

SUMMARY:

The conflict in Syria is made possible by covert state support and a criminal "terror economy" which are sustaining the warring parties. Despite the fact that Damascus lies over 3,000 kilometers away from Stockholm, Syria's civil war is closer than ever. A large number of Swedish citizens are

fighting for terrorist organizations in Syria; some of these combatants are very likely to commit acts of terror upon their return. In 2014 alone, fleeing Syrians representing over half a percent of Sweden's population applied for permanent residence. The smuggling and human trafficking net-

works behind this not only account for billions of Swedish kronor, but also pave the way for illegal trade in contraband goods and weapons. The situation in Sweden also heightens the risk for terror attacks and other crime in our neighboring countries.

Syria and Sweden

A distant conflict with serious consequences at home

BY: KARL LALLERSTEDT

Even though Damascus lies over 3,000 kilometers away from Stockholm, the Syrian civil war arguably presents a more widespread threat to Sweden than any conflict since the Second World War.

Since the fighting began, an estimated 250-300 Swedish citizens have traveled to Syria and Iraq in order to join al-Qaida-inspired organizations. Many have died. Some of those who survive could potentially commit acts of terror upon their return.

During this ongoing humanitarian catastrophe, which has seen over 9 million people driven from their homes, the Swedish government implemented a unique asylum policy

resulting in a third of all EU-bound Syrian refugees ending up in Sweden. As there are no legal means for these refugees to make the journey to Sweden, they are forced to turn to migrant smugglers for assistance.

Human smuggling from Syria to Sweden is a brutal operation, generating billions and killing hundreds of its desperate "customers." Moreover, it strengthens criminal organizations and contributes to drug smuggling and other offenses in Sweden.

This report summarizes the economic forces behind the war and what effects they have in Sweden.

THE HUMAN CATASTROPHE IN SYRIA

- over 200,000 dead
- over 10 million in need of humanitarian help
- over 9 million forced to flee their homes
- over 3 million moved abroad
- systematic human rights abuses
- use of chemical weapons, including sarin nerve gas in 2013, and use of chlorine gas against civilians last year
- according to opposition spokespeople, more than 20,000 people have been killed by so-called barrel bombs dropped from helicopters above residential areas

THE WARRING PARTIES IN SYRIA

The Carter Center, which initiated "The Syria Conflict Mapping Project," has identified more than 5,500 armed groups that have formed since the conflict began, from small local groups to bigger, organized coalitions operating in large parts of the country.

Today, the warring parties can be divided into four groups:

- i) Bashar al-Assad's government and its allies
- ii) The broad coalition of allied rebel groups fighting against Assad, of which the two largest sub-coalitions are the Islamic Front and the Free Syrian Army
- iii) The EU-terror-listed Islamic State (IS, also frequently referred to as ISIS or ISIL) and al-Nusra (al-Qaida in Syria). Note that al-Nusra has worked with other factions against Assad. IS has actively fought against everyone.
- iv) The Kurdish controlled areas, protected by the YPG (the army of Syrian Kurdistan) which has been involved in heavy fighting against IS.

PART 1: COVERT SUPPORT, WEAPON DELIVERIES AND THE ILLICIT TERROR ECONOMY

Two factors primarily facilitate the continuation of the conflict – namely, support from foreign states to different sides of the conflict, and the emergence of a potent illicit economy in Syria.

The conflict in Syria is characterized by its opaqueness. Foreign support to the different parties facilitates the continuation of the conflict, but this is, by-and-large, secret or covert. Meanwhile, criminal activities make up a significant source of financing for rebel and terrorist groups. The first part of this report will illuminate some of these murkier aspects – for example, how certain foreign states, terror groups and illicit trade play an important role in the protracting and worsening of the conflict.

Overview of the protagonists of the conflict

Historical weapons suppliers

Below is an accounting of historical weapons supply to Syria from 2006-2010 (before the conflict began), broken down by the supplying country. It provides a clear indication of who the Syrian regime counts among its friends¹:

– Russia	48 percent
– Iran	21 percent
– Belarus	20 percent
– North Korea	9 percent
– China	2 percent

Actors who support Assad

Iran

Iran is Syria's most important ally and supports the regime both militarily and economically. Iran has troops on

the ground who have, among other things, trained and supported militia forces, and fostered and assisted foreign Shia militia (an estimated 7-8,000 troops who came primarily from Iraq earlier this year²) to fight on the side of the Syrian government. Iran delivers military supplies and provides intelligence. Despite the fact that Iran is subject to a UN weapons embargo prohibiting exports from the country, it is clear that the Iran has been a supplier of weapons to Syria, and there is speculation that Iran also partially finances the delivery of Russian weapons. Syria is also important for Iran's ties to Hezbollah in Lebanon, allowing for logistical support to reach the organization via Syria.

Hezbollah

Intimately allied with Syria and Iran, the terrorist organization has played a leading role in the conflict. Thousands of Hezbollah soldiers support the Assad regime and have been involved in heavy fighting, including against al-Nusra. According to the Meir Amit Intelligence and Terrorism Center, Hezbollah has thousands of soldiers in Syria, of whom an estimated 360 had been killed by 1 April 2014.³ There

1 Stockholm International Peace Research Institute, SIPRI Yearbook 2013, Arms Transfers to Syria

2 The Meir Amit Intelligence and Terrorism Information Centre, "Shi'ite Foreign Fighters in Syria", 18 March 2014 In keeping with the progress of ISIS, it is likely that these Shia militia have increasingly been needed on the other side of the border.

3 The Meir Amit Intelligence and Terrorism

have been reports of Syrian weapons deliveries to Hezbollah, in addition to speculation about whether Syria delivers coveted weapons to Hezbollah in return for their support.

Hezbollah has been accused of being partially responsible for several acts of terror, including suicide bombings. The organization also stands accused of profiting from narcotics trafficking and other illicit trade, including cigarette smuggling.⁴ Hezbollah has active Swedish members, such as Hossam Taleb Yacoub, who was sentenced to prison by a Cypriot court in 2013. He had mapped the arrival times of flights from Israel to Cyprus, probably in preparation for terrorist attacks. This only a short time after a 2012 suicide bombing that targeted Israeli tourists within the EU's borders, killing seven people and injuring 32 in Bulgaria.

According to a Lebanese Member of Parliament, Syria has transferred missiles capable of bearing chemical weapons to Hezbollah. Defectors have also claimed that, in order to avoid their destruction, Syria has transferred

chemical weapons and their production capacity to Lebanon and Iraq.⁵

Russia

Syria is one of Russia's closest allies, and was one of the eleven countries which voted against the UN General Assembly's condemnation of the annexation of the Crimea. Since 1971, first the Soviet Union and then Russia have maintained a small naval base on the peninsula. In 2012 it was reported that 30,000 Russians lived in Syria.⁶ There is also significant Russian investment in the country.⁷ Russia plays a critical role as Syria's largest supplier of weapons, something that has continued since the start of the civil war. Russia also acts as Assad's protector at the UN Security Council, where it has veto rights. Additionally, Russia has a base in Syria where it analyzes satellite images that provide the Assad regime with insight into rebel troop movements. According to Jane's International Defence Review, this is being financed by Iran's Revolutionary Guard. At the beginning of October, Free Syrian Army (FSA) troops took over a spy signals base in southern Syria which had previously been used

by the Russian military's intelligence service, GRU, and the Syrian intelligence service. It is, however, unclear when Russia left that base.⁸

The comprehensive cooperation agreement signed by Russia and Syria at the end of 2013 for the exploitation of energy resources in the Mediterranean is possibly "payment" for Russia's support.⁹

China

Together with Russia, China has protected Syria in the UN Security Council. China has also historically been both a weapons supplier and important trade partner to Syria.

