

Araştırma Makalesi / Research Article

FINANCE OF TERRORISM AND THE GLOBAL POLITICAL ECONOMY

Kürşad Kağan ERGÜN*

Selim ÇAPAR**

ABSTRACT

In this study, after explaining the economical dimension of terrorism and measures taken against it, authors discuss the cause-effect relationship of different theoretical market structures with terrorism and its finance. To do so, authors try to determine whether there is a relationship between the existence of terrorism with political and economical structure of state and tries to understand if the structure of state and market has any effect on the vulnerabilities from terrorism and what are the effects of market structures on finance of terrorism.

Keywords: Terrorism, Global Political Economy, Finance, Market, State.

TERÖRİZMİN FİNANSMANI VE KÜRESEL POLİTİK EKONOMİ

ÖZ

Bu çalışmada yazarlar, terörün ekonomik boyutunu ve buna karşı alınan önlemleri açıkladıktan sonra, farklı teorik piyasa yapılarının terörizm ile finansmanı arasındaki neden-sonuç ilişkisini tartışıyor. Bunu yapmak için, yazarlar, terörizm ile, devletin siyasi ve ekonomik yapısı arasında bir ilişki olup olmadığını, eğer devletin siyasi ve ekonomik yapısının, devletin terörizme karşı oluşması muhtemel zaafiyetleri üzerinde herhangi bir etkisi varsa, bu etkileri neden sonuç ilişkisi içerisinde belirlemeye odaklanmaktadır. Ayrıca terörizmin finansmanı değişik pazar ekonomileri arasındaki etkileşimler üzerinde de durulmaktadır.

Anahtar Kelimeler: Terörizm, Küresel Politik Ekonomi, Finansman, Piyasa, Devlet.

* Cizre Cumhuriyet Savcısı, kkaganerg@gmail.com, ORCID: 0000-0002-4943-7049

** Doç. Dr., İçişleri Bakanlığı GAMER/AREM Başkanı, caparselim@gmail.com, ORCID:0000-0001-5597-584X



INTRODUCTION

In this century, one of the most popular issue that is being discussed is terrorism. Especially after the 9/11 attacks, and with the USA's declaration of war against terrorism, the issue has become more global than local. Within these discussions, one of the most important sub-topic that is being discussed is the question of how to counter terrorism.

In order to fight against terrorism, one should understand that terrorism has many layers on the level of fighting against it. One simply can not just locate the bases of terrorist groups and destroy them. Countering terrorism is more complex than that. In order to have efficient counter terrorism mechanism, it is important to understand that one of the most important tool of terrorists or terrorist groups is having financial sources. As a result of having proper financial sources, terrorist groups are able to obtain weapons, supplies, new recruits, training bases and all sort of different needs of them. Because of that reality, one of the most important tool for countering terrorism is also through their finance. If states or other actors whose duty are fighting against terrorism, are able to fight against terrorism via fighting also against terrorists finance, they can have better results in shorter time.

In this study, finance dimension of terror groups are to be addressed with the comparison of the cause effect relation between terrorism, its finance dimension and two of the theories of global political economy and, it is going to be discussed how taking measures against finance dimension of terrorism can have better results in terms of counter terrorism. Besides that, new phenomenons of economic dimension of terror groups are going to be addressed.

1. CONCEPTUAL FRAMEWORK

One of the most contentious issue within the terrorism studies is the issue of not agreeing upon a general definition accepted by every actor in the international arena. It is believed that, this issue is problematic because when one group, or one action that can be carried out by a person or a group, labeled as terrorism, then measures set by law can be applied to that person or group in national or international level. This is problematic because of two reason:

First is, although the actions are same, sometimes while some group's actions can be seen as terrorism, the other group's actions can be seen as freedom act. Therefore, if there were one definition that is accepted by every actor, then every actor would have to apply the law whether they think the group is terrorist or freedom fighter. The second reason is also connected the first one. If there were generally accepted definition of terrorism, it would make it difficult for international actors to use terrorism in their power play.

