

# The Role of the Islamic State in the Assad Regime's Strategy for Regime Survival: How and Why the Assad Regime Supported the Islamic State

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*It is a privilege to contribute this chapter in honor of Gilles de Kerchove, a consummate professional whose commitment to international security in general, and of European Union member states in particular, is a legacy his successors will struggle to live up to. I have had the pleasure of knowing Gilles for long enough that I cannot remember when we first met, but it may have been in 2005 when I spent a week in Brussels on an EU Visitor's Program fellowship and Gilles was Director for Justice and Home Affairs at the EU Council General Secretariat. Over the years, Gilles has been generous with his time seeing me when I visit Brussels and when he visited Washington. I was pleased to be able to host Gilles to speak at public lectures and private roundtables at The Washington Institute for Near East Policy over the years, and walked away from a discussion with Gilles knowing I understood matters just a little better than I had before. I especially valued those times*

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*when we argued about the issues, forcing one another to reexamine our own positions. For his friendship, his intellectual honesty, his generosity, and his commitment to both public safety and human rights, I will always be grateful to Gilles de Kerchove.*

## INTRODUCTION

It may seem contrary to conventional wisdom, but the regime of Bashar al-Assad has consistently supported the Islamic State terrorist group (ISIS) even as the regime struggles to retake control of Syrian territory from the various rebel groups engaged in the Syria civil war, including ISIS. ISIS has been fighting in Syria since its precursor organization sent operatives into the country from Iraq in 2011. But the Syrian regime of Bashar al-Assad took the strategic decision to enable and facilitate the continued survival of the Islamic State in Syria in an effort to paint all of the Syrian opposition as “terrorists.” The Syrian government’s support included both passive support, such as deciding not to target ISIS positions, and active support, such as releasing terrorists from Syrian prisons and helping to bankroll ISIS by purchasing oil from ISIS and wheat from ISIS-controlled areas that ISIS was able to tax. In fact, Syrian government support for the terrorist network that morphed into ISIS goes back many years, to include support for foreign fighters traveling through Syria to join al Qaeda in Iraq (AQI, later the Islamic State in Iraq, ISI), making it the group’s earliest and most significant state sponsor.

This chapter argues that without the support and tolerance of the Syrian regime, the Islamic State group could not have evolved during 2012–2015 into the powerful terrorist group it became. Syrian or Syria’s support for ISIS facilitated the group’s ability to control large swaths of territory and engage in truly barbaric acts of terrorism such as beheadings, crucifixions, burning people alive, and carrying out acts of international terrorism around the world – including a series of devastating attacks across Europe in 2015 and 2016.

## I. STRATEGIC DECISION: “ASSAD OR WE BURN THE COUNTRY” – THE ISLAMIC STATE’S ROLE IN THE ASSAD REGIME’S SURVIVAL STRATEGY

In order to survive the Syrian civil war, the Assad regime created a Central Crisis Management Cell (CCMC), reporting directly to President Assad himself.<sup>(2)</sup> According to Abdel Majid Mohammed Abdel Majid Barakat, a former CCMC employee who defected from the regime and smuggled out many CCMC documents, “the CCMC was an organ of Syria’s ruling Baath Party.”<sup>(3)</sup> Barakat adds:

“The CCMC was the highest national-security body in the Syrian government, subordinate only the President Assad himself. The CMCC formulated strategic and tactical instructions, which were submitted to President Assad for approval and then disseminated through parallel, and sometimes overlapping, chains of command, that included at their core the National Security Bureau of the Baath Party (the “NSB”), the Security Committees of each of Syria’s 14 governorates, the Ministry of Defense, and the Ministry of Interior.”<sup>(4)</sup>

The CMCC chairman was Imad Hassan Turkomani, a Special Envoy of President Assad. Other members of the committee included Assef Shawkat, the army chief of staff and Assad’s brother in law; Hisham Ikhtiar, head of the Baath Party NSB; Ali Mamluk, head of Syrian general intelligence; Abdel Fatah-Qudsiyeh, head of Syrian military intelligence; Jamil Hassan, head of Syrian air force intelligence; Mohammed Dib Zeitoun, head of Political Security; Daoud Rajiha, Minister of Defense; Mohammad al-Shaar, Minister of the Interior; and President Assad’s brother, Maher al-Assad, de facto commander of the Syrian Army’s Fourth Division.<sup>(5)</sup>

One key tactic the Assad regime employed was to focus its military efforts against the moderate Syrian rebel groups opposing the Assad dictatorship, in particular the Free Syrian Army (FSA), and not the Islamic State group. “From the beginning of the uprising,” ISIS expert Aaron Zelin notes, “the regime portrayed non-violent protestors as terrorists even though they were not. Assad needed to create the atmosphere, which would lead

(2) See, for example, A. BARNARD, “Inside Syria’s Secret Torture Prisons: How Bashar al-Assad Crushed Dissent”, *The New York Times*, 11 May 2019, <https://www.nytimes.com/2019/05/11/world/middleeast/syria-torture-prisons.html>.

(3) Declaration of Abdel Majid Mohammed, *Abdel Majid Barakat, Cathleen Colvin et al v Syrian Arab Republic*, Civil No. 1:16-cv-01423 (ABJ), United States District Court for the District of Columbia, 22 December 2017, <https://cja.org/wp-content/uploads/2018/04/9-Declaration-of-Abdel-Majid-Mohammed-Abdel-Majid-Barakat-dated-December-22-2017.pdf>.

(4) *Ibid.*

(5) *Ibid.*

to the rise of more radicals in order to serve his narrative and “prove” that the choice boiled down to either him or the “terrorists.” Assad has been the godfather of ISIS and other Jihadis.”<sup>(6)</sup> Syrian President Bashar al-Assad would be typically involved in any major decisions, and government officials would be wary of the consequences of making sensitive decisions or taking sensitive actions without Assad’s prior approval. It is therefore inconceivable that Syrian intelligence could have assisted, facilitated, or tolerated ISIS operatives without prior decision-making at the highest levels of the Syrian government.

