and armed groups. More than 500 attacks took place between 2003 and 2008. The country lost 12 billion dollars and reconstruction efforts stumbled (elaph.com, June 6, 2008).

The armed threat on the oil sector can be explained by recognizing the acts and ideologies of the following five categories of insurgents:

Al-Qaeda and Affiliate Groups

Targeting oil is a major element of al-Qaeda's global strategy. In 2004, Osama bin Laden called for an intensification of attacks on the energy infrastructure in Iraq and the Gulf:

Exhausting America in Iraq today economically and morally is a golden opportunity. Do not miss that opportunity. One of the biggest reasons behind our enemies' domination over our countries is to steal our oil. Do the best that you can to stop the biggest robbery in history. The oil price should be at least 100 dollars a barrel. Work hard and concentrate your operations on oil, especially in Iraq and the Gulf... I urge you to strike the support lines and the oil lines, plant the double mines that kill and leave no wounded and assassinate the companies' owners, who supply the enemy with what it needs, whether in Riyadh, Kuwait, Jordan, Turkey, and elsewhere (al-hesbah, December 15, 2004; *Al-Quds al-Arabi*, December 17, 2004).

Al-Qaeda affiliate groups played an effective role in targeting the oil industry in post-invasion Iraq. Most of the attacks occurred in the Sunni areas where the Salafi-Jihadis were active.

Despite the retreat of the Salafi-Jihadi groups in Iraq, it is expected that the oil sector will always be an attractive target for them. An article by a Salafist writer using the name Abu Musa'ab al-Najdi was posted in many Salafi forums, hailing the mujahideen's success in preventing the Americans from controlling Iraq's oil. Al-Najdi described the prospects for the near future: "I expect that al-Qaeda's operations will concentrate on the oil targets

in Kuwait, Venezuela and the so-called Saudi Arabia in addition to the possibility of targeting Wall Street in one way or another. Al-Qaeda will continue, but with more concentration and specific accuracy, in preventing the American thieves from taking advantage of Iraqi oil, especially with the possibility of a withdrawal of part of the American forces” (banor.net, May 10, 2007).

The Iraqi Insurgent Groups

Iraqi insurgents have always believed that oil was one of the main reasons behind the U.S.-led invasion. When the Iraqi government approved a draft of the hydrocarbon framework in February 2007 known as the Oil and Gas Law, all of the insurgent groups opposed the move.

The Jihad and Reform Front issued a statement labeling the legislation as the new face of the economic occupation. The statement suggested that control of Iraq’s oil was America’s primary goal (before securing Israel and attacking Islam) following the invasion. The front, which includes the Islamic Army in Iraq and a wing of Ansar al-Sunnah, called on the insurgents to take the following measures:

- Target all of the betrayers and brokers and everyone who participates in passing the Oil and Gas Law
- Target all the monopolizing oil companies and their staff
- Strike all of the export crude pipelines to cut the enemy’s artery but avoid striking the internal fuel pipelines which serve the Iraqi people

The Ba’ath Party

In 1972 the Iraqi Ba’ath government announced the nationalization of the oil industry. Saddam Hussein, who was vice-president at the time, played a major role in the decision. The economy entered a boom for about ten years. Even for those who opposed the Ba’ath party, it is very hard to deny the popularity of the nationalization of oil and the public success of the Ba’ath government’s economic policies in their early years in power in the 1970s.

After the invasion, insurgent groups aligned with al-Ba’ath took part in attacking the oil industry. The pro-Ba’ath websites reported those attacks, justifying them

as “part of the strategy of preventing the occupying forces from exploiting and stealing Iraq’s oil wealth” (e.g. albasra.net, October 26, 2003).

When the Oil and Gas Law emerged, the Ba’ath party opposed it, issuing a statement carrying slogans like “Oil is for the people of Iraq and we will cut the hand that delivers it to America” and “No free Iraq without free oil.” The statement declared, “Preserving the nationalization of oil is one of the most important goals of the resistance” (albasrah.net July 10, 2007).

Militias, Gangs, and Tribes of Southern Iraq

Most of Iraq’s oil reserves are located in the south. Al-Basra province has the largest reserves in Iraq but suffered only a few al-Qaeda style attacks after the invasion. Al-Basra, however, was subject to smuggling activities and various types of sabotage. In an exclusive interview with Jamestown, Assim Jihad, the spokesman of the Iraqi ministry of oil, referred to these activities as “the other terror.” Jihad indicated that gangs have frequently punctured the pipeline network to steal crude oil and other fuels, adding, “Oil smuggling has been an effective economic activity in this area for years. Many gangs attack the oil institutions when the government tries to crack down on their illegal behavior.” However, Jihad points out that there has always been fewer attacks on the pipeline network in the Shiite south than in the Sunni areas.