Hodgson and Tadros (2013: 496) indicates and states that:

“Perhaps the most serious problem that we identify is the following trilemma. Horn 1: Define terrorism narrowly to exclude from the definition all attacks on the state and its officials. In doing so terrorism law will not be suitable for the purposes that we have for it. Horn 2: Define terrorism broadly to include all attacks on the state and its officials. In that case terrorism law will in principle, and probably in practice, apply to legitimate freedom fighters. Horn 3: Define terrorism in a way that discriminates between legitimate and illegitimate attacks on the state and its officials. This involves a range of legal actors making political judgments that they have inadequate expertise to make.”

As it is explained above, in general, it is agreeable that, the issues of definition pointed by Hodgson and Tadros in their study. Regardless of the issues about definition of terrorism, most accepted yet legally not binding different definitions of terrorism are going to be shared in this section in order to have better understanding in following sections.

Prevention of Terrorism Act of United Kingdom (1974) defines terrorism as, “... the use of violence for political ends (including) use of violence for the purpose of putting the public or any section of the public in fear.”

On the other hand, the US State Department (2017) describes terrorism as “premeditated, politically motivated violence perpetrated against non-combatant targets by sub-national groups or clandestine agents, usually intended to influence an audience”.

The Federal Bureau of Investigation (2005)'s definition is “the unlawful use of force or violence against persons or property to intimidate or coerce a



Government, the civilian population, or any segment thereof, in furtherance of political or social objectives”.

According to the UN’s Comprehensive Convention on International Terrorism (1996), definition of the crime terrorism is:

“Any person commits an offense within the meaning of this Convention if that person, by any means, unlawfully and intentionally, causes: Death or serious bodily injury to any person; or serious damage to public or private property, including a place of public use, a State or government facility, a public transportation system, an infrastructure facility or the environment; or, damage to property, places, facilities, or systems referred to in paragraph 1 (b) of this article, resulting or likely to result in major economic loss, when the purpose of the conduct, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or abstain from doing anyact.”

Lastly, AAP-06 NATO Glossary of Terms and Definitions (2014: 182) defines the act of terrorism in Edition 2014 as “The unlawful use or threatened use of force or violence against individuals or property in an attempt to coerce or intimidate governments or societies to achieve political, religious or ideological objectives”.

Newton’s third law (Lenzen, 1937) is, “For every action, there is an equal and opposite reaction.” This statement sort of explains the nature of the measures taken for countering terrorism. For every action that can be labelled as terrorism, states take counter actions before, during, and/or after its occurrence. Those actions are called in general as act of counter terrorism. Although the methods of counter terrorism were different in the past, and having differences between regions and/or states, especially after the globalization of the terrorist threat, measures taken to prevent it has also become global. As a result of the evolution of terrorism over time, methods of counter-terrorism are also evolving.

In the current time period, countering terrorism are taking to the hand not as whole for all but as different methods for every different aspects of terrorist organizations. For example, today states have different branches

for gathering intelligence, and different branches for dealing with finance of terrorism, and different branches for executing military operations.

2. FINANCIAL DIMENSION OF TERRORISM

Harmon (2013: 73) states that,

“Terrorist funding is an organized, diversified, and sometimes complex dimension of groups’ operations. The subject was usually ignored by academics, news periodicals, and policy makers before the World Trade Center thundered into dust one day in September 2001. Since that attack, the importance of terrorist financing and economics has been apparent.”

As it has been said in the previous title, evolutions in the nature of terrorism, causes evolutions and new approaches in the counter terrorism methods. After 9/11 attacks have happened, realization about the importance of financing of terrorism and need to fight against finance of terrorism separately has been understood by both scholars and state officials. As a result of that realization, new methods and approaches has been defined in order to counter the finance of terrorism.

Since the issue of the finance of terrorism gained popularity, so many different studies has been made about it and so many different scholars or states analyzed the issue in different ways. In this essay, terror groups source of finance are going to be analyzed and discussed in the frame established by Harmon (2013), in his book “Terrorism Today”.

