

THE FINANCE OF GLOBAL TERRORISM THROUGH CULTURAL PROPERTY CRIME IN SYRIA AND NORTHERN IRAQ

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EXECUTIVE SUMMARY

- Since August 2014, the American Schools of Oriental Research Cultural Heritage Initiatives (ASOR CHI) has been investigating cultural property crimes in Syria and northern Iraq through a cooperative agreement with the U.S. Department of State (NEA-PSHSS-14-001). ASOR CHI utilizes high-resolution satellite imagery, information from in-country sources, and open source data to provide the U.S. Government and the public with continual and comprehensive situational assessment of heritage issues in the conflict zone.
- The current conflict in Syria and northern Iraq ranks as the largest cultural heritage crisis since World War II with combatants regularly committing cultural atrocities that deepen the conflict and exacerbate the humanitarian crisis. In the case of the so-called Islamic State (ISIS, ISIL) and other radical Islamist groups, these crimes tactically, strategically, and monetarily support campaigns of cultural cleansing and global terrorism.
- The looting of archaeological sites represents the most frequently reported cultural heritage incident in Syria, and analyses of satellite images show widespread, intensive looting since 2011. Thefts from cultural repositories in Syria and Iraq represent infrequent but high impact crimes.
- ASOR CHI analysis shows that all major belligerents operating in the conflict zone engage in cultural property crimes; however, all lines of evidence indicate ISIS ranks as the most egregious and brazen offender. ISIS has developed an organized and systematic approach for exploiting portable cultural property as an important revenue stream, especially ancient antiquities.
- The current crisis requires increased and improved capacities in the United States for cultural security and cultural diplomacy. The United States needs a more concerted approach to cultural property protection involving a diverse range of governmental and nongovernmental actors. High-level coordination would greatly enhance this work and would facilitate degrading and ultimately destroying ISIS and other radical Islamist groups and transnational criminal organizations operating in the Middle East, North Africa, and beyond.

TERRORISM AND CULTURAL PROPERTY CRIME: THE ISIS DUAL-EXPLOITIVE MODEL

The profound repercussions of the Arab Spring and, in particular, the outbreak of the Syrian Civil War and attendant instabilities in northern Iraq, have precipitated the gravest cultural heritage crisis since World War II. Multiple factors are contributing to the daily loss of our global patrimony in the “Cradle of Civilization.” While alleviating the humanitarian crisis, conflict resolution, and peacebuilding must constitute the leading edge of international support, cultural property protection forms an integral and inextricable component of these efforts, as well as counterterrorism and global security strategies.

The futures of Syria and Iraq are suffering systematic attacks as the conflict’s key belligerents deliberately pillage and destroy heritage sites and commit acts of cultural cleansing, deepening the crisis and the costs of reconstruction. While all major belligerents commit, or are complicit in cultural property crimes, research conducted since August 2014 by the American Schools of Oriental Research Cultural Heritage Initiatives (ASOR CHI) reveals that the so-called Islamic State (ISIL, ISIS) ranks as the most egregious offender.¹ ISIS practices a dual-exploitive approach to cultural assets that supports the organization’s ideological objectives and helps to meet its financial needs. ISIL propaganda deftly promotes and legitimizes this model with its followers within the overarching goal of establishing a caliphate.

The dual-exploitive approach pairs 1) the deliberate destruction of cultural assets, usually heritage places, to achieve ideological and strategic objectives and to gain media exposure, with 2) the acquisition and sale of cultural property for terrorist finance.² This strategy is ultimately rooted in ISIS’s al-Qaeda origins but ISIS has adapted the use of cultural property crime to blunt the financial impact of counter-terrorism measures and to meet the objectives of its particular Jihadi-Salafi ideology.³ Unlike al-Qaeda, this ideology has emphasized the targeting of the “near enemy” — other non-allied Muslims,