At the peak of their confrontation with the Coalition in 2004, a group of supporters of radical Shiite cleric Muqtada al-Sadr threatened to destroy 75 percent of the oil pipelines in the south if the Americans did not cease military operations directed at Muqtada’s followers in the Shiite holy city of Najaf (*al-Sharq al-Awsat*, August 22, 2004). The threat was not implemented, but the intention of targeting the oil sector demonstrated that Shiite militias considered such attacks a military option in the conflict.

Lately, the tribes have played a generally positive role in the stabilization of Iraq, but General Hameed Abdullah, commander of Iraq’s oil protection force, criticized some of the tribes in al-Basra, describing them as uncooperative and accusing them of failing to help the police to stop oil smuggling carried out by fellow tribesmen. The General said members of his force work under difficult circumstances, as the government supports and arms the tribes, but no law exists to protect the law-enforcement body (*al-Quds al-Arabi*, December 28, 2007).

The Kurdish PKK

As part of their ongoing conflict with Turkey, the cross-border Kurdish rebels of the Kurdistan Workers Party (Partiya Karkeren Kurdistan - PKK) frequently attack the export pipeline which links Kirkuk and the Turkish port of Ceyhan. So far the PKK attacks have occurred inside Turkey. Last November the PKK carried out an attack in Turkey's Mardin province, though it had no effect on the flow of the crude in the pipeline (*Yeni Ozgur Politika*, November 24, 2008; iraq4allnews.dk, November 22, 2008). The presence of the group in northern Iraq and its conflict with Turkey will remain a potential threat for the Iraqi oil industry (see *Terrorism Focus*, December 12, 2008).

Conclusion

The consolidation of the Iraqi security forces was not the only reason behind the drop in attacks on the Iraqi oil industry. In his interview with Jamestown, Oil Ministry spokesman Assim Jihad identified four key factors behind the security improvement:

- The growing social awareness among the population of the importance of the country's natural resources; the propaganda of the insurgents has not been as successful as it once was; and exhortations to attack the pipelines because they pump oil to Israel no longer have much effect
- The role of the tribally-based and U.S.-armed Sahwa (Awakening councils) in improving regional security
- The American surge strategy and improved coordination between the American military and Iraqi provincial forces and authorities
- The increase in the size and capability of the Iraqi security forces

The threat posed by the five groups specified in this article to Iraq's oil industry is unlikely to dissipate any time soon. These groups criticize the industry's corruption and the rivalries among political factions over oil exploitation in Iraq. They refer also to the frequent fuel and electricity shortages in Iraq and the suffering of the people.¹ A lack of transparency has eroded the people's

¹ See a statement by the Ba'ath party on alrafedean.com, February 14, 2008; and an article by Dr. Ashraf al-Hilli

confidence in the oil sector, creating frustration that can lead to radicalization. No longer enjoying the advantage of having the world's third-largest oil reserves (or first-largest, as many Iraqis believe), many Iraqis remember the era of oil-funded development in the 1970s as the "good old days," even if they were under Ba'athist rule at the time. Translating security improvements into development and job opportunities will mark a major step forward for the elected government in Baghdad.

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Scandinavian Trials Demonstrate Difficulty of Obtaining Terrorist Financing Convictions

By Michael Jonsson and Christian Nils Larson

As the international community gears up for reconstruction efforts in Gaza, a number of European Union members are grappling with the question of how to deal with the alleged funding of Hamas through a number of charities. A Swedish court's February 17 acquittal of Khalid al-Yousef on charges of terrorist financing and violating EU sanctions is the latest in a series of actions attempting to target al-Aqsa Foundation, believed by many security services to be a conduit for funds from Europe to Hamas. Al-Yousef's acquittal echoes a 2008 decision in Denmark in which two men charged with terrorist financing through al-Aqsa were narrowly acquitted by a divided court.