According to Harmon (2013: 73), terrorists and terrorist groups have 6 different source for finance as follows, (1) terrorist groups themselves-that is, members’ activities that generate funds directly; (2) individual donors, who may or may not consider themselves “members” of a group; (3) ethnic diasporas; these include many more nonmembers than members, but both categories may give, sometimes under compulsion; (4) aid organizations and charities, which may be the creatures of terror groups or merely helpmates, witting or unwitting; (5) companies, whether official, semi-official, or semi-legitimate; their proceeds end up directly in terrorists’ hands; and (6) states. In the next paragraphs, each source of terrorism is



going to be explained with examples.

First of all, terrorist groups themselves which mean its members and their activities are going to be explored. Brantly (2014: 2) states about this issue that, “.....the possibilities for financing terrorism extend to a wide array of methods ranging from robbery and narcotics to ransom and smuggling....” Also, Zehorai (2018: 1) states in his article on Forbes International that, “In many cases, the nature of fundraising activity is remarkably similar to that of criminal organizations – dealing in drugs, weapons, tobacco or humans, through bank robbery or collecting money in the name of “protection” and even kidnapping for ransom.”

As it can be seen from two of the statements above, the way for terrorist groups to fund themselves is mainly consists of their illegal activities such as dealing with drugs, robbery, smuggling and other similar activities. For many terrorist organizations, most profitable and common way to fund themselves through their illegal activities could be drug trafficking. For example it is a generally known fact in Turkey that, the terrorist organization called PKK (Kurdish Workers’ Party) deals with drugs such as heroin and cocaine and makes most of its finance from them. About this claim, Anadolu Agency (2019) points out that,

“According to multiple reports and testimony by PKK terrorists captured by Turkish security forces, the smuggling and distribution of illicit drugs constitute a major economic activity for the group to finance its terrorist campaign. The taxation of drug transfers across territories, as well as payments from traffickers and smugglers at borders, serves as a crucial income source for the group.....Turkish authorities have been confiscating narcotics shipments and drug labs owned or operated by the PKK since the 1980s. Interpol reports estimate that up to 80 percent of the illicit drug markets in Europe are supplied by the PKK-controlled trafficking network.”

Secondly, regardless that whether they consider themselves as members of the organization, individual donors are playing an important part in financial operations of terrorist organizations. US Department of Treasury claims in a report they have published in 2018 that, “The most common

type of TF activity in the United States involves individuals who knowingly provide funds to terrorists, terrorist groups, or their supporters abroad.”

Although states and ordinary citizens have found out more about individual donors after the 9/11 attacks, in fact this source of financing the terrorism has examples long before the 9/11 attacks. Before 9/11 attacks, there were supporters of Red Brigades all around the world who were donating money to the organization because they were sympathetic for communist ideology, or IRA had supporters in especially the USA who were donating money to what they considered as “freedom fighters”. For example, Harmon (2013: 78) states in his study that,

“More recently, the New York Times has interviewed American Charles F. Feeney, who made a fortune running duty-free shops at airports, about his donations to Sinn Fein, the political front for the IRA Provos. Some \$280,000 in gifts was reported, likely making Mr. Feeney the largest registered individual donor in the United States.”

Another important example about individual donor case is about petroleum rich Arab businessman’s. This issue has been uncovered after the 9/11 attacks with US authorities examinations on Al Qaida’s financial activities. Greenberg, Wechsler and Woloski (2002: 1) states in their report that, “For years, individuals and charities based in Saudi Arabia have been the most important source of funds for al-Qaeda. And for years, Saudi officials have turned a blind eye to this problem.” Although it has been pointed out indirectly that mostly rich individuals are donating, there are other ways for individuals that has different levels of economic status to contribute to finance of terrorist organization such as buying semi-legal or illegal magazines that is being published by organization.

Thirdly, ethnic diasporas are important source of finance for terrorist organizations. RAND corporation (2007: 34) states that in their report,

“When an armed struggle erupts in a country, the Diaspora often raises money and supplies support.....Diasporas can provide four categories of support to terrorist causes: fundraising (through open techniques and organized crime).....the Kurdistan Workers’ Party (PKK) engaged in political and fundraising



activities that blurred the lines between politics and ordinary civic activity. In fact, one-half of the group's budget during the 1990s came from the Kurdish Diaspora in Europe."