“The Assad regime played a key role in ISIL’s rise,” then-U.S. State Department spokeswoman Marie Harf stated at a 2014 news conference. “They allowed for a security situation where ISIL could grow in strength. The Syrian regime fostered the growth of terrorist networks. They facilitated the flow of al Qaeda foreign fighters in Iraq.”<sup>(7)</sup> Al Qaeda in Iraq, it should be noted up front, is the same group that later renamed itself the Islamic State group. Indeed, the State Department’s listing of the Islamic State group as a Foreign Terrorist Organization lists the group as “Islamic State of Iraq and the Levant (formerly al-Qa’ida in Iraq).”<sup>(8)</sup>

In fact, Syrian intelligence agencies were deeply involved in the Assad regime’s efforts facilitating and providing cover for the terrorist pipeline that ran through Syria into Iraq and helped build up al Qaeda in Iraq, which later became ISIS. Consider, for example, the foreign terrorist fighter network run by Badran Turki al-Hishan al-Mazidih, aka Abu Ghadiyah. The Treasury Department exposed and designated him and his Syria-based network (The Abu Ghadiyah Network) in February 2008, noting, “Syria has become a transit station for al Qaeda foreign terrorists on their way to Iraq.”<sup>(9)</sup> In July 2008, a State Department cable reportedly stated, “This network continues to operate with the knowledge of the Syrian government and sends virtually all of its foreign terrorists into Iraq across the Syrian border” where AQI was fighting.<sup>(10)</sup> Later that same year, General

(6) A. ZELIN, “Assad Plays the Fool... Again”, *National Interest*, 21 March 2015, <https://www.washingtoninstitute.org/policy-analysis/view/assad-plays-america-the-fool...again>.

(7) M. ABI-HABIB, “Assad Policies Aided Rise of Islamic State Militant Group”, *The Wall Street Journal*, 22 August 2014, <https://www.wsj.com/articles/assad-policies-aided-rise-of-islamic-state-militant-group-1408739733>.

(8) U.S. State Department Foreign Terrorist Organizations List, <https://www.state.gov/foreign-terrorist-organizations>.

(9) “Treasury Designates Members of Abu Ghadiyah’s Network”, U.S. Treasury Department, 28 February 2008, <https://www.treasury.gov/press-center/press-releases/Pages/hp845.aspx>.

(10) T. JOSCELYN, “Blowback in Syria”, *The Weekly Standard*, 24 July 2012, <https://www.weeklystandard.com/thomas-joscelyn/blowback-in-syria>.

David Petraeus reportedly said to the Iraqi Prime Minister that “Bashar al-Asad was well aware that his brother-in-law Asif Shawqat, Director of Syrian Military Intelligence, had detailed knowledge of the activities of AQL facilitator Abu Ghadiya, who was using Syrian territory to bring foreign fighters and suicide bombers into Iraq.”<sup>(11)</sup>

In coordination with the CCMC, Syria intelligence services coordinated the regime’s efforts to allow ISIS to grow and actualize President Assad’s threat that, as then-Secretary of State John Kerry put it, “it’s me or the terrorists.” As noted above, the CCMC leadership included Syrian intelligence chiefs loyal to Assad and some of his closest relatives – President Assad was only willing to trust those closest to him. Assad released ISIS terrorists from jail, Kerry explained, so “people would then join behind Assad.”<sup>(12)</sup>

“From the outset,” Michael Weiss and Hassan Hassan explain in their book *ISIS: Inside the Army of Terror*, Assad “portrayed his opponents, even those who were only calling for modest economic reforms, as al Qaeda terrorists, hirelings of the United States, Saudi Arabia, Qatar, and Israel – surely one of the most elaborate coalitions of the willing in modern history.” The underlying goal of this disinformation campaign was straightforward: “Faced with revolution, and blaming the West for the very crimes he himself had long committed, he sought to ensure his political longevity through self-fulfilling prophecy.” His regime undertook several measures to bring violent Islamism home to Syria. It was no coincidence that one of the favored slogans of his loyalists was “Assad or we burn the country.”<sup>(13)</sup>

Already in 2011, at the outset of the Syrian revolution, Assad warned that “Syria is the hub now in this region. It is the fault line, and if you play with the ground you will cause an earthquake.” He continued, “Do you want to see another Afghanistan, or tens of Afghanistans? Any problem in Syria will burn the whole region.”<sup>(14)</sup> As the Syria revolution took hold, Assad set out to make this hypothetical question a reality.

(11) T. JOSCELYN, “Blowback in Syria”, *op. cit.*

(12) John Kerry Interview with Gregory Palkot of Fox News, 17 November 2015, <https://2009-2017.state.gov/secretary/remarks/2015/11/249588.htm>.

(13) M. WEISS and H. HASSAN, *ISIS: Inside the Army of Terror*, New York, Regan Arts, 2015, p. 134.

(14) “Syria’s Assad Warns of ‘Earthquake’ if West Intervenes”, *Reuters*, 29 October 2011, <https://www.reuters.com/article/us-syria/syrias-assad-warns-of-earthquake-if-west-intervenes-idUSL5E7LS2ZK20111029>.

## II. BUSINESS MODEL: THE ASSAD REGIME'S ROADMAP FOR SUPPORTING ISIS

In May 2011, in the wake of some of the early Arab Spring protests in Syria, the Syrian government began to release hardline Islamist terrorists in the first of a series of official government amnesties. Decree No. 61, for example, issued in May 2011 covered “all members of the Muslim Brotherhood and other detainees belonging to political movements.”<sup>(15)</sup> At the same time, the regime was arresting large numbers of peaceful protestors, students, and human rights activists. Several of the terrorists released in these first amnesties went on to head Islamist extremist groups in Syria, including the Islamic State group.<sup>(16)</sup> Bassam Barabandi, a former Syrian diplomat with Syria's foreign ministry who later defected to the opposition, told the *Wall Street Journal* in 2014 that “the fear of a continued, peaceful revolution is why these Islamists were released. The reasoning behind the jihadists, for Assad and the regime, is that they are the alternative to the peaceful revolution. They are organized with the doctrine of jihad and the West is afraid of them.”<sup>(17)</sup>

The Assad regime released many jihadist terrorists, among them not just foot soldiers but also senior Islamic State leaders and operatives. Consider, for example, Amr Abu Atheer al-Absi, an Islamic State kidnapper and recruiter of European jihadists.<sup>(18)</sup> A Syrian intelligence officer explained that “the regime did not just open the door to the prisons and let these extremists out, it facilitated them in their work, in their creation of armed brigades.”<sup>(19)</sup> Another prominent example is Ali Musa al-Shawakh, aka Abu Luqman, who was arrested by the Syrian regime in 2010 on charges of sedition based on his ties to al Qaeda in Iraq, but was later released in the context of the Syrian civil war. Abu Luqman ordered the beheadings of two Islamic State group hostages and rose to become director of the Islamic State's security and intelligence service (Emni).<sup>(20)</sup>

(15) R. ABOUZEID, *No Turning Back: Life, Loss, and Hope in Wartime Syria*, New York, W. W. Norton & Co., 2018, p. 78.