In largely similar cases, EU members have taken a wide variety of legal and administrative actions against organizations carrying the al-Aqsa name. In Sweden and Denmark, lengthy criminal investigations followed by criminal prosecutions have both ended in acquittals. This is in part because of the high evidentiary standards applied by the courts, but mainly because much of the evidence provided by Israel was discarded. The reliance on evidence from Israel and lower evidentiary thresholds were important factors in several German and Dutch court decisions to uphold administrative bans on al-Aqsa organizations in those countries. By contrast, the Belgian government has not attempted to shutter the organization's offices in Verviers and Brussels.

on aliraqnews.com, June 23, 2007.

Court cases over the legality of bans on al-Aqsa and the organization's inclusion on the EU terror list have highlighted a number of the security challenges and humanitarian tradeoffs inherent in prosecuting suspected cases of terrorist financing. The Swedish and Danish trials showcase the most recent developments.

Al-Aqsa in Sweden

Khalid al-Yousef, head of al-Aqsa Spannmål Stiftelse (al-Aqsa Grain Foundation) in Malmö, Sweden, was brought to court on charges of terrorist financing and breaking EU sanctions prohibiting support to Hamas. Al-Yousef agreed that he had collected money and transferred it to charities in Palestine including the Jenin Charity Committee, the Islamic Society, WYMA, and Human Appeal, but he denied that the recipient organizations were part of Hamas or that the purpose was to finance terrorism.¹

The crux of the prosecution's argument was that money sent from al-Aqsa Spannmål Stiftelse to charities in Gaza may have been used to support the families of deceased terrorists, thus encouraging terrorism. The court dismissed the charge, however, because Swedish law does not explicitly prohibit such support. On the charge of breaking EU sanctions, the court found that the total evidence put forth "to some extent indicates that one or more of the organizations to which Khalid al-Yousef has sent money may be a part of Hamas, and the transaction thus prohibited. The evidence presented, however, is not sufficient for a conviction."²

The court's verdict followed a tough evaluation of the evidence presented. The court said that because Israel and Hamas are engaged in a "war-like situation," the Israeli view of Hamas as a terrorist organization and the outlawing of the charities in question "should be regarded as entirely irrelevant."³ The court also rejected documents seized by Israeli authorities in Hebron in June 2002 that allegedly show that Hamas' social, political, and military activities are all related. Because the documents' authenticity could not be verified, they had "very little or no value" as evidence. Lastly, the court said that evidence from two trials by an Israeli court in Samaria "cannot be given any decisive

importance" because of the "war-like situation" in Israel and Palestine, as the trials were conducted on occupied territory and the original documents were not presented.⁴

Citing various concerns, the Swedish court largely discarded as evidence an FBI wiretap of a 1993 meeting of Hamas operatives in Philadelphia, a statement from the PLO, and a letter from the late Shaykh Ahmad Yassin (the spiritual leader of Hamas) that had been used in a German trial. The evidence the court found to be most credible was wiretaps indicating that al-Aqsa supported the families of martyrs and Hamas activists, and that money sent to Human Appeal may have been forwarded to other charities.

In an interview with *Sydsvenska Dagbladet*, Judge Rolf Håkansson reiterated the court's view that the evidence presented had been inadequate: "Can you base a conviction on newspaper articles, TV clips, and excerpts from books?" (*Sydsvenska Dagbladet*, February 18). Prosecutor Agneta Qvarnström stated that although there was perhaps no single piece of evidence sufficient on its own for a conviction, she believed that the total picture presented by the circumstantial evidence was quite convincing.

Especially interesting in terms of the alleged sanctions law violation is the court's argument that while a wiretap suggests that al-Aqsa Spannmål Stiftelse "supports the families of martyrs... this does not show that there is an economic connection" to Hamas. It appears that the court has not considered the fungibility aspect whereby support given to the families of "martyrs" or Hamas members may free up Hamas' funds for other purposes. This argument assumes that Hamas would fund the families of "martyrs" if charities were not doing so. Many terrorist groups have consistently supported the families of killed or incarcerated members. An interesting state example is Saddam Hussein's history of funding the families of Palestinian "martyrs" and the significant support he won in Palestine as a result (BBC, March 13, 2003). It appears likely that the prosecution will appeal the case (*Sydsvenska Dagbladet*, February 18).