North Korea

North Korea and Syria have a lengthy history of good relations. North Korea helped build a secret nuclear reactor which was bombed by Israel in 2007, and in 2009 Greek authorities raided a North Korean ship bound for Syria, confiscating 14,000 chemical weapon protection suits.¹⁰ Syria's missile program has been developed with North Korean assistance. In 2013, Michael Flynn, the head of the United States'

Information Centre, "Hizbollah's Involvement in the Civil War in Syria: Hizbollah regards the takeover of Yabrud as a security and morale-boosting achievement, costing the organisation relatively few losses.", 22 April 2014.

4 The International Consortium of Investigative Journalists, "Terrorism and Tobacco," 29 June 2009.

5 The Times of Israel, "Hizbollah's long-range missiles can carry chemical weapons," 6 October 2013.

6 Financial Times, "Russia's concern is to deny victory to the west," by Zaki Laidi, 18 July 2012

7 The Guardian, "Why Russia is backing Syria," 2 December 2011.

8 The Telegraph, "Russian spy base in Syria used to monitor rebels and Israel seized", 8 October 2014.

9 Los Angeles Times, "Russian firm signs 25-year energy deal with Syria," 26 December 2013.

10 The Nuclear Threat Initiative, "Greece Captured North Korean Chemical Weapon Gear, Envoys Reveal", 17 November 2011

Defense Intelligence Agency (DIA), testified that Syria's Scud B-, C- and D-missile programs were dependent on foreign assistance, primarily from North Korea.¹¹ In 2012, South Korean authorities confiscated North Korean graphite cylinders on a Chinese ship bound for Syria. The cargo had been declared as lead pipes, but there are suspicions that these were in fact missile components.¹² The two countries have long conducted a military exchange program, and it has been speculated that North Korean military advisors are assisting the Assad regime, although North Korea has denied it.¹³

Assad's opposition

The majority of the global community officially supports the view that the Syrian opposition, the National Coalition for Syrian Revolution and Opposition Forces, is the legitimate representative of the aspirations of the Syrian people, and many states have explicitly called for Assad to step down.

Direct intervention against the Assad regime has yet to take place; sanctions and support to rebel forces have instead been employed in an attempt to affect the outcome of the

A HISTORIC SAFE HAVEN FOR TERRORISTS

Syria has historically provided refuge and supported a number of groups classified as terrorist organizations, including Hezbollah (a key ally), Hamas (whose leadership lived in Syria until 2012), PKK (whose leadership was based in the country until 1999: news reports suggest that elements of the PKK have cooper-

ated with the Assad regime following the emergence of the civil war) and Palestinian Islamic Jihad.

When the US had a larger military presence in Iraq, Syria assisted terrorists who wanted to cross the border to fight against the Iraqi government or coalition forces.

civil war. But there is no united front. Different states support different rebel groups, and at different scales. The unexpected emergence of IS last summer has, however, shaken things up, unlocking a door to previously unforeseen alliances.

Already in August of last year the UK's Chairman of the Parliament's Security and Intelligence Committee proposed that the West ought to partner with Iran in facing off against IS.¹⁴ Even earlier, at the beginning of last year, Syria's Deputy Foreign Minister had claimed that many Western intelligence services had visited Damascus in order to discuss the containment of radical Islamist groups, something confirmed also by the British intelligence services.¹⁵

Turkey

Turkey is the country that has offered the strongest support to rebel groups.

Jonathan Schanzer at the Foundation for the Defense of Democracies said to Al-Jazeera:

*"The eastern Turkish frontier has become the gateway to the Syria jihad. Some have gone so far as to deem it the Pesbarwar of this generation of jihadists. This is not an exaggeration. Turkey has allowed this territory to become a safe haven, a logistics and planning base, and a zone of terrorism finance. It cannot be understated how important this is to the continued growth of the various jihadi factions fighting in Syria."*¹⁶

During a visit to Stockholm in 2013, former Turkish Prime Minister (now President) Erdogan claimed that groups like al-Nusra and al-Qaida were not being protected by Turkey. But it was only in June last year that Turkey decided to brand al-Nusra (al-Qaida in Syria) a terrorist organization. Several European states share the view that Turkey has not done enough to stop jihadists from crossing the border into Syria, and its intelligence

11 Congressional Research Service, "Iran-North Korea-Syria Ballistic Missile and Nuclear Cooperation", 16 April 2014

12 The Nuclear Threat Initiative, "Greece Captured North Korean Chemical Weapon Gear, Envoys Reveal", 17 November 2011

13 The Telegraph, "Syria: North Korean military 'advising Assad regime,'" 6 June 2013.

14 The Telegraph, "If we have to work with Iran to defeat the Islamic States, so be it", 17 August 2014

15 BBC, "Syria says West talks to Damascus about Islamist rebels", 15 January 2014.

16 Al Jazeera, "Syria's conflict raises Turkey tension", 15 April 2014.

service, MIT, has not been regarded as cooperative in this context.

Prime Minister Davutoglu, for many years a significant role-player in Turkish foreign policy, has described the borders of the Middle East as artificial colonial constructs which shall be broken down. Turkey's central role in supporting Islamist groups in Syria is part of a wider Turkish engagement to support a political Islam. In his earlier academic writings Davutoglu wrote, "according to an objective foreign policy assessment, the most advantageous option enabling Turkey to become influential in the Middle East is the rise of Islamic movements." That Turkey has opened up its territory to armed fundamentalist groups and, together with Saudi Arabia and Qatar, given these groups protection, assistance and weapons must be seen within this context.¹⁷ President Erdogan's personal invitation to meet Hamas' political leader in 2013 can be interpreted as yet another indication that Turkey's view of terror organizations departs markedly from that of the EU and the US. The Iraqi intelligence services suspect that the Turkish military intelligence might have been deeply involved in supporting IS during its restructuring in 2011, according to Middle East correspondent Patrick Cockburn.¹⁸ Whether

these allegations are true or not, it is likely that Turkey has grown increasingly concerned over IS, as it has evolved into the world's most notorious terrorist organization.

The Rebels

The Free Syrian Army, founded by officers who had defected from Assad's army, was previously the most powerful military rebel group in Syria. But the Islamist-focused groups within the resistance movement have increased in relative strength, probably thanks to foreign support and more effective organizational abilities.

The Islamic Front is the largest of the Islamist coalitions, with Saudi Arabia as its chief sponsor. The Islamic Front wants to establish an Islamic state within the borders of Syria, governed by Sharia law. In interviews with the Front's members, a majority stated that rival rebel groups constitute a larger threat to the Front than Assad's forces, and that even if Assad were defeated, they would have to continue battling rival rebels.¹⁹

Al-Nusra (al-Qaida in Syria), listed as a terrorist organization by both the EU and the US, has joined a wider coalition against Assad's forces. It was originally allied with IS, although this is no longer the case. Al-Nusra's stated goal is to create an Islamic caliphate that stretches beyond Syria's borders.

When government forces, in conjunction with Hezbollah soldiers, drove al-Nusra out of the city of Yabrud in March 2014, they found workshops for the production and installation of car bombs intended for suicide attacks.

The Islamic State (IS)

The Islamic State has its origins in al-Qaida, even though the relationship has since been formally broken. The organization often referred to as al-Qaida in Iraq declared itself the Islamic State in Iraq already in 2006. Upon expansion to Syria, the group took the name the Islamic State in Iraq and the Levant, before changing simply to the Islamic State last summer.

Structurally, the organization is like a disciplined and well-organized army, which acts to establish control over sprawling territories. Coming up with exact estimates of the extent of territorial control is difficult, but cited estimates posit that the Islamic State controls one-third of Syria's territory, even though the degree of control probably varies from one place to the next.²⁰

It is also difficult to estimate how many fighting jihadists belong to the organization. The Syrian Observatory for Human Rights told Al-Jazeera in mid-August 2014 that IS had 50,000 fighters in Syria, with a further

17 "Turkey, Davutoglu and the idea of Pan-Islamism," by Behlül Özkan, *Survival*, August–September 2014.