¹ Danti, M. (2015). Ground-Based Observations of Cultural Heritage Incidents in Syria and Iraq. *Near Eastern Archaeology*, 78(3), 132–141. <http://doi.org/10.5615/neareastarch.78.3.0132>. Casana, J. (2015). Satellite Imagery-Based Analysis of Archaeological Looting in Syria. *Near Eastern Archaeology*, 78(3), 142–152. <http://doi.org/10.5615/neareastarch.78.3.0142>. The *Weekly Report Series* of the American Schools of Oriental Research Cultural Heritage Initiatives is available at <http://www.asor-syrianheritage.org/weekly-reports/>

² On the foreign policy implications and connections between conflict looting for profit, attacks on cultural identity, and terrorism see Nemeth, E. (2015). *Cultural Security. Evaluating the Power of Culture in International Affairs*. Imperial College Press.

³ For Jihadi-Salafism see Meijer, R. (2013). Introduction. In *Global Salafism. Islam’s New Religious Movement*, edited by R. Meijer, 1–32. Oxford: Oxford University Press.

especially Shia and Sufi, and the region's ethnic and religious minorities — as an important step to establishing a caliphate. This opens the door to liquidating the cultural assets of large segments of Syria and Iraq's populations through theft or destruction. ISIS also views antiquities as a natural resource to be harvested for profit. While other ideological successors of al-Qaeda such as Jabhat al-Nusra espouse the dual-exploitive approach, we possess few details regarding their financing of terrorism through cultural property crimes because of their higher degree of operational secrecy and their lower emphasis on disseminating heritage-related propaganda. In light of this, this statement largely focuses on ISIS. Looking to the future, understanding the ISIS dual-exploitive approach to cultural assets, and developing increasingly effective means to counter it, should be prioritized given this model rooted in Jihadi-Salafi ideology will continue to prevail within Islamist extremism.

While factions within the Syrian Regime, Syrian Opposition, and Kurdish cantons commit cultural property crimes, these groups acknowledge a shared interest in preserving cultural heritage, and in each case affiliated heritage groups are attempting to protect cultural assets under perilous conditions. Conversely, ISIS, Jabhat al-Nusra, and other Islamist extremists are predatory transnational criminal organizations espousing ideologies that embody the antithesis of cultural property protection. These Islamist extremists are waging a regional war on cultural diversity, and they are rapidly expanding their global reach. The United States and other nations are combating ISIS's use of cultural property as a source of funding, but more should be done now. In particular, high-level coordination of the broad spectrum of governmental and nongovernmental entities charged with protecting international cultural heritage would strengthen our efforts. Simultaneously, we should increase our capacities in cultural security and cultural diplomacy to meet the new challenges of ISIS and other extremist groups waging wars on culture.

THE GLOBAL ART MARKET AND ARCHAEOLOGICAL LOOTING

In recent years, we have witnessed a dramatic growth in the value of the art market driven by the shift of art and antiques from collectibles to popular financial investments. The European Fine Art Foundation (TEFAF) estimates the value of the 2014 global art market at €51 billion.⁴ This market is highly opaque, fragmented, and relatively unregulated at all levels. In the case of antiquities, which are highly prized as investments and status items, demand exceeds the modest legal supply. Transnational criminal

⁴ McAndrew, C. (2015). *TEFAF Maastricht Art Market Report 2015*. European Fine Art Foundation.

organizations and, increasingly, terrorist groups provide a steady stream of stolen and looted art that is laundered into the public marketplace or sold through private channels. Law enforcement agencies typically rank art crime as the third or fourth highest-grossing criminal enterprise. The internet increasingly serves as an important new tool for marketing illicit art and antiquities, extending the reach of dealers in illicit cultural property and reducing some of the risks involved in marketing contraband.