(16) R. SALLOUM, “From Jail to Jihad: Former Prisoners Fight in Syrian Insurgency”, Spiegel Online, 10 October 2013, <https://www.spiegel.de/international/world/former-prisoners-fight-in-syrian-insurgency-a-927158.html>.

(17) M. ABI-HABIB, “Assad Policies Aided Rise of Islamic State Militant Group”, *The Wall Street Journal*, 22 August 2014 <https://www.wsj.com/articles/assad-policies-aided-rise-of-islamic-state-militant-group-1408739733>.

(18) R. SPENCER, “Four Jihadists, One Prison: All Released by Assad and All Now Dead”, *Telegraph*, 11 May 2016, <http://s.telegraph.co.uk/graphics/projects/isis-jihad-syria-assad-islamic/index.html>.

(19) W. McCANTS, *The ISIS Apocalypse: The History, Strategy, and Doomsday Vision of the Islamic State*, New York, St. Martin's Press, 2015, p. 85.

(20) “Treasury Sanctions Major Islamic State of Iraq and the Levant Leaders, Financial Figures, Facilitators, and Supporters”, U.S. Treasury Department, 29 September 2015, <https://www.treasury.gov/press-center/>

And, by virtue of housing the jihadists together in the notorious Sednaya prison, the regime effectively networked together formerly disparate and unconnected jihadists, who came to refer to themselves as Sednaya graduates. According to one released Sednaya jihadist, “when I was detained, I knew four or five or six, but when I was released I knew a hundred, or two or three hundred. I now had brothers in Hama and Homs and Daraa and many other places, and they knew me. It took only a few short weeks – weeks, not a month – for us, in groups of two or three, in complete secrecy, to start.”<sup>(21)</sup>

The release from Syrian prisons of known terrorists was the result of government policies and presidential decrees. A former member of Syria’s notorious Military Intelligence Directorate reported in 2014 that the release of terrorists from Syrian prisons was “not something I hear rumors about, I actually heard the orders, I have seen it happening. These orders came down from [Military Intelligence] headquarters in Damascus.”<sup>(22)</sup> Ultimately, he concluded, “Syrian security opened the door to the prisons, and they knew what would happen.”<sup>(23)</sup>

Beyond strategically and intentionally releasing jihadists from Syrian prisons, the Assad regime also frequently refrained from attacking Islamic State group positions and sometimes appeared to collude with the Islamic State in an effort to encourage the group to attack moderate rebels rather than the regime. Consider former U.S. Ambassador to Syria Robert Ford’s assessment of the symbiotic relationship between the Syrian regime and the Islamic State from April 21, 2014: “The regime is basically not fighting them [IS]. They’re letting them go. There is a huge headquarters in Raqqa for the Islamic State. The regime drops barrel bombs all over Aleppo and Dara’a and the Damascus suburbs. It’s never bombed that big headquarters. If Syrian intelligence needs help finding it, I wish they’d contact me and I can point them to it.”<sup>(24)</sup>

press-releases/Pages/jl0188.aspx; “Abu Luqman”, Counter Extremism Project, <https://www.counterextremism.com/extremists/abu-luqman>.

(21) R. ABOUZEID, *No Turning Back: Life, Loss, and Hope in Wartime Syria*, New York, W. W. Norton & Co., 2018, pp. 78 and 79.

(22) P. SANDS, J. VELA and S. MAAYEH, “Assad Regime Abetted Extremists to Subvert Peaceful Uprising, Says Former Intelligence Official”, *The National*, 21 January 2014, <https://www.thenational.ae/world/assad-regime-abetted-extremists-to-subvert-peaceful-uprising-says-former-intelligence-official-1.319620>.

(23) *Ibid.*

(24) D. MILIBAND, R. S. FORD and A. J. TABLER, “The Syrian Conflict: Where Strategic Interest and Humanitarian Urgency Intersect”, *The Washington Institute for Near East Policy*, 21 April 2014, <http://www.washingtoninstitute.org/policy-analysis/view/the-syrian-conflict-where-strategic-interest-and-humanitarian-urgency-inter>.

At times, Syrian regime forces did attack ISIS. But by 2013 – when the Islamic State group gained control of significant territory, including Raqqa, where it set up its de facto capital – Syrian forces targeted ISIS positions less and less. In June 2015, the U.S. Embassy in Syria issued a tweet from its official Twitter handle (@USEmbassySyria) publicizing one such action: “Reports indicate that the regime is making air-strikes in support of #ISIL’s advance on #Aleppo, aiding extremists against Syrian population.”<sup>(25)</sup> A few minutes later, the U.S. Embassy in Damascus followed up with another statement on Twitter: “We have long seen that the #Asad regime avoids #ISIL lines, in complete contradiction to the regime’s claims to be fighting ISIL. #Syria.”<sup>(26)</sup> At times, the Assad regime and the Islamic State group agreed to several evacuation deals which it has used to redirect the Islamic State against moderate anti-regime rebels.<sup>(27)</sup>

In other cases, Islamic State forces appeared to take actions favorable to Syrian government interests. For example, in July 2014 Islamic State forces withdrew from the northern suburbs of Aleppo just as the Syrian regime was trying to outflank FSA forces in the city. The Islamic State withdrawal enabled regime forces to take the city’s northern suburbs without firing a shot and then outflank FSA forces in the city from three sides.<sup>(28)</sup> Therefore, while the Syrian regime and the Islamic State group sometimes fought one another, they also helped each other in key ways as well.