18 London Review of Books, "Isis consolidates" by Patrick Cockburn, 21 August 2014.

19 "Voices of Syria" Project, by Vera Mironova, Loubna Mrie & Sam Whitt, August 2014

20 See, e.g., The Washington Post, "Tracking the Islamic State's Rise," 22 September 2014.

6,000 fresh recruits (including 1,000 foreigners) having joined up in the month of July alone. This surge in new recruits apparently stemmed from IS's notable successes.²¹ The CIA's estimate in September 2014 was that IS could mobilize 20,000-31,500 men in both Syria and Iraq, while earlier American estimates were much lower, putting the number at about 10,000 men.²²

It is clear that a deep war chest is required to finance such an enterprise, with ambitions to govern the land it controls. Various media outlets have stated that IS holds assets in excess of US\$2 billion.²³ While it is impossible to confirm that figure, the value of military equipment confiscated from the Iraqi army must be very high all by itself. The organization has a strong, growing economy, profiting from a diverse range of activities, including the control of oil fields. IS also makes money from smuggling and runs protection operations. (See "Criminal Economy" below).

Despite setbacks during US attacks on Iraq in August 2014, IS has had a few successes in Syria. Towards the end of August, the IS government's last flight base in the eastern region of the country was taken. When IS took

Mosul in the summer, it was reported that two Iraqi divisions – approximately 30,000 men – had turned and run in the face of just 800 attacking IS soldiers.²⁴ But heavy air strikes against IS, setbacks at the Mosul Dam and difficulties taking Kobane raise questions about the sustainability of the organization's progress.

In July 2014, it was reported that IS had seized 40 kilograms of radioactive material from Mosul University. Iraq's Ambassador to the United Nations warned in a letter to the UN Secretary General that these substances could potentially be used in a terror attack.²⁵ Commentators have, however, judged the risk to be small that these stolen goods could constitute a serious danger. The same month, IS took over an older chemical weapons facility where 2,500 dismantled sarin rockets were housed. This, too, was not considered a serious threat. Seen together, however, what the events do show is the organization's interest in acquiring weapons of mass destruction.²⁶

IS's interest in weapons of mass destruction has been further confirmed by the contents of a computer

confiscated from an IS member who had studied university-level chemistry and physics. The computer contained instructions for the production and use of the bubonic plague in an attack. It also contained a *fatwa*, issued by the Saudi cleric Nasir al-Fahd, expressly supporting the use of weapons of mass destruction against non-believers, "even if it kills them all and eliminates their descendants from the surface of the earth." Terrorism expert Magnus Ranstorp at Sweden's Defence University says that "the challenge with all these weapons (of mass destruction) ... (is) to actually have a working distribution system which kills many [people]. But the production of quite scary weapons is definitely within the scope of (ISIS) abilities."²⁷

In recent months, IS appears to have actually used chemical weapons. In September, eleven Iraqi policemen were injured in a chlorine gas attack, according to the country's authorities. The following month, it was reported that Kurdish troops who were fighting against IS in Kobane had been exposed to unknown chemicals, with speculation that this could have been mustard gas.²⁸

21 Al Jazeera, "Islamic State has 50,000 fighters in Syria", 19 August 2014.

22 CNN, "ISIS can 'muster' between 20,000 and 31,500 fighters, CIA says," 12 September 2014.

23 CNBC, "How ISIS managed to acquire \$2B in assets," 16 June 2014.

24 The Guardian, "Iraq army capitulates to ISIS militants in four cities", 12 June 2014.

25 Reuters, "Exclusive: Iraq tells U.N. that 'terrorist groups' seized nuclear materials", 9 July 2014. Fox News, "ISIS seizes uranium from lab; experts downplay 'dirty bomb' threat", 10 July 2014.

26 The Guardian, "ISIS seizes former chemical weapons plant in Iraq", 9 July 2014.

27 Foreign Policy, "Found: The Islamic State's Terror Laptop of Doom", 28 August 2014.

28 The Guardian, "Kurds fear Isis use of chemical weapon in Kobane", 23 October 2014.

Finance is a precondition for maintaining and winning a conflict. It is expensive to have soldiers in combat: salaries, food, equipment, weapons, fuel, ammunition etc. are constant costs.

The role of the illegal economy in a conflict

Finance is a precondition for maintaining and winning a conflict. It is expensive to have soldiers in combat: salaries, food, weapons, fuel, ammunition, and other equipment are constant costs. In order to buy or maintain loyalty among the civilian population, a working infrastructure is needed. Food, clothing and other supplies become strategic resources. Economic power is a precondition for military and political power, and a party attempting battle without economic resources is a guaranteed loser.

For a state power, there are legitimate sources of revenue – primarily taxes and revenues from state-controlled enterprises. It is nonetheless usual for countries at war to generate revenues by smuggling and other criminal operations, as evidenced by the case of the former Yugoslavia. There, the smuggling of oil, narcotics, weapons, cigarettes, food, consumer products and people constituted important sources of revenue for the parties to the conflict. The military, intelligence services, militia, and the

political elite, as well as organized criminal actors, were all complicit. And trade was not restricted to each party's own territory – the illegal trade in tobacco, for example, provided large tracts of Europe, including Sweden, with cigarettes.^{29 30 31}

Non-state actors can generate revenues by taxing economic activity or transport within the territories they control, just like a state. But generally speaking, they can come to be even more dependent on illegal operations. In the Yugoslavian example, one needs only look at the Kosovo Liberation Army (KLA), which was also the biggest supplier of heroin to many European markets. The “15 families” who controlled the heroin trade made up the core of the KLA. The Serbian intelligence service was also involved in drug smuggling, but narcotics never formed a strategically important revenue source for the Serbian state.

The Free Syrian Army has generated revenues via foreign support, but the control of smuggling routes and the taxation of transportation are also important revenue sources.³² For

an organization like IS, which is not backed economically by any state power, the dependence on a black market economy is logically even higher.

Illegal border trade has exploded since the conflict began. The price of mules at the Lebanese border has reportedly more than doubled.³³ Smuggling to Turkey generates substantial revenues for several actors because of a border trade that is driven by significant price differentials. As of May 2014, the price of fuel was far higher in Turkey, and sugar cost twice as much as it does in Syria.³⁴ Other consumer products, such as cigarettes and tea, also cost much more on the Turkish side.

Human trafficking is a very lucrative business, with over 3 million Syrians having left the country. A collapse in the price of antiques in Lebanon indicates that there is large-scale smuggling happening in these goods as well.³⁵ The strong price increases for weapons in Lebanon and Iraq, especially during the early stages of the conflict, were indicators of outsized

29 Centre for the Study of Democracy, “Smuggling in Southeast Europe, The Yugoslav Wars and the Development of Regional Criminal Networks in the Balkans”, 2002.

30 BBC, “How cigarettes funded Balkan wars”, 28 July 2008.

31 Aftonbladet, “Smuggling league behind murder”, 5 February 1998.

32 The Business Insider, “How the Free Syrian

Army became a largely criminal enterprise”, 30 November 2013.

33 Al Monitor, “Lebanese smugglers take advantage of Syria war”

34 Reuters, “Turkey builds wall in token effort to secure border with Syria”, 5 May 2014.

35 Reuters, “How the West buys ‘conflict antiques’ from Iraq and Syria (and funds terror)”, 27 October 2014.

demand for weapons from the other side of the border.

Economic crisis, together with widespread illicit trade, obviously has consequences for the civilian population too. Tomatoes and olive oil have doubled in price while meat has become very expensive, partly because animals are being smuggled out of the country. In general, consumer prices have gone up sharply. A Turkish opposition politician explained to Al-Jazeera that *“some inhabitants are not fleeing to Turkish (refugee) camps because they are afraid of being shot. They are fleeing because they cannot afford to eat in their (own) country.”*³⁶

Political instability, poverty, badly controlled borders and the lack of working state functions together create perfect conditions to foster criminal activity.