As ISIS increased its footprint in Syria and northern Iraq in 2014, it gained access to thousands of archaeological sites, cultural repositories, private collections, and caches of illicit cultural property held by other combatants and criminal organizations. ISIS openly promotes the theft of cultural property from its opponents, banned cultural institutions, and ethnic and religious minorities within its territories. While recent analyses of high-resolution satellite imagery show severe looting across all of Syria⁵, including areas under Syrian Regime, Opposition, Kurdish, and ISIS control, industrial-scale looting typifies ISIS controlled areas. Data on illicit Syrian and Iraqi antiquities reaching the market reveal a large number of items for sale from looted archaeological sites in ISIS territory, and in-country sources working with ASOR CHI regularly provide information on the heavy involvement of ISIS in organizing and supporting the looting, trafficking, and sale of antiquities. The ISIS trade in illicit antiquities is best documented by antiquities, documents, and photos recently recovered by U.S. Special Operations Forces during the Abu Sayyaf raid on May 15, 2015 in Al-Amr (eastern Syria).⁶ This information proves ISIS utilizes a highly organized approach to obtaining and marketing antiquities, akin to their exploitation of other natural resources, and places a high value on directing these activities.

ISIS REVENUE STREAMS

ISIS and other terrorist organizations operating in the conflict zones of Syria and northern Iraq rely on a diverse assortment of criminal revenue streams to fund their activities.⁷ With its territorial holdings and state-building ambitions, ISIS is especially dependent on maintaining a steady source of funding. Cultural property crimes — including the looting of archaeological sites and thefts from cultural repositories and

⁵ Casana, J. (2015).

⁶ "ISIL Leader's Loot," U.S. Department of State, Bureau of Educational and Cultural Affairs website. <http://eca.state.gov/cultural-heritage-center/iraq-cultural-heritage-initiative/isil-leaders-loot> (accessed Nov. 11, 2015).

⁷ Humud, C. E., Pirog, R., & Rosen, L. (2015). *Islamic State Financing and US Policy Approaches*. Washington, DC: Congressional Research Service.

private collections — rank high among these sources of revenue⁸, although there are currently no publicly-available, reliable estimates of the value of this trade. Moving beyond dollar values, antiquities looting provides extremists with certain benefits with little of the vulnerabilities and potential repercussions of other criminal endeavors. Extortion/protection rackets and asset thefts from private citizens remain key sources of revenue for ISIS, but such activities disorient and anger the local populations ISIS seeks to control and risk fomenting rebellions among core Sunni groups. Such uprisings partly linked to criminal revenue streams plagued ISIS's predecessor Al-Qaeda in Iraq⁹, and ISIS seems especially concerned with preventing *Sahwa* (Awakening) movements in its core territories of Raqqa and Mosul. Oil and gas production are lucrative, but airstrikes have reduced capacity.¹⁰ As other revenues diminish, ISIS and other groups appear to have compensated through increasing cultural property crime. Cultural property crime is difficult to target through military means, and cultural property crimes provide ISIS with a means for rewarding supporters (e.g., employment in the illicit antiquities industry). ISIS justifies the use of cultural property as an exploitable natural resource through its radical Jihadi-Salafi ideology, and in turn these crimes serve as grist for its propaganda mill; however, with regard to antiquities ISIS is caught in a hypocrisy that reveals its true nature. Publicly the organization depicts itself as striving to stamp out all symbols of supposed polytheism and idolatry (Arabic *shirk*) and heresy (Arabic *bidaa*) to purify Islam, and so deliberately destroys heritage places it deems objectionable. Nevertheless, ISIS rarely destroys portable material culture that would be classifiable as *shirk* and instead aggressively stockpiles portable cultural property to be sold on the market, revealing that at its core the group is simply a transnational criminal organization. This ideological contradiction has not seemed to adversely impact ISIS, and the group has developed a holistic approach to cultural property crime that promotes its radical ideology, provides powerful propaganda, and helps meet its financial bottom line. As ISIS spreads and other groups emulate this apex jihadist group, our global cultural patrimony is increasingly jeopardized.