In financing terrorism, as well as supporting the other activities of terrorist cause, diasporas are one group that should be observed carefully by security forces. As a result of diasporas having same roots with the members of terrorist organization, it is very natural for them to share the same ideology. Therefore, for members of diaspora, it can be very tempting for them to support the terrorists. For example, there were an important amount of help to terrorist organization called ASALA (Armenian Secret Army for Liberation of Armenia) from the Armenian diaspora. Gunther (1985: 31) states that, "Since Armenians tend to be a closely knit group who in their own language distinguish themselves from odars (non-Armenians), the Armenian diaspora around the world has provided a unique, transnational system of contacts and support." Thus, while the actual terrorists are few in number, they often are able to draw tacit support from this broader, transnational Armenian community. Recently, for example, an Armenian American newspaper published "An Appeal to all Armenians," which declared: "Since 1975, underground groups have been formed to use effective forceful means to pursue the Armenian cause. Armenians have a moral responsibility to support these activities with all available means" (RAND, 2007).

Another important source for financing terrorism is aid organizations and charities, regardless that it is created by terror groups itself or not. About this issue, Lowy Institute (2018) states that, "As well as using humanitarian cover to travel to conflict zones, jihadists are also using charity organizations to finance terrorism." Another point of view about this issue is from UK Home Office (2017) as "some Islamic organisations of extremist concern portray themselves as charities to increase their credibility and to take advantage of Islam's emphasis on charity. Some are purposefully vague about their activities and their charitable status." Also, the US Department of Treasury's (2014) Undersecretary for Terrorism and Financial Intelligence stated in their report that,

"Kuwait has become the epicenter of fundraising for terrorist groups in

Syria. A number of Kuwaiti fundraisers exploit the charitable impulses of unwitting donors by soliciting humanitarian donations from both inside and outside the country, cloaking their efforts in humanitarian garb, but diverting those funds to extremist groups in Syria.”

As it can be seen from the statements above, terrorist organizations are using already established aid organizations or charities such as organisations like Mercy Corps, IMPR-Humanitarian Organization The Community, CRS-Catholic Relief, DRC-Danish Refugee Council, World Vision, IRC-International Recue Committee, NRC-Norwegian Refugee Council, People in Need, Irish Aid that are known with their financial helps to terrorist organization called YPG, or establishing aid organizations or charities themselves in order to finance their activities. To do so, they are contacting already established aid or charity organizations with the claim that there is a humanitarian crisis in the are they are operating in and collecting some important amount of funding, or they are establishing their own aid organization and advertising it through social media and claiming that there is an ongoing humanitarian crisis and with that they are collecting fundings. This way, they are able to collect money both from people who are not supporting their cause and also from people who are supporting their cause.

Companies are another source for terrorist organizations to finance their activities. In the column by Frantz (2002), it is stated that, “.....hundreds of companies worldwide are currently providing financial and logistical support to terrorist networks, with al-Qaeda alone having access to between 30-300 million dollars controlled by a network of legitimate businesses...”

Especially in the recent years, it has been discovered that, terrorist organizations are using shell companies more and more in order to finance their activities. Especially if the organization have enough man power and connections abroad, they can set up legitimate front companies or even in some cases just companies and with the incomes of that companies they can finance their causes. One of the good example of this case is the companies and businesses of the terrorist organization called Fettullahist Terror Organization (FETO). Although FETO is different kind of terrorist organization because of its nature as sectarian organization and its history as a legitimate religious group



in the beginning, it is very suitable example for this source of finance as a result of them having so many companies that directly owned by the organization or by their members. As a result of having enough manpower, the FETO organization owned series of companies from private schools to banking sector, or media sector in different countries. The Turkish Anadolu Agency (2016) states that,

“The number of people detained Tuesday after simultaneous raids on 51 companies suspected of supporting the Fetullah Terrorist Organization (FETO) has risen to 80. Police said seven remaining suspects were abroad. The detainees who were working at Akfa Holding allegedly helped ‘himmet money’ transfers between 2011 and 2015 via Bank Asya to organizations in the U.S. and Canada. On July 22 Turkish regulators cancelled Islamic lender Bank Asya’s banking license. Bank Asya is a participation bank affiliated with U.S.-based preacher Fetullah Gulen. ‘Himmet’ refers to money collected as charitable donations from followers of the Gulen movement.”