Al-Aqsa in Denmark

The case against al-Aqsa in Copenhagen, settled by Denmark's highest court in February 2008, mirrors the Swedish case in many aspects. Local al-Aqsa directors

1 Swedish Al Aqsa case, Court Transcript, Mål nr. B 8056-06 Malmö Tingsrätt, Sweden February 17, 2009.

2 Ibid, p.8.

3 Ibid, p.5.

4 Ibid, pp.5, 7-8.

Rachid Mohamad Issa and Ahmad Mohamad Suleiman stood accused of financing Hamas through three of the same charities as the Malmö-based organization.⁵ Like al-Yousef in Sweden, Issa and Suleiman said they had collected and transferred money to the charities, but denied that the purpose was to support Hamas or the families of suicide bombers. Much of the evidence in the trial was identical to the Swedish case, and the issue of how to evaluate evidence provided by Israel proved central to the outcome of both trials. The Danish court also largely dismissed the charge that funding the families of “martyrs” should be viewed as terrorist financing (*Politiken*, February 6, 2008).

The Danish court split 3-3 on six of the eleven charges in the case, illustrating both the complexity of terrorist financing cases and differing views on how to interpret newly adopted laws. For example, Issa and Suleiman faced charges of supporting the Islamic Charitable Society (ICS), which the Danish prosecutor argued was a part of Hamas. The court split evenly, with three judges in favor of a conviction and three against. Those judges in favor of a conviction found the 1993 FBI wiretap relevant, emphasizing that ICS leaders had been members of Hamas and that ICS had given more support to the families of dead or incarcerated members of Hamas than to other needy individuals.

Those judges against a conviction found no decisive evidence that ICS leaders were working in conjunction with or at the direction of Hamas, regardless of whether some ICS leaders were also members of Hamas. They also disregarded the FBI wiretap as too old.

On the question of whether financing the families of “martyrs” or incarcerated Hamas members facilitates terrorism, the judges agreed that in order to prove such a charge, the prosecutor needed to show that such support in isolation facilitates the criminal activity. None of the judges found that connection have been proven. In sum, although the court was divided 3-3 on six counts, Issa and Suleiman were acquitted of all charges.⁶

5 In the Swedish case, the charities were transcribed as Islamic Society and Jenin Charity Committee, whereas in Denmark they were transcribed as Islamic Charitable Society and Zakat Committee Jenin.

6 Danish Court Transcript, Anklagesmyndigheden mod Rachid Mohamad Issad mfl, 10.afd. a.s. nr. S-1057-07 Ostre Landsret, Denmark, February 6, 2008, pp 34-44.

Al-Aqsa in Europe

Al-Aqsa got its start in Europe in 1997, when Mahmoud Amr registered al-Aqsa e.V. (e.V. = Eingetragener Verein – a registered club in Germany) in Aachen, Germany, Al-Aqsa Humanitaire in Verviers, Belgium and Stichting al-Aqsa in Heerlen, the Netherlands. Similar to the proximity between the Malmö and Copenhagen offices, the al-Aqsa offices in Aachen, Heerlen, and Vervier were all less than 30 miles from one another. Amr, whom the United States has accused of being “an active figure in Hamas,” was an original signatory to the charters of all three organizations.⁷

Germany

In May 2002, Israeli officials pressed Germany to shut down the organization in Aachen, but Germany resisted, insisting that monitoring the group would yield more actionable information than shutting it down. That summer, however, German authorities reversed course, issuing an administrative order banning al-Aqsa e.V. in Aachen, in part to send a clear message that Germany would not serve as a safe haven for radical Islamists (*Frankfurter Allgemeine*, August 5, 2008).

Al-Aqsa e.V. took the German decision to court and won permission in July 2003 to resume operations under government supervision. A higher German court reinstated the ban in December 2004, ruling that the government had been correct in ordering the organization’s dismantlement. In its press release, the court added that “While it is impossible to prove that the funds transferred to the welfare organizations were used (in part) indirectly by Hamas’ military activity... The Senate is convinced that the Petitioner sympathizes with the goals of Hamas.”⁸

Netherlands

A similar story unfolded in the Netherlands, where the Minister of Foreign Affairs issued an administrative order in April 2003 freezing the assets of Stichting al-Aqsa in Heerlen. As in Germany, the Dutch decision invoked the authority of national anti-terror legislation adopted in the wake of 9/11.

7 <http://www.treas.gov/press/releases/js439.htm>; For the charters, see Appendix D at http://www.terrorism-info.org.il/malam_multimedia/html/final/eng/sib/1_05/german.htm.

8 <http://www.imra.org.il/story.php3?id=23782> [German court’s press release – December 3, 2004 – in translation. Press Release no. 69/2004].