The ISIS Antiquities Trade

⁸ For example, see "Terrorist Financing and the Islamic State," testimony of Matthew Levitt, Director, Stein Program on Counterterrorism and Intelligence, Washington Institute for Near East Policy, to the House Committee on Financial Services, November 13, 2014.

⁹ Lister, C. (2014). Profiling the Islamic State. *Brookings Doha Center Analysis Paper*, (13), pp. 8–9. Bahney, B., Shatz, H. J., Ganier, C., McPherson, R., & Sude, B. (2010). *An Economic Analysis of the Financial Records of al-Qa'ida in Iraq*. Rand Corporation.

¹⁰ Humud, C. E., Pirog, R., & Rosen, L. (2015), pp. 1, 4–6.

In northern Iraq, the frequency of archaeological looting has thus far been low relative to the number of archaeological sites under ISIS control. The low level of conflict-related looting in northern Iraq relative to neighboring Syria parallels pre-conflict conditions: looting typified many regions of pre-conflict Syria but was much rarer in northern Iraq.

In northern Iraq, ISIS has robbed houses of worship, private collections, and large cultural repositories such as the Mosul Museum, Mosul University, and Mosul's libraries and archives. ISIS has also publicly destroyed cultural property housed in many of these institutions, circulating video footage and photos on the internet and publishing stories in its magazine *Dabiq*. Nevertheless, deliberate destructions of antiquities and other valuable, portable cultural property have been rare relative to the amounts sold. ISIS usually destroys items that are too large or famous for easy smuggling or that are low in potential sale value. In other cases, such destructions are punitive acts: ISIS occasionally confiscates cultural property from unauthorized smugglers and publicly destroys it, particularly when the seizures were witnessed by the public. Deliberate destructions may also represent attempts to divert attention from the organization's preoccupation with plunder. ISIS's greed conflicts with its highly vaunted campaign of purifying Islam (*tasfiya*) of supposed corruptions and heresies (*bidaa*) as well as its doctrine of iconoclasm intended to promote the oneness of God (*tawhid*) through the destruction of *shirk*.

In Syria, ISIS and other terrorist groups have ransacked large numbers of cultural repositories, including museums, off-site museum storage facilities, libraries, houses of worship, private collections, and the storehouses of archaeological expeditions. Looting of archaeological sites has expanded dramatically in all zones of control since the start of the conflict in 2011. In ISIS-occupied territory, looting is rampant and often industrial in its intensity, employing metal detectors, heavy machinery, and large work crews. Syrian sources indicate that on occasion ISIS members loot high value discoveries themselves. In most instances, however, ISIS is indirectly involved in the looting, trafficking, and sale of antiquities. Gangs of looters operated in Syria prior to the outbreak of hostilities in 2011, and there were well-established trafficking networks for antiquities. ISIS has simply taken control of these existing networks and introduced regulatory mechanisms to extract profits that it legitimizes through its ideology. As ISIS has become more secure in its operations in various theaters, the organization has exercised tighter control over antiquities operations, establishing offices for the licensing of looting and the collection of

antiquities and related revenues.¹¹ The organization collects varying fees and percentages of profits from those trafficking and selling antiquities. ISIS thus may derive revenue at three points in the illicit trade — looting, smuggling, and sales. In Syria, licensed looters are allowed to smuggle their finds and to attempt to sell items with varying percentages paid to ISIS.¹² In the Raqqa area, if looters fail to find buyers after a certain deadline, ISIS mandates the auction of antiquities. The majority of antiquities documented by ASOR CHI on the illicit market were offered for sale from Syria or Turkey. ISIL's loss of the important Tell Abyad-Akçakale border crossing between Syria and Turkey may have disrupted ISIL-affiliated trafficking networks, and there are early signs that smugglers are increasingly moving material to Lebanon to reach global markets.