One reason the Assad regime may have elected not to target Islamic State positions in Eastern Syria was the regime’s business dealings with the Islamic State. The regime purchased oil from the Islamic State, and bought wheat from areas under the group’s control, which ISIS was able to tax thereby profiting from the transactions with the Assad regime.

The U.S. State Department has stated unequivocally, “the Syrian regime has purchased oil from ISIS through various intermediaries, adding to the terrorist group’s revenue.”<sup>(29)</sup> This started around 2014, when the

(25) U.S. Embassy Syria tweet, 1:28pm, 1st June 2015, <https://twitter.com/usembassy Syria/status/605471087422488579?lang=en>.

(26) U.S. Embassy Syria tweet, 1:31pm, 1st June 2015, <https://twitter.com/usembassy Syria/status/605471678819389440>.

(27) O. SABBOUR, “How the Assad Regime has Exploited ‘Evacuation Deals’ to Redirect ISIS against the Rebels,” *New Statesman American*, 18 January 2019, <https://www.newstatesman.com/world/middle-east/2019/01/how-assad-regime-has-exploited-evacuation-deals-redirect-isis-against-0>.

(28) M. ABI-HABIB, “Assad Policies Aided Rise of Islamic State Militant Group,” *The Wall Street Journal*, 22 August 2014, <https://www.wsj.com/articles/assad-policies-aided-rise-of-islamic-state-militant-group-1408739733>.

(29) U.S. State Department, “Country Reports on Terrorism 2017,” at 20 September 2018, [https://www.state.gov/wp-content/uploads/2019/04/crt\\_2017.pdf](https://www.state.gov/wp-content/uploads/2019/04/crt_2017.pdf).



Islamic State seized control of the Deir Ezzor region of Eastern Syria where most Syrian oil fields are located, and gained control over key oil fields including Syria's largest, the al-Omaroil field.<sup>(30)</sup> By September 2014, the Islamic State's daily income from oil alone was estimated to total some \$3 million a day with income from Iraqi and Syrian oil fields, including some 60% of Syria's oil fields, with sales of around 50,000 barrels a day in Syria alone. At the time, the Islamic State directed oil sales and consumption within the areas it controlled, but over time it began to sell to the Syrian regime as well.<sup>(31)</sup> According to a World Bank report, remote measuring of oil production using multi-spectral satellite imagery, combined with available production data, indicated that ISIS produced approximately 56,000 barrels of oil per day from July to December 2014.<sup>(32)</sup>

According to the U.S. Treasury Department, in 2014 "ISIL may have earned as much as several million dollars per week, or \$100 million in total, from the sale of oil and oil products to local smugglers who, in turn, sell them to regional actors, notably the Asad regime."<sup>(33)</sup> And while the department noted useful contributions that Turkey and Kurdish authorities made supporting U.S. "efforts to suppress the sale of ISIL oil on regional markets," specifically, "the steps the Turkish and Kurdish authorities have taken to seize suspected ISIL-related shipments of oil and oil products transiting their borders," it had no such praise for the Assad regime which actively engaged in oil business with ISIL.<sup>(34)</sup>

Reports emerged in 2015 that the Islamic State was selling at least some of its oil to the Syrian government.<sup>(35)</sup> In March 2015, the European Union blacklisted prominent Syrian businessperson George Haswani explaining that "Haswani provides support and benefits from the regime through his

(30) R. KREISMAN, "Raqqaa and the Oil Economy of ISIS," Atlantic Council, 15 May 2017, <https://www.atlanticcouncil.org/blogs/syriasource/raqqaa-and-the-oil-economy-of-isis>.

(31) M. LEVITT, "Terrorist Financing and the Islamic State," Testimony submitted to the House Committee on Financial Services, 13 November 2014, <https://www.washingtoninstitute.org/uploads/Documents/testimony/LevittTestimony20141113.pdf>.

(32) Q.T. Do *et al.*, "How Much Oil is the Islamic State Group Producing? Evidence from Remote Sensing," Policy Research Working Paper 8231, World Bank Group, October 2017, <http://documents.worldbank.org/curated/en/239611509455488520/pdf/WPS8231.pdf>.

(33) J. FOWLER, "U.S. Efforts to Counter the Financing of ISIL," Opening Remarks at a conference convened by The Washington Institute for Near East Policy, Entitled "Taking the Fight to ISIL: Operationalizing CT Lines of Effort Against the Islamic State Group", 2 February 2015, <https://www.washingtoninstitute.org/uploads/Documents/other/FowlerStatement20150202.pdf>.

(34) *Ibid.*

(35) N. BULOS, "How Does the Islamic State make Money Off Oil Fields in Syria and Iraq?", Los Angeles Times, 6 December 2015, <https://www.latimes.com/world/middleeast/la-fg-islamic-state-oil-qa-20151206-story.html>.

role as a middleman in deals for the purchase of oil from ISIL by the Syrian regime.”<sup>(36)</sup> Hawani was subsequently designated by the U.S. Treasury Department as well in November 2015 noting that “Haswani is a Syrian businessman who serves as a middleman for oil purchases by the Syrian regime from ISIL.”<sup>(37)</sup>

An Islamic State memo dated 11 February 2015 – seized in a U.S. special forces raid on 16 May 2015 – documents ISIS oil-related business investment with the Assad regime. According to the *Wall Street Journal*, which reviewed the material, the Islamic State’s treasury sent Memo No. 156 to Abu Sayyaf, who oversaw ISIS oil sales, requesting “guidance on establishing investment relationships with businessmen linked to the regime of Syrian President Bashar al-Assad.”<sup>(38)</sup>

By 2017, U.S. State Department official Amos Hochstein would report that “Daesh’s [Islamic State’s] revenue and energy generation is being supported by the Syrian regime,” and a European counterterrorism official would add that Damascus “relies on gas produced in ISIS territory in the Palmyra area for a large part of its power generation.”<sup>(39)</sup>

This activity continued into 2018, when the Treasury Department designated a subsidiary of a company owned by George Haswani as well as Muhammad al-Qatirji and a company he owned, noting that he maintains “strong ties to the Syrian regime and facilitates fuel trade between the regime and ISIS.”<sup>(40)</sup> According to the Treasury Department, Qatirji is the CEO of Qatirji Company, and he has conducted business with ISIS in the petroleum sector, working directly with ISIS representatives to provide oil products for ISIS. Qatirji has a strong working relationship with multiple officials within the Government of Syria, to include several contracts with the Syrian Ministry of Oil and Syrian Ministry of Trade. Qatirji is responsible for import and export activities in Syria and assists with transporting

(36) Council Implementing Regulation (EU) 2015/375 of 6 March 2015 implementing Regulation (EU) No. 36/2012 concerning restrictive measures in view of the situation in Syria, *OJ L* 64, 7 March 2015, p. 10.