Stichting al-Aqsa responded to the ban by filing suit against the Dutch government. After reviewing classified evidence from Dutch security services, the court ruled that the government was justified in its decision to freeze Stichting al-Aqsa's assets.⁹

Stichting al-Aqsa later filed suit in the EU court system, arguing that it had not been given a fair opportunity to contest its inclusion on the EU terror list. In July 2007, the European Court of First Instance agreed with al-Aqsa's argument, ruling that the freezing of al-Aqsa's assets in the Netherlands had been illegal.

The EU responded by modifying its procedures for making changes to the EU terror list and simply de-listing and re-listing Stichting al-Aqsa. In a case that is still pending, Stichting al-Aqsa filed suit against the European Council in July 2008, seeking more than 10 million euros as compensation for its inclusion on the EU terror list.

Belgium

Although Belgian security forces told Federal Parliament in 2002 that they believed Hamas was present in Belgium through al-Aqsa in Verviers, no official effort to shutter the organization has been undertaken.¹⁰ While al-Aqsa e.V. and Stichting al-Aqsa both appear on the EU terror list, al-Aqsa's offices in Verviers and Brussels do not. A Belgian parliamentarian testified in January 2004 that there was insufficient evidence to place the Belgian organization on the list.¹¹

After the German court ruled definitively in December 2004 that the government had been correct in banning al-Aqsa e.V. in Aachen, Mahmoud Amr withdrew from the board of al-Aqsa Humanitaire in Belgium and the organization changed its name to Aksahum.¹²

9 Judgment of the Court of First Instance, July 11, <http://curia.europa.eu/juris/cgi-bin/gettext.pl?lang=en&num=79929288T19030327&doc=T&ouvert=T&seance=ARR ET>.

10 Sénat et Chambre des Représentants de Belgique, Session De 2001-2002, Rapport d'activité.2001 du Comité permanent de contrôle des services de renseignements et de sécurité, Juillet 19, 2002, <http://www.senate.be/www/?Mival=/publications/viewPubDoc&TID=33618007&LANG=fr>.

11 Séance Plénière, Compte Rendu Analytique, Chambre des Représentants de Belgique/Beknopt Verslag, Belgische Kamer van Volksvertegenwoordigers, January 28, 2004, <http://www.dekamer.be/doc/CCRA/html/51/ac140.html>

12 Tribunal de Commerce de Verviers, June 13,

Conclusion

These cases illustrate the complexities of prosecuting cases of suspected terrorist financing through charities and the specific challenges created by the Israeli-Palestinian conflict. At a basic level there is an unenviable policy trade-off between the imperatives of permitting humanitarian aid and preventing terrorist financing. The situation is exacerbated by the Israeli occupation of the Palestinian territories and Hamas' abuse of charities. The cases at hand have been particularly difficult to prosecute, in part due to Hamas' semi-official standing and widespread support in Gaza. Against this background, both the Swedish and Danish courts argued that the presence of acknowledged Hamas members in a specific charity does not prove that the charity is "part" of Hamas. Such an argument is more difficult to make in countries or regions where only a very small percentage of the population sympathizes with a terrorist group. It is telling that even large government agencies have had trouble ensuring that public funds do not make their way to Hamas.¹³

The trials also show that the way Israeli evidence is evaluated can be central to the final outcome of a case. The importance of Israeli evidence underlines the challenges small countries like Sweden and Denmark face in gathering evidence in terrorist financing cases without the cooperation of government authorities in the recipient/target countries.

The trials of al-Aqsa in Sweden and Denmark demonstrate that the evidentiary threshold for criminal procedures in sanctions cases is very high in those countries. Individuals set on circumventing those laws may find it easier to create plausible deniability in their efforts. In Germany and the Netherlands, administrative bans have enjoyed some success, but the legality of these measures has come up against repeated legal challenges.

Efforts to combat terrorist financing appear to have come full circle, from the silent monitoring and intelligence-gathering exercised pre-9/11 by the U.S. and advocated by Germany in 2002, to the vigorous use of civil and criminal procedures to try to halt the transmission of

2007, http://www.cass.be/tribunal_commerce/verviers/images/1306.0009.pdf.

13 C.f. Matthew Levitt, "Better late than never – Keeping USAID funds out of Terrorist Hands," Washington Institute for Near East Policy, 2007 <http://www.washingtoninstitute.org/templateC05.php?CID=2653>.

funds to terrorist organizations. In several countries, however, the judicial challenges of obtaining convictions in terrorist financing cases seem to be swinging the pendulum back towards silent intelligence gathering. The al-Aqsa cases in Sweden and Denmark may further this trend.

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