Preliminary data on trafficking indicates Turkey and Bulgaria play a major role in the illicit trade connected to ISIS, but additional data on trafficking routes is needed. ASOR CHI has documented large numbers of antiquities in the low-to-middle value ranges because looters and dealers utilize digital photographs to market this material. Low ranking participants in the illicit trade are often willing to sell these photos once antiquities have been trafficked up-market or sold. Investigative journalists and others have easily obtained large collections of photos of antiquities by posing as buyers. Traditionally illicit cultural property from conflict zones would be cached for years or even decade before being marketed, but criminals are using the internet, social media, digital photographs, and peer networks to mass market material almost immediately across the globe. In some digital photos, artifacts are shown *in situ* (i.e., in their original archaeological contexts) to provide evidence of their authenticity. ASOR CHI and other groups have documented a staggering number of coins, ancient glass, metal objects, sculptures, mummified human remains, manuscripts, cylinder and stamp seals, cuneiform inscriptions, and ethnographic items on the illicit market. In some cases, these objects were stolen from cultural repositories or site museums and have been published and/or still bear their original registration numbers. We have also documented a large number of fakes and replicas on the market.

Reconstructing the value of this illicit cultural property to individual terrorist organizations is complicated by several factors, key among them determining price and establishing criminal origin. The prices paid for illicit cultural property provided by dealers should be considered highly inflated given the

¹¹ "Syrian 'Monuments Men' Race to Protect Antiquities as Looting Bankrolls Terror," *Wall Street Journal*, February 10, 2015.

¹² See for example "ISIS Antiquities Sideline," *New York Times*, September 2, 2014. ASOR CHI has obtained copies of several such licenses.

dealers' obvious incentive to maximize profits on future sales by citing exaggerated historic sale prices. Information obtained through the Abu Sayyaf raid provides some insight into the value of the trade over a short period of time in one region under ISIS control, and we need more data like this to develop a clearer picture of the value of this trade. Establishing the criminal origin of antiquities presents another special difficulty. Even when they are willing to discuss their operations, dealers in illegal antiquities are reluctant to divulge the sources of illicit cultural property, and individual lots of illicit antiquities are often mixed together and represent the looting of several terrorist/criminal networks, inserted fakes and replicas, and more modern stolen cultural property. Ultimately we should not fixate on monetary matters: any source of revenue controlled by ISIS or other Islamist extremists must be stifled. In the end, we must also recognize that the cultural impacts of these atrocities ultimately outweigh the financial ramifications.

EFFECTIVE COUNTERMEASURES

ISIS and other Islamist extremist groups and transnational criminal organizations operating in the Middle East and North Africa have developed a highly organized and ideologically grounded approach to liquidating cultural assets for terrorist finance and for attacks on cultural identity and enacting campaigns of cultural cleansing. In the United States, we must combat this dual-exploitive assault on our security and global patrimony on many fronts with a nimbler approach. Foremost our efforts must be proactive rather than responsive: this necessitates high-level coordination of diverse efforts within the United States, enhancements and increases in capacities for cultural security and cultural diplomacy, and the identification and targeting of key vulnerabilities in the trade in illicit cultural property.

Dealers in illicit cultural property from Syria and Iraq utilize the internet and peer networks to market contraband to prospective buyers worldwide. This reduces many of the traditional risks of this criminal activity; however, a key vulnerability is the digital trail left behind. This digital trail should be systematically collected and stored in a single repository for access by all groups engaged in due diligence in the marketplace, cultural property protection, and counter-terrorism efforts. Such a database would also prove invaluable for efficiently repatriating cultural property in the post-conflict period.

Ultimately, the best solutions for the current cultural heritage crisis in Syria and northern Iraq also contribute to alleviating the humanitarian crisis, promoting conflict resolution, strengthening counter-

terrorism efforts, and fostering peacebuilding. There is no either-or choice between saving human lives and preserving cultural heritage — the two are inseparable. Syrians and Iraqis are risking their lives daily to save their cultural legacy. We must do all we can to help them in this struggle against depravity.