A study by Global Financial Integrity (GFI) shows that corruption, trade manipulation, bribes and other illegal activities were an enormous problem in Syria even before the civil war. GFI estimates that outflows because of that resulted in a loss of US\$23.6 billion during 2009. This represented over US\$1,000 per person,

36 Al Jazeera, “Syria smuggling ‘getting out of hand’”, 28 April 2013.

in a country with a per-capita income of US\$2,891.³⁷

Political instability, poverty, badly-controlled borders and the lack of working state functions together create perfect conditions to foster criminal activity. On top of that, there exist organizations that unconditionally need to generate income. At the same time, they want to prevent the opposition from profiting from illegal trade, and the best way to do so is to ensure that they themselves control it. The Kurdish YPG, the Islamic Front, IS and the Syrian state all control areas with border crossings to Turkey. In addition to formal border crossings, there are large numbers of informal cross-border smuggling routes.

The disappearance of the normal rules of the game means big opportunities for those willing and able to exploit criminal opportunities. IS has been the big winner, having formed and best utilized the illicit economy that has emerged.³⁸

37 Financial Transparency Coalition, “After Years of Leakages, Syrian Capital Flight Likely Intensifying”, 30 November 2011.

38 This is a simplification. The reason for the relative successes of ISIS and al-Nusra versus FSA are, according to Marcus Jons-son, largely due to the structural heritage these organisations got from al-Qaida in Iraq, and the support network developed over decades. Totalforsvarets Forskningsinstitut, FOI’s report “Following the money: Financing the territorial expansion of Islamist insurgents in Syria”, 23 May 2014.

Sources of income for IS and other groups

Oil and gas: According to the Syrian Observatory for Human Rights, IS controls the majority of the Syria’s oil and gas assets.³⁹ Syria’s oil production in 2013 was estimated at just over 400,000 barrels per day. Energy expert Dr. Valerie Marcel of Chatham House says that IS’s methods are nonetheless primitive, and fail to maximize production. IS has used simple refineries, selling products to local consumers for small-scale electricity production, to the regime (in exchange for immunity from air strikes), and to criminal actors.

Raw oil has also been sold to Turkey. IS owns its own tanker trucks, and last year observations at the Turkish border indicated that the queues of such trucks could stretch up to two kilometers long.⁴⁰ Turkish authorities have confirmed that the organization has built plastic pipelines to transport oil across the border, at the same time as there have been reports of oil products being smuggled across the border in jerry cans.⁴¹

One politician in the Turkish border province of Hatay claimed in 2013 that IS had sold oil to Turkey

39 Al Arabiya, “Syrian fighters killed in biggest ISIS operation”, 19 July 2014.

40 Chatham House, “ISIS and the Dangers of Black Market Oil”, 21 July 2014

41 Al-Monitor, “Turkish villages smuggle IS oil through makeshift pipelines,” 15 September 2014.

for several hundreds of millions of dollars. The Kurdish YPG has previously fought al-Nusra for control of oil fields in the Rumelian region. The quantity of diesel smuggled daily from this region is said to be 1,500 tons, representing 3.5 percent of total Turkish diesel consumption.^{42 43 44 45}

Because large parts of Syria are suffering from ongoing conflict, reliable electricity supply comes at the cost of increased dependence on diesel generators, resulting in higher prices for oil, a number of goods and transportation in Syria.⁴⁶

Since energy makes up a strategic source of income for IS, it is logical that American air strikes have focused, among other things, on oil refineries and gas works controlled by IS.

Blackmail and “taxation”: Many terror organizations around the world have generated income via “taxation.” Blackmail of businesses (partly in territories within their control, partly in areas outside), the murder of em-

ployees, or similar punishment raises the specter of payment in return for “protection.”⁴⁷ IS is said to have earned US\$8 million per month on this type of taxation in Mosul even before they took over the city.

Demands have been made for *jizya* (taxation of non-Muslims) from Christians living within IS-controlled territories, with the alternative being to leave the area or be killed.⁴⁸ As early as 2012, reports surfaced of a group associated with the Free Syrian Army demanding that Christians in Homs pay *jizya*.⁴⁹

Muslims in IS-controlled areas are obligated to pay *zakat* (the Muslim form of taxation, or tithes, forming one of Islam’s five pillars). Additionally, civilians in IS-controlled areas are required to pay “protection money” and fees for electricity and water supply, according to al-Shorfa.com.⁵⁰

“Customs fees”: Fees are demanded for everything that moves within controlled territories, such as food, people and narcotics. This applies to all goods passing through the territory, even if they originate from or are destined for areas outside control. Transport from

Iraqi Kurdistan has, for example, been forced to pay fees to IS.⁵¹

Theft: IS is reported to have stolen over US\$500 million in currency and gold from Syrian and Iraqi banks. But even common types of theft have contributed to the organization’s kitty. The Turkish Tourist Transport and Boutique Hotel Association (TT-BOD) said that since the war began, a total of 5,000 cars valued at about US\$250 million have been stolen and transported to Syria.⁵² IS has also stolen international humanitarian aid money, only to then turn around and distribute these funds under its own flag.⁵³

Antiquities: UNESCO, the UN’s cultural organization, has repeatedly tried to get the Security Council to prohibit the sale of Syrian antiquities. UN Secretary General Ban Ki-Moon has sounded the alarm that smuggling has never before reached today’s proportions, but the Security Council has so far been unable to agree on a resolution. UNESCO’s representatives say that armed rebels, starving civilians and organized criminals have all been

42 The Guardian, “Isis surges towards the borders of Turkey as west mulls options”, 23 August 2014.

43 A1 Monitor, “Opposition MP says ISIS is selling oil in Turkey”.

44 Asharg al-Awsat, “Kurdish security service takes aim at ISIS oil smuggling”, 30 July 2014.

45 Chatham House, “Isis and the dangers of Black Market Oil” by Dr Valerie Marcel, 21 July 2014.

46 Carnegie Endowment for International Peace, “Cold Winter Coming: Syria’s fuel crisis”, 13 October 2014.

47 London Review of Books, “Isis consolidates” by Patrick Cockburn, 21 August 2014.

48 Reuters, “Convert, pay taxes, or die, Islamic State warns Christians”, 18 July 2014.

49 La Stampa/Vatican Insider, “Christians oppressed by rebels in Syria”, 21 April 2014.

50 Al-Shorfa.com “ISIL abusing zakat in Syria’s al-Raqa: residents”, 24 June 2014.

51 Financial Times, “Isis gains hit business in Iraqi Kurdistan”, 24 August 2014.

52 A1 Monitor, “Turkey’s Syria borders an open door for smugglers” http://www.cumhuriyet.com.tr/haber/turkiye/62625/Ozgur_hirsiz_ordusu.html Cumhuriyet, “Ozgur hirsiz ordusu”

53 Wall Street Journal, “Islamic State Poaches International Aid for Syrians”, 16 November 2014.

involved in the theft of antiquities. Neither Roman ruins, nor mosques, nor churches have been spared.⁵⁴ An intelligence service has revealed to the British newspaper *The Guardian* that in one area alone (al-Nabuk in the Qalamoun mountains, west of Damascus), IS has stolen antiquities up to 8,000 years old worth US\$36 million.⁵⁵

The smuggling of people from Syria to just Sweden is estimated to have generated several billion Swedish kronor in 2014.

Human smuggling: Control over territory and borders makes it possible to demand fees. On top of that, the people being smuggled are often used, in turn, to smuggle goods. Western jihadists who arrive in Syria contribute more than their fighting abilities; their IDs fetch handsome prices. An EU passport costs up to US\$8,000.⁵⁶ The smuggling of people from Syria to just Sweden is estimated to have generated several billion Swedish kronor in 2014. However, the percentage of this enormous figure that goes to terror groups is likely to be relatively small.