(37) “Treasury Sanctions Networks Providing Support to the Government of Syria, Including for Facilitating Syrian Government Oil Purchases from ISIL”, *U.S. Department of the Treasury*, 25 November 2015, <https://www.treasury.gov/press-center/press-releases/Pages/jl0287.aspx>.

(38) B. FAUCON and M. COKER, “The Rise and Deadly Fall of Islamic State’s Oil Tycoon”, *Wall Street Journal*, 24 April 2016, <https://www.wsj.com/articles/the-rise-and-deadly-fall-of-islamic-states-oil-tycoon-1461522313>.

(39) B. FAUCON and A. AL OMRAN, “Islamic State Steps Up Oil and Gas Sales to Assad Regime”, *The Wall Street Journal*, 19 January 2017, <https://www.wsj.com/articles/islamic-state-steps-up-oil-and-gas-sales-to-assad-regime-1484835563>.

(40) “U.S. Treasury Imposes Sanctions on Assad Regime’s Key ISIS Intermediary and a Petroleum Procurement Network”, *U.S. Department of the Treasury*, 6 September 2018, <https://home.treasury.gov/news/press-releases/sm474>.

weapons and ammunition under the pretext of importing and exporting food items. These shipments were overseen by the U.S. designated Syrian General Intelligence Directorate. The Syria-based Qatirji Company is a trucking company that has also shipped weapons from Iraq to Syria. Additionally, in a 2016 trade deal between the Government of Syria and ISIS, the Qatirji Company was identified as the exclusive agent for providing supplies to ISIS-controlled areas, including oil and other commodities.<sup>(41)</sup>

Underscoring “ongoing Government of Syria ties to ISIL,” the Treasury Department 2015 designation of George Haswani noted that Haswani serves as a middleman for Syrian regime oil purchases from ISIL. Haswani’s company, HESCO, “is a Syrian engineering and construction company that operates energy production facilities in Syria, reportedly in areas controlled by ISIL.”<sup>(42)</sup> According to a *Financial Times* investigation, there were reports that Haswani’s company, HESCO, “sends ISIS 15m Syrian lira (about \$50,000) every month to protect its equipment, which is worth several million dollars.” Haswani’s son denied this, but confirmed that ISIS did, in fact, “partly” run the company’s Tuweinan gas plant.<sup>(43)</sup>

The Assad regime’s business dealings with the Islamic State did not end with oil and gas, however. The regime also purchased and sold grain from areas under the control of the Islamic State. Samer Foz, a Syrian businessman blacklisted by the European Union in 2019 for providing financing and other support to the Assad regime,<sup>(44)</sup> reportedly transported grain from Syrian government controlled areas to territory controlled by the Islamic State.<sup>(45)</sup> According to other reports, he also moved wheat from Islamic State controlled areas, through Turkey, into Syrian regime controlled territory.<sup>(46)</sup>

(41) “U.S. Treasury Imposes Sanctions on Assad Regime’s Key ISIS Intermediary and a Petroleum Procurement Network”, *op. cit.*

(42) “Treasury Sanctions Networks Providing Support to the Government of Syria, Including for Facilitating Syrian Government Oil Purchases from ISIL,” *U.S. Department of the Treasury*, 25 November 2015, <https://www.treasury.gov/press-center/press-releases/Pages/jl0287.aspx>.

(43) E. SOLOMON and A. MHIDI, “ISIS Inc: Syria’s ‘Mafia-Style’ Gas Deals with Jihadis”, *Financial Times*, 15 October 2015, <https://www.ft.com/content/92f4e036-6b69-11e5-aca9-d87542bf8673>.

(44) “Council Implementing Decision (CFSP) 2019/87”, Official Journal of the European Union, 21 January 2019, <https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=CELEX:32019D0087&from=EN>.

(45) S. ENGEL RASMUSSEN, “EU Sanctions Leading Syrian Businessman”, *The Wall Street Journal*, 21 January 2019, <https://www.wsj.com/articles/eu-sanctions-leading-syrian-businessman-11548098347>.

(46) S. ENGEL RASMUSSEN and N. OSSEIRAN, “Out of Syria’s Chaos, a Tycoon Builds a Fortune”, *The Wall Street Journal*, 12 August 2018, <https://www.wsj.com/articles/out-of-syrias-chaos-a-tycoon-builds-a-fortune-1534100370>.

The Syrian regime also supported the financing of the Islamic State group by allowing Syrian banks to continue to function and provide financial services within Islamic State-held territory. In a report on ISIS financing issued in February 2015, the Financial Action Task Force (FATF) – the multinational body that develops and promotes policies to counter illicit financial activities – found that “more than 20 Syrian financial institutions with operations in ISIS-held territory” continued to do business there. Moreover, these bank branches remained “connected to their headquarters in Damascus; and some of them may maintain links to the international financial system.”<sup>(47)</sup>

Against the background of the FATF’s findings, the statement of Gen. John Allen, the U.S. Special Presidential Envoy for the Global Coalition to Combat ISIL, stands out in stark contrast. Speaking at a Washington Institute conference on “Taking the Fight to ISIL” in early February 2015, Gen. Allen stated: “We also recognize the imperative of squeezing ISIL’s access to financial resources, and we have greatly diminished their access to oil revenues. Coalition partners have come together to share information and synchronize practices to block ISIL’s access to banks – both in the region and globally.”<sup>(48)</sup> In other words, while the rest of the international community was actively seeking to deny ISIL access to oil revenue and banking facilities, the Assad regime was providing ISIL access to both.