The last source of finance of terrorism is states. States are very important source of finance to be examined because of its being difficult to counter against them and having strong sources to supply for terrorist organizations when its suitable for them. In his study, Ganor (1998: 1) sums the issue best in the following paragraph as,

“For many years, terrorism was perceived as a contest between two sides: on the one hand, a group of people or an organization, and on the other, a sovereign state. However, during the course of the second half of the twentieth century, various countries began to use, and indeed have expanded their use of terrorist organizations to promote state interests in the international domain. Instead of the “weapon of the weak” - minority groups, liberation movements, and revolutionary organizations - terrorism has become a tool of states and even of superpowers. In some cases, states established “puppet” terrorist organizations, whose purpose was to act on behalf of the sponsoring state, to further the interests of the state, and to represent its positions in domestic or regional fronts. In other cases, states sponsored or supported existing organizations, thereby creating mutually profitable connections.”

The main idea behind the reason for states to support terrorism by

financial means is lies under the Machiavelist thought. They are simply protecting their national interest. For a state, protecting its national interest may necessitate for it to support already existed terrorist organization or establish one that suits its interests. In the past 30 to 40 years its examples has been seen by the whole world. There were US support to Chechen fighters so that they can distract Russia, or there were Russian supports to Al Qaeda so that they can harm the Americans. In their news, The Washington Post states that,

“...new Associated Press reporting from Yemen has laid bare the fact that the UAE and Saudi Arabia have been busy cutting “secret deals with al-Qaida fighters, paying some to leave key cities and towns and letting others retreat with weapons, equipment and wads of looted cash ... hundreds more were recruited to join the coalition itself.” (Meshal, 2018).

3.COUNTERING METHODS FOR THE FINANCE OF TERRORISM

In this section, the question of how to fight against the finance of terrorism is going to be answered under the light of different examples for the different sources of the finance of terrorism.

Since the beginning of the concept of terrorism, states are fighting against them. One of the basic element of this fight is capturing or decapitating the members of the organization. With this action, states are actually fighting against the first financing source of terrorist organization which is the terrorist groups itself. As it have been cleared above, terrorist groups are using illegal activities such as robbery, and narcotics to finance their main activities. In order to counter against this source, states are just conducting operations same as they conduct against any kind of criminal organization. Otis (2014: 1) summarize the issue by following statement as,

“The Colombian military’s successful efforts to weaken the FARC and reduce its drug income through targeting coca fields, drug laboratories, and smugglers have helped convince FARC leaders to return to the bargaining table for negotiations that hold much promise for a final peace accord.”

The methods of countering the financial resources provided by the individual donor to terrorist groups are a bit more difficult than others



as a result of difficulties in identifying the individual. In this case, before the conventional law enforcements actions, intelligence organizations play a vital role to detect the individual. National Commission on Terrorist Attacks Upon the US (2019), states in their report that,

“After 9/11, the government, in an attempt to ‘starve the terrorists of money,’ engaged in a series of aggressive and high-profile actions to designate terrorist financiers and freeze their money, both in the United States and through the United Nations. Donors and al Qaeda sympathizers, wary of being publicly named and having their assets frozen, may have become more reluctant to provide overt support.”

Recently, with the rise of the far right ideologies in Europe and rise of the religiously motivated terrorist groups, question of how to fight against diaspora supports to the terrorist groups filled the daily agenda. The important point to take a look at it here is that, when to act against diasporas actions to support terrorist groups, states should not act in a behaviors that will be useful for terrorist groups such as alienating the members of diaspora. Post and Sheffer (2007) states that,

“The finding that 80 percent of new recruits to the global Salafi jihad become disaffected and are radicalized within diaspora communities leads inexorably to the conclusion that these communities must be a major focus of efforts to counter the growing threat of Islamist radicalism generated within these diaspora communities. A principal recommendation of the 2005 International Summit on Democracy, Terrorism, and Security was for ‘interventions that respect cultural differences while helping to integrate the refugees with the recipient societies.’ This will require Western governments to develop and implement community-based interventions with the goal of promoting community and individual-based changes, while and this is key, respecting the cultural integrity of the emigre population.”