Kidnapping: Opponents, businessmen and foreigners are kidnapped for ransom. The photographer James Foley was a high profile example, but kidnapping for ransom is a widespread phenomenon for Islamic terror organizations with ties to al-Qaida. In June 2014, IS held more than 20 kidnapped foreigners in Syria, all of them reporters, photographers and aid workers, according to *The Guardian*. During the first half of 2014, at least ten people were released following long negotiations that demanded money. The *New York Times* calculated that ransom money just to terror groups connected to al-Qaida totaled at least US\$125 million since 2008, including US\$66 million in 2013 alone. The US Treasury estimated the figure to be US\$165 million during the same period. The fact that several EU member states have paid for the release of hostages is regarded as a serious problem, as it incentivizes future kidnappings. Swedish journalists Magnus Falkenhed and Niclas Hammarstrom were kidnapped during a press trip in November 2013 and released in January 2014 following negotiations. What the ransom sum was, who paid it, and

who organized the kidnappings have not been made public.^{57 58 59 60}

Narcotics: Syrian “amphetamines” rake in hundreds of millions of dollars per year, and both the government and the rebels accuse one another of involvement in this trade. Furthermore, Syria is regarded as a transit country for heroin and opium from Iran, which is then transported on to international markets, according to the US State Department.^{61 62 63}

Iran’s Minister of the Interior has claimed that IS is financed by drug smuggling. The Director of the Federal Narcotics Police in Russia has, without declaring a source, stated that approximately 20,000 mercenaries who are fighting in Syria are financed by the illegal trade of Afghan narcotics.⁶⁴

54 NPR, “smugglers Thrive on Syria’s Chaos, Looting Cultural Treasures”, 27 May 2014.

55 The Guardian, “How an arrest in Iraq revealed Isis’s \$2bn jihadist network”, 15 June 2014.

56 The New York Times, “How the terrorists got rich”, 28 June 2014.

57 The Daily Star, “How to defeat ISIS? Strangle its flow of illicit funding”, by Jamsheed Choksy, 14 July 2014.

58 The Guardian, “Islamic State militants seize four more foreign hostages in Syria,” 20 August 2014.

59 New York Times, “Paying ransoms, Europe Bankrolls Qaeda terror,” 29 July 2014.

60 SVT, “De skenavrattades – en gang I veckan”, 6 May 2014.

61 U.S. Department of State, “2013 International Narcotics Control Strategy Report,” 5 March 2013.

62 Reuters, “Insight: War turns Syria into major amphetamines producer, consumer,” 12 January 2014.

63 The Global Initiative Against Transnational Organized Crime, “Amphetamines, Anarchy and Assad.”

64 TalkingDrugs, “Syria and Drugs: Little known consequences of the conflict,” 20

Food: In Iraq, IS is said to control 40 percent of the country's grain production and to operate its own mills. Large amounts of grain, and even animals, have been seized by IS to facilitate cheap food supply in the areas it controls. A farmer told Reuters that the per-kilo price of wheat has fallen by more than half. The price of bread in these areas is now dictated by IS, which sets prices for local bakeries. The long term damage that this will do to the country's sustainable agricultural production is a serious concern, as this price-fixing could serve as a disincentive for farmers to maximize food production in IS territories.^{65 66}

Donations: Amongst the most important source of income for many fighting groups in Syria are donations, primarily originating in the Gulf States, but even from people in Sweden and other parts of the world who support jihad or want to expedite Assad's removal. Donations to, for example, IS and the al-Nusra Front are classified by Swedish law as terror financing.

Last year, 16 Swedish authorities, together with the Swedish Lawyers' Association, produced "Financing Terrorism: A national risk assessment." The report reveals that while the scale

September 2013.

65 Reuters, "Special Report: Islamic State uses grain to tighten grip on Iraq," 30 September 2014.

66 Al-Shorfa.com, "ISIL abusing zakat in Syria's al-Raqa: residents", 24 June 2014.

of terror financing is unclear, it could "represent millions annually, with the bulk directed towards foreign terror organizations."⁶⁷ Money donated to terror organizations can originate from legitimate sources, but the authorities behind the report also point to other sources financing terror internationally, such as economic crime, narcotics trade and extortion in Sweden.

It is certain that weapons will eventually also make their way into the hands of international criminal gangs and terrorists.

Weapons flows: Weapons prices shot through the roof from 2011 to 2012, propelled by enormous demand from Syrian rebel groups. From March 2011 until March 2012, Lebanese prices for Russian rifles doubled.⁶⁸ Prices for the same weapons in Iraq

67 Ekobrottsmyndigheten, "Finansiering av terrorism, en nationell riskbedömning", 28 March 2014. Notes that illegal transactions have been relevant in acts of terror with Swedish connections. For example, one of the Swedish perpetrators of the planned attack against Jyllands-Posten in 2010 received money from Sweden when he was temporarily in Pakistan, and in 2012 a man was sentenced for sending nearly 6 000 British Pounds to Taimour Abdulwahab (the Stockholm suicide bomber).

68 Christian Science Monitor, "Profit trumps principle in Syria weapons black market," 4 February 2014.

quadrupled.⁶⁹ Because Syria is subject to UN sanctions, there is legal freedom for actors like Russia to deliver weapons. Officially, Russia says that it only fills orders made before the conflict began. In reality, it is impossible to estimate what Russia delivers. According to the "The Odessa Network" report by C4ADS, Russia had a highly developed "weapons transport network," which worked to purposely reduce visibility while remaining very active in deliveries to Syria.⁷⁰ The Assad regime could not possibly have equipped its military campaign without significant external support.

It is also clear that certain types of weapons are starting to flow in the opposite direction, out of Syria. Russian AK-74 rifles and GP-30 grenade launchers are good examples of weapons that were previously nearly impossible to acquire in Lebanon. Following deliveries to Syria, these weapons have started showing up at Lebanese arms dealers, very likely via Hezbollah soldiers. Corruption within the Syrian regime also has meant that weapons have been sold to rebel groups.⁷¹ It is certain that weapons

69 The Global Initiative Against Transnational Organized Crime, "Arms Trafficking in Syria: A Case of the Biter Getting Bitten"

70 C4ADS, "The Odessa Network, Mapping Facilitators of Russian and Ukrainian Arms Transfers", September 2013.

71 Christian Science Monitor, "Profit trumps principle in Syria weapons black market", 4 February 2014.

will eventually make their way into the hands of international criminals and terrorists.

The Assad regime has delivered Scud missiles and M600 rockets to the terrorist groups Hamas and Hezbollah.⁷² Israel has bombed what it claims were Syrian weapons supplies to Hezbollah. One could speculate whether Syria is indeed rewarding Hezbollah for its participation in the war via the supply of advanced equipment.

Iran is an important supplier of weapons to Syria, despite UN Resolution 1747, which prohibits the country from exporting weapons.⁷³ Iran also appears to provide its most advanced weapons systems to the conflict, such as a Shahed-129 drone that was caught on film.⁷⁴ The Iran-friendly government of Iraq is not considered to have gone to any pains to block Iranian deliveries moving through its territory.⁷⁵ In order to reduce the risk of Israeli attacks against weapons transportation,⁷⁶ Iraq has been utilized as a transit country for military deliveries to Hezbollah.

72 Charbonneau, L., "Exclusive: Western report – Iran ships arms, personnel to Syria via Iraq", Reuters, 19 September 2012.

73 *Ibid.*

74 The Aviationist, "Iranian Shahed 129 Drone Appears Over Damascus," 10 April 2014.

75 Letter from Members of U.S. Congress to Prime Minister Nuri al-Maliki.

76 The Jerusalem Post, "Transfer through Iraqi airports is done to avoid risk of IDF attack on weapons convoys from Syria to Lebanon", 19 December 2013.

Weapons supply to the rebels takes the form of monetary support, which is in turn used to buy weapons on the black market, according to the Stockholm International Peace Research Institute (SIPRI).⁷⁷

In reality, it appears that certain countries have come to the table to deliver weapons, among them Croatia, Libya and Jordan. Western nations have feared the risk that advanced weapons systems would fall into the wrong hands, in turn restricting what one is allowed to deliver. Despite this, it has been reported that Turkey has allowed the delivery of MANPADS (man-portable air defense systems) to the rebels – equipment which could, for example, be misused by terrorists to shoot down civilian aircraft.⁷⁸ Videos confirm the use of Chinese MANPADS in Syria, which have most probably come from Qatar's arsenal.⁷⁹

77 Stockholm International Peace Research Institute, SIPRI Yearbook 2013, Arms Transfers to Syria

78 *Ibid.*

79 Reuters, "Rebel videos show first U.S. made rockets in Syria", 15 April 2014.

PART 2: HOW THE CONFLICT AFFECTS SWEDISH INTERESTS

Refugee streams to Sweden

Sweden has an open refugee policy, and is the first European country to offer permanent residence to all Syrian refugees it accepts. The ramifications of this policy became clear in 2013, when statistics showed that Sweden offered asylum to more Syrians than any other EU member state.⁸⁰ Even though the country consists of less than 2 percent of the EU population, it took in 20 percent of total asylum-seekers within the entire Union. By the first half of 2014, this had risen to 22 percent. Such an open-arms policy makes Sweden relatively sensitive to international refugee streams.