Speaking at the same conference, Jennifer Fowler, Deputy Assistant Secretary at the U.S. Treasury Department, detailed the significance of ISIL’s ongoing access to banks:

ISIL’s control of territory gives it access to banks that it can potentially exploit to conduct international transactions. Without restrictions on financial institutions under ISIL’s control, ISIL would be able to more easily receive foreign funds to finance its activities as well as send payments abroad to procure weapons and other goods to sustain itself. The Government of Iraq has taken some important steps to address this issue, including issuing national directives to its banks to prevent wire transfers to and from bank branches in territory where ISIL operates and halt the sale of hard currency to these banks. This has been important in two respects. First, it prevents an ISIL-affiliated individual or entity from using a bank under the government’s control to transact through

(47) “Financing of the Terrorist Organization Islamic State in Iraq and the Levant (ISIL)”, FATF Report, Financial Action Task Force, February 2015, p. 28, <https://www.fatf-gafi.org/media/fatf/documents/reports/Financing-of-the-terrorist-organisation-ISIL.pdf>.

(48) J. ALLEN, “A Global, Coordinated, and Enduring Response”, Keynote Address at a conference convened by The Washington Institute for Near East Policy, Entitled “Taking the Fight to ISIL: Operationalizing CT Lines of Effort Against the Islamic State Group”, 2 February 2015, <https://www.washingtoninstitute.org/uploads/Documents/other/AllenStatement20150202.pdf>.

the domestic or international financial system. Second, banks operating in ISIL-held territory can no longer receive cash infusions to finance their operations, which averts potential ISIL exploitation of additional cash as a source of revenue. Treasury has been working to ensure these restrictions remain in force by engaging closely with foreign counterparts to conduct enhanced due diligence with respect to financial activity emanating from territory where ISIL operates.<sup>(49)</sup>

While Fowler praised the government of Iraq for the actions it took to address this issue, she had no such praise for the government of Syria because the Syrian government was not taking such actions to prevent ISIL from having access to Syrian banks; to the contrary, it facilitated such access. The Assad regime also looked the other way and allowed ISIL to conduct financial transactions through informal financial networks as well, even once these illicit terror-financing channels were publicly exposed. For example, in April, September, and November 2019, the U.S. Treasury Department designated a series of ISIS financial facilitators and money service businesses facilitating the financing of ISIS activities in and from Syria. But the Syrian government took no action against these publicly outed ISIS financial facilitators and money service businesses, which continued to function unmolested. As a result, on 15 July 2020, the United States and the seven Gulf State members of the Terror Financing Targeting Center (TFTC) jointly designated these terror financiers and money service businesses.<sup>(50)</sup>

The ISIS financial networks in questions were not insignificant, making the Syrian government's decision not to act against them, even once their activities became public, all the more galling. They included, for example, the ISIS "general financial manager" Abd-al-Rahman Ali Husayn al-Ahmad al-Rawi who, according to information released in the Treasury Department press release announcing his designation in April 2019, "was one of a few individuals who provided ISIS significant financial facilitation into and out of Syria. Abd-al-Rahman instructed ISIS fighters seeking to move large sums of money out of Syria to deposit the money with an office in Syria. Furthermore, when individuals wanted to send money from Turkey to ISIS

(49) J. FOWLER, "U.S. Efforts to Counter the Financing of ISIL", Opening Remarks at a conference convened by The Washington Institute for Near East Policy, Entitled "Taking the Fight to ISIL: Operationalizing CT Lines of Effort Against the Islamic State Group", 2 February 2015, <https://www.washingtoninstitute.org/uploads/Documents/other/FowlerStatement20150202.pdf>.

(50) "Terrorist Financing Targeting Center Sanctions Network of ISIS-Linked Financial Facilitators and Money Service Businesses", Press Release, U.S. Department of the Treasury, 15 July 2020, <https://home.treasury.gov/news/press-releases/sm1057>.

members in Syria, the instructions involved Abd-al-Rahman's."<sup>(51)</sup> Moreover, "Abd-al-Rahman had a hard-currency liquidity of several million dollars in Syria. He served as ISIS's general financial manager, and prior to his relocation to Turkey, he traveled around Syria on behalf of the group."<sup>(52)</sup>

### III. BACKSTORY: EARLY ASSAD REGIME SUPPORT FOR WHAT WOULD BECOME ISIS

None of the above should surprise, since Assad regime support for what would later become ISIS dates back to a decade before the Syrian civil war.

In late August 2009, a string of truck bombs and other attacks rocked Iraq and led Iraq and Syria to withdraw ambassadors from one another's capitals after Iraqi officials publicly and angrily accused Syria of hosting foreign fighter networks plotting and facilitating attacks in Iraq, including the two purported masterminds of these most recent attacks. Days later, Iraqi officials aired a supposed confession by a suspected al Qaeda militant from Saudi Arabia who claimed he not only entered Iraq from Syria but was first trained in an al Qaeda training camp there which was headed by a Syrian intelligence officer.<sup>(53)</sup> In fact, the long established Syrian "rat routes" through which foreign fighters as well as funds and supplies were moved into Iraq are well documented.

Documents seized in a September 2007 U.S. military raid on a suspected AQI safe house in Sinjar, in Western Iraq, revealed that in the 2006-2007 timeframe, the group was heavily dependent on donations, much of which came from AQI leaders and foreign fighters, as well as local Iraqis.<sup>(54)</sup> Among the foreign fighters who contributed to AQI, Saudi fighters were the most prolific, contributing significantly larger amounts than the other foreign fighters, with an average contribution of \$1088. Additionally, of the twenty three fighters who contributed more than \$1000, twenty-two were Saudi.<sup>(55)</sup> Most of these foreign fighters entered Iraq through Syria.

(51) "Treasury Designates Key Nodes of ISIS's Financial Network Stretching Across the Middle East, Europe and East Africa", Press Release, U.S. Department of the Treasury, 15 April 2019, <https://home.treasury.gov/news/press-releases/sm657>.

(52) *Ibid.*

(53) M. MUHAMMED, "Iraq al Qaeda Militant Says Syria Trained Him", *Reuters*, 30 August 2009.

(54) "Bombers, Bank Accounts, and Bleedout: Al-Qaeda's Road in and Out of Iraq. Harmony Project, Combating Terrorism Center West Point", p. 68.