The ethical problem here is that, until the rise of the religiously motivated terrorism, international actors have not act against diasporas. In the cases of Armenian diaspora supporting the groups like ASALA (Armenian Secret Army for the Liberation of Armenia) or JCAG (Justice Commandos for Armenian

Genocide), or Jewish diaspora supporting the deadly group called Irgun, host states did not do any action to stop their supporting activities.

Taking measures against to the aid organizations, charities, and companies are similar to each other. Therefore countering methods against to the fourth and fifth source of finance of terrorism are going to be examined together in the same paragraph. Considering the fact that aid organizations, charities, and companies are run by individuals, measures taking against them are actually not much different from the ones that are taken against individual donors. Key difference is that, as having to give all the information about the companies or charities or their money transactions, tracking their activity is easier than individual. As a result of that, finding out about a charity or company to supporting a terrorist group financially is easier. After their action is detected, government only is going to arrest the CEO's or organizers and freeze the assets. As it has been given as an example before in this study, that's exactly how the government of Turkey fought against the charities, companies, and aid organizations that were established by the terrorist group called FETO.

Last methods to be discussed in this chapter against source of the finance of terrorist groups is the one against states. Considering the fact that every state is sovereign actor in international arena, and that it is not easy to just fight against them in conventional ways, it is complicated issue to counter against states that are financing terrorist groups. Most of the states, who are struggling with the problem of terrorism, are dealing with the issue when it comes to challenging against states who are supporting terrorist groups financially by applying sanctions against them, as well as possible financial operations such as freezing their assets in their country. The US Department of State (2017), states about this issue that,

“A wide range of sanctions is imposed as a result of a State Sponsor of Terrorism designation, including: A ban on arms-related exports and sales; controls over exports of dual-use items, requiring 30-day Congressional notification for goods or services that could significantly enhance the terrorist-list country's military capability or ability to support terrorism; prohibitions on economic assistance; and imposition of miscellaneous financial and other restrictions.”



4. WHAT SHOULD BE EXPECTED IN THE NEW ERA OF FINANCE AND TERRORISM

So far in this article, the financial sources of terrorist groups that have been used by them for long time and the prevention methods that can be taken against them have been examined. In this chapter, how the discovery and rise of crypto-currencies such as bitcoin and use of deep web are going to effect the finance of terrorism and what can be the methods to fight against it is going to be examined.

History of the crypto-currencies goes back to the early 1980's, but it has appeared as what it is today around early 2000's. Basically, crypto-currency is a cyphered digital money that the owner can stay anonymous and in the world of crypto-currency, there is no central control system. In the world of crypto-currency, system controls itself. Lansky (2018: 19), describes the system of crypto-currency as,

“The system does not require a central authority, its state is maintained through distributed consensus. The system keeps an overview of cryptocurrency units and their ownership. The system defines whether new cryptocurrency units can be created. If new cryptocurrency units can be created, the system defines the circumstances of their origin and how to determine the ownership of these new units. Ownership of cryptocurrency units can be proved exclusively cryptographically. The system allows transactions to be performed in which ownership of the cryptographic units is changed. A transaction statement can only be issued by an entity proving the current ownership of these units. If two different instructions for changing the ownership of the same cryptographic units are simultaneously entered, the system performs at most one of them.”

Considering the fact that, being a new phenomenon, every state or actor in the international arena reacting in different ways to the crypto-currencies. Therefore, every one of them's attitudes against it is different in terms of legal framework or financial framework of the country. As a result of that, this situation is being problem between actors time to time because of all the confusion and differences about their reaction to the crypto-currency. One of the main reason of this situation is the user's ability to hide

his identity from authorities. Another reason is that users can do transactions without revealing themselves. This reasons are also the explanation why the use of crypto-currency is another treat that states have to deal with it when it comes to finance of terrorism because for that reasons, terror groups have started to use crypto- currencies.