In his 2014 summer speech, then-Prime Minister Fredrik Reinfeldt addressed the question of what a forecasted increase in the number of asylum seekers would mean in terms of increased costs. The Swedish immigration authorities had forecast a cost increase of 48 billion Swedish kronor (US\$5.8 billion) over the coming four years. Because of the ongoing conflict, more asylum-seekers come to Sweden from Syria than from any other country. By the end of 2013, 24,800 Syrians had sought refuge in Sweden.

80 The Local, "Sweden takes 19 percent of EU's asylum seekers," 19 June 2014.

That trend continued in 2014. According to the Swedish Migration Board, 30,583 Syrians and 7,863 stateless people, mostly from Syria, sought asylum in Sweden during 2014.⁸¹ A further 14,471 Syrians and 5,287 stateless individuals sought permanent residence on the grounds of family ties to those who had already been offered asylum.

Over 45,000 Syrians applied for permanent Swedish residency in 2014, as did 13,150 stateless persons, the majority of whom came from Syria. This totals over 50,000 people, or over one-half of one percent of Sweden's current population: a significant figure for a single year, and not comparable to any other country in the European Union.⁸²

Over and above the budgetary burden, this also has practical consequences at the local level where concentrations of refugees are received. The drain on local healthcare services, childcare facilities and schools will increase, while housing deficiencies will be accentuated. There is also the risk

81 Telephone interview with Swedish Immigration Services, 30 October 2014. Figures updated January 2015

82 According to Migrationsverket's November forecast, 43 200 individuals from Syria, Iraq, Lebanon, Jordan and stateless individuals will seek refuge in Sweden during 2014. The lion's share will come from Syria. Migrationsverket, Migrationsverkets prognos, 4 November 2014. (Note: Figures in text updated with figures obtained from Migrationsverket in January 2015)

of increased public health concerns. Healthcare and vaccination programs suffer in a conflict zone. For example, while Syria had been free of polio for 14 years before the conflict began, the World Health Organization declared a Public Health Emergency of International Concern amid a resurgence of polio in Syria in May 2014.⁸³

Political consequences in Sweden

Sweden has escaped violent demonstrations, unlike Germany, where hundreds of IS sympathizers armed with baseball bats, knives and machetes have attacked people they considered opponents.⁸⁴ This in turn has fuelled violent forces, primarily "Hooligans against Salafists," who mobilized right-wing extremists and football hooligans. At the end of October 2014, 44 policemen were injured during a "Hooligans against Salafists" demonstration of 4,000 participants from across Germany.⁸⁵ By contrast, the non-violent incident in Halmstad, Sweden, when Kurdish demonstrators forced their way into a public service radio station was the most dramatic incident to have happened in Sweden,

83 World Health Organization, "Polio declared public health emergency of international concern under International Health Regulations," 5 May 2014.

84 Gatestone Institute, "Germany: Holy War Erupts in Hamburg", 15 October 2014.

85 The Local, "Far-right thugs injure 44 officers in Cologne clash", 27 October 2014.

and is nowhere near comparable to the violent events in Germany.⁸⁶ Depending on how the conflict develops, though, and because more and more Syrians are establishing themselves in Sweden, the risk that tensions in Syria could escalate this situation in Sweden, leading to violent incidents there as well, cannot be ruled out.

An indirect political consequence of the conflict will most likely be a strengthening of xenophobic forces in Sweden. Syrians make up by the far the largest portion of refugees in Sweden – over 47 percent, if one counts both Syrians and the stateless (the bulk of whom come from Syria).⁸⁷ It can therefore be assumed that tensions brought about by increased asylum acceptance will contribute to the strengthening of xenophobic forces in Sweden. Should Sweden become a victim of Islamist terrorist acts, both xenophobia and Islamophobia will further accelerate in society. Unfortunately, acts of terror are not an improbable scenario.

Terror threats against Sweden

People with Swedish roots have long been active within the global jihad movement. Up until now, their main focus has been directed toward distant

86 SR, "Kurder mot ISIS – tog sig in i radiohuset", 9 October 2014.

87 Migrationsverket, "Inkomna ansökningar om asyl, 2014", 1 October 2014.

places. The exceptions were one suicide bomber who planned a mass attack on the popular shopping street Drottninggatan, the Swedish terrorists who planned a massacre at the Danish newspaper *Jyllands-Posten*, and those who planned to assassinate Swedish artist Lars Vilks. The Swedish security service, Säpo, has also disclosed that it has successfully headed off two further planned acts of terror against Swedish targets.⁸⁸

According to the Swedish Security Service, violent Islamist extremism constitutes Sweden's most serious security threat today.

That Swedish Islamists travel abroad in order to fight is nothing new. "Guantanamo Swede" Mehdi Ghezali, whose release Swedish politicians and the Foreign Ministry worked hard to obtain, was probably Sweden's first Islamist "celebrity." Abu Qaswarah, al-Qaida's second-in-command in Iraq, who was killed in 2008, has until now been the most senior person within an al-Qaida related organization disclosed as Swedish. In 2013, after the Westgate Mall attack in Kenya, US Navy SEALs killed a Swedish Somali belonging to the al-Qaida-connected al-Shabab.⁸⁹

88 Dagens Nyheter, "Säpo hindrade två terroråd", 3 September 2014.

89 The Telegraph, "Two al-Shabaab fighters

What differentiates travel to Syria today from earlier Swedish travel to war zones is the sheer number of people who go. According to Säpo's Director General Anders Thornberg, travel to Syria has taken on totally new dimensions. Swedes have gone to Afghanistan, Yemen, Somalia and other countries over a number of years, but in the last two years alone more have travelled to Syria than to previous conflict zones in their entirety.

According to Säpo, violent Islamist extremism is the most serious security threat that Sweden faces today.⁹⁰ On 22 October 2014, Säpo confirmed 100 cases of Swedish citizens joining al-Qaida-inspired organizations in Syria and Iraq. The total figure is, however, significantly higher: 250-300 Swedes have travelled to Syria and Iraq to fight.⁹¹

Those who return from conflict zones are considered to constitute the most serious threat because they come back more radicalized and in possession of practical battle training. Already last year Gilles de Kerchove, the EU's Counter-Terrorism Coordinator, warned that it is "highly probable that *ISIS... is preparing, training, and steering some of its foreign soldiers to conduct*

killed' in US Somalia raid," 6 October 2013.

90 Reuters, "Swedish spy chief warns of rise of Islamist threat", 27 May 2014.

91 Sveriges Radio, "lordagsintervju med Anders Thornberg", 22 November 2014.

attacks in Europe, or outside of Europe."⁹² He believed that there would be a high probability of further attacks like the shooting which killed four people at the Jewish Museum in Brussels ahead of European elections.⁹³

The Paris terrorist attacks in January and subsequent law enforcement actions confirm de Kerchove's fears. Although al-Qaida in the Arabian Peninsula claimed responsibility for the attack against the Charlie Hebdo magazine in Paris, Amedy Coulibaly, who carried out the attack against the kosher market, had declared his loyalty to IS in a video recording.⁹⁴ Later in January, following the attacks, Belgian police arrested 13 and killed two suspected terrorists. The suspects were said to be returnee foreign fighters plotting to massacre policemen. The following day it was reported that suspected terrorists thought to be under IS command were also apprehended in Germany and France.⁹⁵

IS's predecessor al-Qaida in Iraq put a price of US\$50,000 on the head of Swedish artist Lars Vilks—double that if his head was cut off.