(55) *Ibid.*

A review of AQI records seized in Iraq, conducted by the Combating Terrorism Center at West Point, found that a robust facilitation network in Syria has helped foreign fighters travel into Iraq. According to these seized documents, AQI relied on at least ninety-five different Syrian “coordinators” to provide such services. Illustrating a sense of how well organized this system was, the coordinators appeared to specialize in working with prospective foreign fighters and suicide bombers from specific locations.<sup>(56)</sup>

In February of 2008, the Treasury Department underscored the findings in the Sinjar documents, designating four members of a key terrorist facilitation and finance network operating out of Syria for supporting AQI. Treasury reported that the “Abu Ghadiyah” network, named for its leader, controlled the flow of much of the money, weapons, personnel, and other material through Syria into Iraq for AQI. According to the Treasury Department, the network “obtained false passports for foreign terrorists, provided passports, weapons, guides, safe houses, and allowances to foreign terrorists in Syria and those preparing to cross the border into Iraq.”<sup>(57)</sup>

While AQI and its foreign fighter networks may not have enjoyed active state sponsorship in the classical sense, it has benefited from the passive tolerance, blind eye, and safe haven of the Assad regime without which it would not have been able to carry out the full range of its terrorist activities and grow into the terrorist group now known as the Islamic State group. Indeed, sometimes the greatest contribution a state can offer a terrorist or insurgent group is choosing not to act. As Daniel Byman explains, “A border not policed, a blind eye turned to fundraising, or even the toleration of recruitment all help terrorists build their organizations, conduct operations and survive.”<sup>(58)</sup>

While this has generally been true of Syria, in some cases Syrian support has been more active. Consider the case of Fawzi al-Rawi where the extent of the Syrian role is noteworthy. In late 2007, the Treasury Department designated al-Rawi – a leader of the Iraqi wing of the Syrian Ba’ath Party – for providing financial and material support to Zarqawi’s AQI. Syrian President Bashar al-Assad appointed al-Rawi to his position in 2003. According to Treasury, the Iraqi wing of the Syrian Ba’ath Party “has since provided significant funding to Iraqi insurgents and al-Rawi’s direction.” Treasury

(56) “Bombers, Bank Accounts, and Bleedout: Al-Qaeda’s Road in and Out of Iraq. Harmony Project, Combating Terrorism Center West Point”, p. 68.

(57) “Treasury Designates Members of Abu Ghadiyah’s Network”, U.S. Treasury Department, 28 February 2008, <https://www.treasury.gov/press-center/press-releases/Pages/hp845.aspx>.

(58) D. BYMAN, “Passive Sponsors of Terrorism”, *Survival*, 2006, Vol. 47, No. 4, pp. 117-144.

noted that al-Rawi “is supported financially by the Syrian Government, and has close ties to Syrian intelligence.”<sup>(59)</sup> With the authorization of the Syrian regime, al-Rawi twice met with a former commander of Saddam’s Hussein’s Army of Muhammad in 2004 and told the commander his group would receive material aid from Syria. In 2005, al-Rawi “facilitated the provision of \$300,000 to members of AQI,” and provided AQI vehicle-borne improvised explosive devices, rifles, and suicide bombers, according to Treasury. In meetings with senior AQI representatives in September 2005, al-Rawi and AQI leaders discussed operational issues, including conducting attacks against the U.S. Embassy and concentrating attacks in the international zone.

In fact, the relationships built between AQI/ISIS fighters and Syrian intelligence officers and agencies, going back to 2001-2002, helped these fighters over time to become the dangerous terrorists of the Islamic State group. The Islamic State, in its early incarnation as the Zarqawi organization, benefited from Syrian safe haven and support; it maintained a logistical facilitation network in Syria, which helped plan operations and funded and trained operatives who carried out attacks in Jordan; and its network in Syria provided financial and operational support to its compatriots fighting in Iraq.

While in Syria, Zarqawi reportedly planned and facilitated the October 2002 assassination of U.S. Agency for International Development official Lawrence Foley in Amman.<sup>(60)</sup> Jordanian prime minister Abu Ragheb Ali announced that the Libyan and Jordanian suspects arrested in December in connection with the attack received funding and instructions from Zarqawi, and had intended to conduct further attacks against “foreign embassies, Jordanian officials, some diplomatic personnel, especially Americans and Israelis.”<sup>(61)</sup> According to his Jordanian indictment, Zarqawi is reported to have met the operatives selected to carry out the attack in Syria in 2002.

(59) U.S. Treasury Press Release, “Treasury Designates Individuals with Ties to Al Qaeda, Former Regime”, 7 December 2007, <https://www.treasury.gov/press-center/press-releases/Pages/hp720.aspx>.

(60) Secretary of State Colin Powell, Remarks to the United Nations Security Council, 5 February 2003, [www.state.gov/secretary/rm/2003/17300.htm](http://www.state.gov/secretary/rm/2003/17300.htm), and “Treasury Designates Six Al-Qaeda Terrorists”, US Department of the Treasury press release (JS-757), 24 September 2003, <http://www.treasury.gov/press/releases/js757.htm>.

(61) “Al-Qaeda man behind murder of US diplomat hiding in northern Iraq: Jordan”, *Agence France Presse*, 18 December 2002.



They were trained in Syria, supplied with weapons, and instructed to return to Jordan and identify a target for the attack.<sup>(62)</sup>

One of the most spectacular of Zarqawi's plots was foiled, but would have been considered a mega-terror attack had it not. In April 2004, Jordanian officials announced that they had thwarted a major plot organized by Zarqawi to attack various locations in Amman, targeting Jordanians and Americans. Zarqawi personally recruited the cell's leader, Azmi Al Jayousi, a Jordanian of Palestinian origin, along with several other Jordanians and Syrians. The cell's targets included the Jordanian General Intelligence Department (GID) Headquarters, the Prime Ministry, and the U.S. Embassy in Amman.<sup>(63)</sup> A logistical support network operating out of Jordan and Syria funded and facilitated this plot. For example, Haithem Omar Ibrahim, a Syrian member of the Zarqawi network operating out of Jordan, entered Jordan via Iraq and arranged safe houses for the plotters where they lived for several months while preparing the planned mega attack.<sup>(64)</sup>