Brantly (2014: 1) states that,

“The transfer of money around the world has, in the last decade, fundamentally changed the way terrorist organizations raise money to support their activities. Digital currencies like e-gold, Bitcoin, Peercoin, and Dogecoin provide complex yet efficient mechanisms for the transfer of funds, as well as the decentralized collection of donations in a more anonymous manner than conventional banking transactions.”

US Department of Treasury (2018) analyzed that,

“Virtual currencies, such as bitcoin and other decentralized convertible virtual currencies, along with other emerging payments technologies, present potential benefits for consumers and the speed and cost of financial services, but may be vulnerable to abuse by terrorist financiers because they enable potentially anonymous cross-border person-to-person funds transfers. Some terrorist supporters view virtual currency as a possible mechanism to move funds globally and avoid detection by law enforcement.”

Zehorai (2018: 3) states that,

“The rapid growth in recent years of trade in virtual currencies, which uses an alternative global financial system and is characterized by user anonymity, grants terror factions many new and secure possibilities for raising, laundering and transferring money – as proven by the arrest of the 27 year-old Long Island woman, who has been accused of stealing and laundering more than \$85,000, using Bitcoin and other cryptocurrencies, to support ISIS.”

As it can be seen from the statements above, crypto-currency is not exactly a new source for terror groups but it is a new method for every actor that is responsible from every different source of the finance of terrorism that is explained above, which is making it easier and safer for them to support the



groups. For example, with the anonymity that is provided by crypto-currencies, individual donors, companies, charities, diasporas, or states can supply financial support to terrorist groups while staying anonymous. In order to prevent this kind of scenario to happen in the future, states should come to a mutual understanding about crypto-currencies and bring regulations. Otherwise, this situation is going to be similar with the problems that are happening in the world today as a result of not having binding definition of terrorism.

Another new tool that technology has brought into life of humankind is deep web. Although in order to get into the deep web, one should have very good knowledge about internet and computer technologies, nowadays, as a result of semi-legal experts explaining the ways to connecting the deep web, many people are able to do it.

Deep web is the part of the internet and contents in it that users can not reach it through usual search engines such as Google, or Yahoo. Inside of the deep web, there are disturbing and illegal contents. As a result of the anonymity in deep web, users are able to share that kind of contents. There is also illegal online market in deep web called Silk Road. In this illegal market, users can do many illegal actions such as buying or selling stolen goods, drugs, or hiring an assassin to kill people. As a result of the rise of deep web, and Silk Road with it, terrorist groups have also started to use it as a way of supporting themselves financially. Brantly (2014: 3) states that,

“Silk Road, unlike Liberty Reserve, was not a financial institution, but rather a commercial marketplace equivalent to an Amazon or Ebay for illicit merchandise. The marketplace made possible the sale of everything from narcotics to weaponry. Similar to purchasing a book on Amazon, customers of Silk Road could purchase drugs and guns from a variety of private sellers, all of whom connected anonymously to the market and all of whom used a digital currency to engage in transactions. The site was accessible only to users of Tor and conducted financial transactions through an emerging digital currency called Bitcoin (BTC).”

In order to fight against the finance of terrorism in the deep web, same methods that are mentioned above about crypto-currencies should be made by

actors that are fighting against terrorism.

5. ANALYZING THE ISSUE WITH THE ASPECT OF GLOBAL POLITICAL ECONOMY

Under this section, effects of terror groups to the states and markets are going to be examined. The key question to be tried to be answered here is that, which of the two theoretical market and state structure - liberal, or structural state and market - is more vulnerable or more resistant against terrorist groups attacks and their financial activities, or is it related with terrorism that what kind of political or economical regime states have.

Liberal economic theory, presumes that actors in the market are rational, and because of that, their main target is going to be making maximum profit. Because of this aim, actors are going to be in a healthy competition and as a result of that, maximum profit is going to be established and everybody is going to win. According to liberal economic theorists, in order this to happen, state should not interfere with the market, only market should regulate itself. Liberal theory in general also claims that, terrorism happens as a result of lack of liberal democracies all around the world, and in order to prevent terrorism to happen, liberal democratic states are under the responsibility of spreading liberal democracies and open markets all around the world.