92 Reuters, "ISIL may be directing attacks in Europe – EU Official," 19 June 2014.

93 *Ibid.*

94 New York Times, "Video Shows a Paris Gunman Declaring His Loyalty to the Islamic State", 11 January 2015.

95 The Guardian, "Islamists killed in Belgian terror raids 'planned to massacre police in street'"

Last year a high-level official told the UK-based *Financial Times* that more than half of MI5's cases revolve around threats from Brits who return from Syria. A planned, Mumbai-style attack against targets in a large city has already been headed off.⁹⁶ On a per-capita basis, Sweden is one of the European countries with the biggest travel contingent to Syria. Extremist terror groups IS and the al-Nusra Front attract the largest number of foreign jihadists travelling to Syria. According to media reviews, the lion's share of Swedish jihadists is likely fighting for IS.

IS's predecessor, al-Qaida in Iraq, put a price of US\$50,000 on the head of Swedish artist Lars Vilks—double that if his head were cut off. Its leader at the time, Abu Omar Al-Baghdadi, also threatened to attack Swedish companies, naming Ericsson, Scania, Volvo, Ikea, and Electrolux specifically. The Swedish suicide bomber Taimour Abdulwahab is so far the only known example of a Swedish citizen who attempted a serious terror attack meant to kill a large number of people on Swedish soil. That he claimed to have traveled abroad to participate in jihad illustrates the risk brought by this type of travel.⁹⁷

96 *Financial Times*, "Jihad by social media," 28 March 2014.

97 *Svenska Dagbladet*, "Isis är också en mycket svensk angelagenhet", 13 August 2014.

Terrorism expert Magnus Ranstorp at the Swedish National Defense College estimated in the summer of 2014 that 350 Scandinavians have traveled to conflict zones in order to be trained by IS; that figure has increased since.⁹⁸ Research presented by Tomas Hegghammar at the Defense Research Institute in Norway indicates that jihadist veterans have participated in two-thirds of all Islamist terror attacks with fatal outcomes in the West. This study indicated that an estimated one out of nine returning jihadists conduct, or try to conduct, terror attacks in their home countries upon their return.⁹⁹ Some of the Scandinavians who reportedly died in Syria are said to have died as suicide bombers.

The journalist Per Gudmundsson, who has investigated Swedish jihadists for a number of years, says, "the question is not if terror attacks will happen, but when." In November, NRK reported revelations by defectors that IS had sleeper cells in Europe, including Sweden.¹⁰⁰

Returning jihadists are not the only threat. IS spokesperson Aby Mo-

98 SR, "Experten: 350 skandinaver terror-tranas av Isis", 25 July 2014.

99 Norwegian American Political Science Review, "Should I stay or should I go? Explaining Variation in Western Jihadists' Choice between Domestic and Foreign Fighting", by Thomas Hegghammer, February 2013.

100 NRK, "Avhopper til NRK:- IS har sovende celler i Europa", 17 November 2014.

ammed Al Adnani has encouraged attacks against Westerners: "If you can kill a disbelieving American or European – especially the spiteful and filthy French – or an Australian, or a Canadian, or any other disbeliever from the disbelievers waging war, including all the citizens of the countries that entered into a coalition against the Islamic State, then rely upon Allah, and kill him in any manner or way, however it may be. Smash his head with a rock, or slaughter him with a knife, or run him over with your car, or throw him down from a high place, or choke him, or poison him."¹⁰¹ In the UK, preparation goes beyond heightened risk evaluation; IS sympathizers preparing to shoot policemen and soldiers in London have been arrested. The PST, Norway's security police, sees a 60-90 percent risk of an Islamist terror attack within the coming year. Consequently, the normally-unarmed Norwegian police carried firearms during the 2014 Christmas period.¹⁰²

In connection with terror threats in Norway earlier this year, a number of asylum seekers were deported and people denied asylum. Against this background, Sweden's uniquely generous asylum policies may pose a heightened security risk. Even former refugees have proposed that Sweden reform its management of asylum in

101 *The Independent*, "Isis urges more attacks on Western 'disbelievers'", 22 September 2014.

102 *The Local*, "Norway's risk of terror never greater: PST", 25 November 2014.

order to reduce the risk of terror attacks.¹⁰³ Interviews with Swedish immigration authorities indicate that the large volume of total asylum applications (over 80,000 in 2014 alone) have also led to a strain on the time and resources required to conduct thorough analyses. There is a risk that individuals who might pose a terrorism-related threat are not being identified; moreover, even those who are identified cannot be expelled on humanitarian grounds, as there is an ongoing civil war in Syria. Consequently, Säpo has warned the Swedish Migration Board that jihadists who have fought for IS may try to gain asylum in Sweden using falsified or stolen passports.¹⁰⁴ The Swedish Migration Board has confirmed that over 20 asylum seekers have been identified in the last year as either having committed serious offenses or having been members of terrorist organizations.¹⁰⁵ BuzzFeed News journalist Mike Giglio has spoken to an IS operative and human smugglers who claim to have sent IS fighters into Europe, including Sweden. In January two US senators interviewed by BuzzFeed confirmed that IS terrorists

had been smuggled into Europe using human smugglers.¹⁰⁶

The risk posed by terrorists in Sweden is not only a domestic problem. Sweden's open borders mean that neighboring Denmark and Norway, which have supported the fight against IS, may in time become more vulnerable than Sweden. A larger scale terror attack in Sweden or a neighboring Nordic country would have consequences over and above human casualties.

The monetary costs of Anders Breivik's attacks in Norway were estimated at over 15 billion Norwegian kroner (US\$1.9 billion).¹⁰⁷ From a political perspective, an Islamist terror attack would likely fan the flames of both xenophobia and Islamophobia. A larger Islamist terror attack would also likely result in revenge actions against Muslim targets,¹⁰⁸ which in turn could

end up further radicalizing Muslim youth.

Organized crime in Syria can have consequences for Sweden

Countries in chaos, where the state has lost control over national territories and warring parties must finance a war at any price while families and individuals desperately battle for survival, are breeding grounds for illegal trade and organized crime. More or less all terrorist organisations and other participants in armed conflict are running illegal operations to finance their activities. The same applies to many states in power.

Nearby countries, or those housing refugees from war-torn ones, are affected by consequences which can quickly outpace the conflict. Most of what is smuggled from Syria affects the local area, primarily everyday products such as fuel and food. But certain illegal flows have the potential to affect countries far away, even Sweden. This can relate to narcotics, human trafficking or weapons.

The production of the amphetamine-like drug fenethylamine has surged in Syria since 2009. Amid the chaos, production has moved from Lebanon to Syria, and the products are exported onward to other Arab

was reported, 34 anti-Muslim attacks on buildings, primarily mosques, were reported.

103 Svenska Dagbladet, "Asylhanteringen måste reformeras mot terrorism", 18 October 2014.

104 Migränverket, Magasinet Neo number 6, 2014

105 Sveriges Radio, "Säpo övervakar terrorismstänkta asylsökande", 27 January 2015.

106 BuzzFeed News, "ISIS Operative: This is how we send Jihadis to Europe", 30 January, 2015

107 Ekobrottsmyndigheten, "Finansiering av terrorism: En nationell riskbedömning", 28 March 2014.

108 Teesside University, "Tell MAMA Reporting 2013/14 Anti-Muslim Overview, Analysis and 'Cumulative Extremism'", July 2014. The average number of Muslim incidents in Great Britain increased sixfold following the terrorist murder of soldier Lee Rigby. The incidents just in the week following the murder represented 17 percent of all reported anti-Muslim incidents between May 2013 and February 2014. In the three months after the Rigby attack

countries in significant quantities. At the same time, abuse of the drug in Syria has escalated because of the conflict. Fenethylline is used both by fighting troops and civilians under heightened psychological stress. Syrian amphetamines now generate hundreds of millions of US dollars annually. On top of that, Syria is a transit country for heroin and opium from Iran to international markets.¹⁰⁹ With a significant number of people fleeing the conflict and settling in Sweden, new international crime syndicates and drug flows may start appearing.