The Zarqawi organization long benefited from a network of associates in Syria that it used to facilitate travel to Iraq and other logistics for members of its European network. According to Italian prosecutors, "Syria has functioned as a hub for an al Qaeda network" linked to Zarqawi.<sup>(65)</sup> Transcripts of operatives' conversations "paint a detailed picture of overseers in Syria coordinating the movement of recruits and money" between cells in Europe and Ansar al-Islam training camps in northern Iraq.<sup>(66)</sup> The cell's leaders in Syria facilitated the recruits' travel and provided their funding, while the European members gave false travel documents to recruits and fugitives, and monitored their travel. At least some of the recruits traveling to the Ansar camps stayed at the Ragdan Hotel in Aleppo for some time and later stopped in Damascus. Indeed, the Italian investigation revealed that Zarqawi's operatives in Europe acted on the instructions of his lieutenants in and around Damascus and Aleppo, including Muhammad Majid (also known as Mullah Fuad and described as the "gatekeeper in Syria for volunteers intent on reaching Iraq"), and two men referred to as "Abdullah," and "Abderrazak." For example, in one conversation, an

(62) A. BEN-DAVID, "Jordanian indictment reveals operations of Jund al-Shams terror network", *Jane's*, 16 June 2003, [http://www.janes.com/security/international\\_security/news/jtic/jtic030616\\_1\\_n.shtml](http://www.janes.com/security/international_security/news/jtic/jtic030616_1_n.shtml).

(63) Full text of confession, "Al Qaeda plans terrorist attack in Chemical Weapons Against Jordan", 27 April 2004, <http://www.imra.org.il/story.php?id=20579>.

(64) *Ibid.*

(65) S. ROTELLA, "A Road to Ansar Began in Italy: Wiretaps are Said to Show how al Qaeda Sought to Create in Northern Iraq a Substitute for Training Camps in Afghanistan", *The Los Angeles Times*, 28 April 2003.

(66) *Ibid.*

operative assured a comrade that sending money via Fuad is safe, saying, “I have sent so many transfers to Mullah Fuad and they always got there, no problem.”<sup>(67)</sup>

Over an extended period of time, the Zarqawi network in Iraq – which later renamed itself as the Islamic State group – received financial and operational support from supporters in Syria. In 2005, the U.S. Treasury Department designated Sulayman Khalid Darwish as a Specially Designated Global Terrorist (SDGT), who was operating out of Syria, for fundraising and recruiting for Zarqawi’s organization. Described as a member of the Zarqawi organization’s Advisory (Shura) Council and “one of the most prominent members of the Zarqawi Network in Syria,” Darwish prepared forged documents, recruited, and dispatched terrorists, and raised funds for the Zarqawi network.<sup>(68)</sup>

Despite such public designations, this network continued to act based out of Syria. On 6 December 2007, the U.S. Treasury Department designated seven individuals supporting the Iraqi insurgency out of Syria. In a press release, Undersecretary of the Treasury Stuart Levey insisted “Syria must take action to deny safe haven to those supporting violence from within its borders.”<sup>(69)</sup>

According to information provided by the Treasury Department, for example, Fawzi Mutlaq al-Rawi – a leader of the Iraqi wing of the Syrian Ba’ath Party – was designated for providing financial and material support to Zarqawi’s al-Qaeda in Iraq (AQI). The extent of the Syrian role in al-Rawi’s activities is noteworthy. Al-Rawi was appointed to his position in the Syrian Ba’ath Party by Syrian President Bashar al-Assad himself in 2003. According to Treasury, the Iraqi wing of the Syrian Ba’ath Party “has since provided significant funding to Iraqi insurgents and al-Rawi’s direction.” Indeed, Treasury noted that al-Rawi “is supported financially by the Syrian Government, and has close ties to Syrian intelligence.”<sup>(70)</sup>

Accordingly, ISIS, first in its early incarnation as the Zarqawi organization, benefited from Syrian safe haven and support, maintained a logistical

(67) S. ROTELLA, “Probe Links Syria, Terror Network: Italian Investigation Finds the Country Was A Hub for Shuttling Money and Recruits to Iraq”, *The Los Angeles Times*, 16 April 2003.

(68) Treasury Press Release, “Treasury Designates Individual Financially Fueling Iraqi Insurgency, al Qaeda”, 25 January 2005, <http://www.treas.gov/press/releases/js22006.htm>.

(69) U.S. Treasury Press Release, “Treasury Designates Individuals with Ties to Al Qaeda, Former Regime”, 6 December 2007, <http://www.ustreas.gov/press/releases/hp721.htm>.

(70) U.S. Treasury Press Release, “Treasury Designates Individuals with Ties to Al Qaeda, Former Regime”, 6 December 2007, <http://www.ustreas.gov/press/releases/hp721.htm>.

facilitation network in Syria which helped plan operations, and funded and trained operatives who carried out attacks in Jordan. Its network in Syria provided financial and operational support to its compatriots fighting in Iraq, all of which served as a precursor for its support of the Islamic State cell which carried out the Brussels Airport attack.

## CONCLUSION

Over the course of many years, the terrorist group ISIS (first known as the Zarqawi network, then al Qaeda in Iraq, then the Islamic State of Syria and the Levant, and finally as the Islamic State group) benefited from a wide range of material and other support from the Assad regime. Without this support from the Assad regime, the Islamic State group could not have evolved during 2012-2015 into the powerful terrorist group it became. ISIS ultimately controlled large swaths of territory and engaged in truly barbaric acts of terrorism such as beheadings, crucifixions, burning people alive, and carrying out acts of international terrorism around the world – including the 2015 Paris and 2016 Brussels attacks.

While the Islamic State remains an insurgent threat in Iraq and Syria, and a global threat as a terrorist network, it no longer controls significant territory and represents a fraction of the threat it once did. But there is no clear global coalition – neither political nor military – to address the threat posed by the Assad regime, which has killed exponentially more people than the Islamic State, facilitated that group's terrorist activities, and caused population displacement, migration flows, and tremendous regional instability. The international community stepped up to the challenge of the Islamic State, but it has failed miserably to address the multi-faceted challenges presented by the Assad regime, let alone address the calamity that is the Assad regime itself.