The large number of refugees from Syrian seeking refugee status in Sweden has created a large market for human trafficking. Since both Lebanon and Jordan have tried to shut their borders, most Syrian refugees are now fleeing the country via Turkey. According to Swedish immigration authorities, a large number of refugees are making their way to the EU via North Africa, Libya, and Egypt. This indirect route has become the usual method to circumvent stricter border controls between Greece and Turkey. Fixers are paid, servicemen corrupted, fraudulent (and genuine) documents are produced, and transportation and lodging are arranged. According to the Swedish Police, organized crime groups in Sweden and other EU coun-

tries are behind these human trafficking networks.¹¹⁰

Human smuggling from Syria has contributed large amounts of money to organized crime since the aftermath of the Iraq war, when refugees from Iraq were the prominent target group. In 2007, Sweden's Rikskriminalpolisen (National Bureau of Investigation) conservatively estimated that human trafficking of Iraqis to Sweden generated over a billion kronor (US\$121 million). Many of these "clients" started their journey from Syrian camps.¹¹¹

A source deeply involved in the Syrian refugee situation says the price tag of a smuggled trip to Sweden from Syria is currently €15-20,000, with estimates from Rikskriminalpolisen putting the number at 100-200,000 Swedish kronor (US\$12-24 thousand). As over 30,000 asylum seekers found their way to Sweden from Syria during 2014, human trafficking alone from Syria to Sweden could have generated over 5 billion Swedish kronor (US\$605 million) in 2014, using rough arithmetic. It is clearly a very lucrative business, even with significant overestimates. Of all the incoming asylum-seekers to Sweden last year, Syrians and the stateless (mainly from Syria) made up half.¹¹²

According to the Swedish Police, many of those who flee from Syria to Sweden are desperate, and find themselves in a situation where they can easily be used by criminals. To pay an expensive smuggling fee, which they cannot afford, they can be forced to commit criminal acts. They are used to smuggle narcotics or commit crimes following their arrival in Sweden. The syndicates who organize their travel must be paid, and often the victims have relatives in Syria they want to protect. These individuals are frequently forced to conduct low-level, high-risk criminal activities.¹¹³

Organized crime takes advantage of not just people but also the Swedish bureaucracy. The usage of Swedish passports in human trafficking is a clear problem. In most cases, this takes the form of "lookalikes" abusing genuine passports. From 2012 through mid-2014, Frontex, the European border security agency, reported a total of 374 cases in which genuine Swedish passports were used in human trafficking.¹¹⁴ A majority of these cases related to Syrians, although they represent only a fraction of the problem. In March, Rikskriminalpolisen said that at least 170,000 Swedish passports were "adrift", while Turkish border control has said it considers Swedish passports to be among the most misused in the world. There is

109 U.S. Department of State, "2013 International Narcotics Control Strategy Report," 5 March 2013.

110 Interview with Swedish Criminal Police.

111 Interview with Rikskriminalpolisen

112 Migrationsverket, "Inkomna ansökningar om asyl, 2014", 1 October 2014.

113 Interview with Rikskriminalpolisen

114 Frontex, Quarterly Reports, 2013-2014.

an investigation underway to evaluate how Swedish passport rules may be a contributing factor, and whether increased control of biometric data in the passports could reduce the problem.¹¹⁵

But the most troublesome aspect of human trafficking is that it is extremely dangerous, especially for those fleeing via the sea. According to the International Organization for Migration (IOM), 3,072 refugees died while trying to cross the Mediterranean in the first nine months of 2014.¹¹⁶ Frontex said Syrians made up 24 percent of those discovered in sea crossings during the first half of the year.¹¹⁷ Extrapolating from those two statistics, approximately 1,000 Syrians will die in their attempt to get to the EU this year. Since Sweden received an average of 30 percent of the EU's Syrian asylum seekers per quarter during the first nine months of 2014¹¹⁸, one can estimate that almost 300 died on their way to Sweden last year.

In earlier stages of the conflict, there was an extreme demand for weapons in Syria. Some equipment destined for the conflict has already

begun to turn up on black markets outside the country. As evidenced by past conflicts, such as the former Yugoslavia, old conflict zones function as weapon depots for criminals. In Sweden, weapons smuggled from the former Yugoslavia still represent a large portion of the seizures made by Swedish authorities, even though that war ended 15 years ago.

Although Syria is twice as far away from Sweden as Yugoslavia is, it is fully logical to expect increased flows of weapons and narcotics from Syria to Sweden in the future, according to Walter Kego at the Institute for Security and Development Policy.¹¹⁹

Per Gudmundsson's investigation of Swedish jihadist fighters in Syria indicates that a significant number of these people have a criminal past. Raffaello Pantucci of the Royal United Services Institute in London has also noted an overrepresentation of former criminals among Western jihadists in Syria.¹²⁰ It is therefore not too farfetched to assume that returning jihadists could return to criminal activities in Sweden. They could come to play an important role, not only within the expected expansion of illegal trade between Sweden and Syria, but also with other criminal jihadists from other parts of the world. Their

experience in battle has also left them with a capacity for violence which could turn them into important actors in the criminal underworld.

Policy Recommendations

- i) Engage the EU to introduce the practice of zero tolerance for ransom payments in return for the release of hostages.
- ii) Encourage more transparent and registered deliveries of weapons to moderate Syrian rebel factions, as an alternative to supplying them with black-market weapons.
- iii) Analyze the illegal trade connected to Syria and Iraq and, if problems are identified, examine the possibilities to cut down on the trade in, for example, narcotics, weapons, antiquities and equipment which can be used for the purposes of terror.
- iv) Proposals to reduce the risk from combatants who travel abroad:
 - Alternatives to simple prohibition against people fighting abroad that are more thoroughly thought out than those previously proposed by certain politicians. The effects of prohibition alone are likely to be limited, especially for jihadists who are prepared to sacrifice their lives.
 - Membership in terror groups ought to be criminalized and laws amended to allow increased surveillance of people who are

115 Svenska Dagbladet, "170 000 Swedish passports in operation", 28 March 2014.

116 International Organization for Migration, "Fatal Journeys: Tracking Lives Lost During Migration", 29 September 2014

117 Frontex, Quarterly Report, 2014.

118 29 percent of applicants in 1st quarter, 33% in Q2 and 27% in Q3, according to Eurostat

119 Interview with Walter Kego.

120 Royal United Services Institute, "Thick as Thieves: European Criminals Take to Syria's Battlefield", 31 March 2014.

suspected to be in danger of traveling abroad to fight for extremist groups.¹²¹

121 Perhaps not of practical consequence, but rather symbolic value would be a reform of policies on consular assistance. Fighting Swedes who have wanted to return home have had their travel financed by the State. A new clause should exclude those engaged in terrorist organizations from consular assistance. Former combatants have even taken advantage of Swedish healthcare and rehabilitation. The UK's Prime Minister Cameron has proposed that British citizens suspected of terror crimes could be denied re-entry to the country. It is uncertain whether this would be legally possible in Sweden. But in cases where suspected terrorists have permanent residence but not citizenship, one could prohibit their re-entry. Another British proposal – to annul citizenship – is probably difficult to establish in a Swedish context. But there is a possibility that where a citizen has dual citizenship, the Swedish citizenship could be retracted.

– Investigate whether there is practical value in current European attempts to deradicalize and integrate returning combatants.
– Preventative work to “win hearts and minds” for a long-term reduction of radicalization. This is a very broad operation, where both ‘blocking’ and ‘planting’ of content in social media ought to be important components.

v) Investigate whether there are more humane alternatives to the current Swedish refugee policy. The current side effects mean a billion-kronor market for criminal and dangerous human trafficking, while exposing Sweden and its neighbors to increased risk of terrorism and crime.
vi) Preparations against kidnapping and brutally violent terror attacks on Swedish soil.

THE AUTHOR:



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