Piazza (2007: 72) states that,

“A key plank in the Bush Administration’s anti-terrorism policy, the ‘War on Terror,’ is the promotion, at least rhetorically, of democratic governance and free market economic policies in those parts of the world characterized by political repression and illiberal economies. Political dictatorships and economically closed societies, the administration has consistently maintained, pose a grave threat to international security because they are incubators for transnational terrorism. The antidote, it follows, is economic and political liberalization by whatever possible means on the part of the United States and its allies in the War on Terror.”

However, there are also other claims among scholars that disagrees with the idea that, one of the main reasons of terrorism is lack of liberal



democracies. As Wilkinson (1986, 2001) says that liberal democracies are thought to provide a convenient environment for terrorism by giving terrorists freedom of association and movement (Wilkinson, 1986, 2001). Rosendorff and Sandler (2005: 179) states that,

“Due process and the preservation of individual rights protect not only the ordinary citizen but also the terrorists. Such freedoms and rights may facilitate spillover terrorism as grievances from abroad give rise to terrorist events staged in democracies. Press freedoms may exacerbate this spillover because deadly terrorist attacks will likely receive widespread coverage that can make a terrorist cause known far and wide. Through this news coverage, liberal democracies may unwittingly bolster the ability of transnational terrorists to create anxiety in a targeted audience.”

As it can be seen from the statements above, there are two different argument from two different side. While one side claims that the reason for international terrorism is dictatorships, states that are not liberal democracies, other side claims that having liberal democracy creates more suitable environment for terrorist groups to grow. When the claims of the both sides analyzed with data's from the field, the conclusion is that both arguments have some points. Although it is true that many of the terrorist groups established in the spheres of the world where there is no liberal democracies but dictatorships or oppression to the citizens, there is no clear evident that those terrorist groups establishment are relevant with the regime. Another point is that, there are some terrorist groups such as Red Army Fraction in Germany, IRA in United Kingdom, Red Brigades in Italy that established in democratic countries and against democratically elected regimes. Another important point for economical dimension of the issue is, open market without state intervention creates grand opportunities for terror groups to support their cause financially as it has explained with different examples above.

Structuralist theory on the other hand, claims that there is limited amount of wealth all around the world and because of that, every state should act accordingly with its interest. Therefore, in structuralist theory state and state's interests is main actor and market is protected and regulated by the state

accordingly with states interest. Mainly, states that are in favor of structuralist theory, accepts the terrorism as a fact and tries to protect themselves from it instead of making it disappear for good.

One of the examples of structuralist nation state that fits in the topic of this study is Turkey. For a long time (about 40 years), state in Turkey is fighting against terrorism. The State is one of successful states when it comes to counter terrorism. Question here is, is it their nation state - structuralist structure that makes them successful in countering terrorism or not.

Turkey takes decisive and strategic steps in the fight against terror in recent years. In this context, Turkey acts in a total approach to fight that “will continue until the end of terror” (Soylu, 2019: 68).

An approach “from post-incident operation” has been turned into a new approach as “uninterrupted operation”. There is a total fight against terror in all areas (Soylu, 2019: 68). Therefore, on the one hand while fighting against terrorists; on the other hand, a strategy of the fight against terror in many ways has been adopted. Within this framework, Turkey is seriously fighting against drug smuggling that has an important role for financing of terrorist organisations. In this aspect, the approach has been called as “fight against narcoterrorism” (Ministry of Interior, 2017).

It is safe to assume that, the State is good at counter terrorism because their main policy is protecting the state. Therefore, every step taken politically or economically is related with the interest of the State. As a result of that, their counter terrorism policies, both with finance of terrorism or military side are successful. It can be said that, although there is no direct linkage between the reasons of terrorism with structuralism, it is clear that structuralist structure makes it harder for terror groups to act.

Under the light of the passage written above, it can be said that, as it has been said about liberal theory, while there are some structuralist states that are successful in fighting against terrorism and protect their market against harmful effects of terrorism and terrorist attacks, there are also other structuralist states that are different. But important issue to point out here is that, although realist state and structuralist economic structure can make it hard for terror



groups to act in that state, it can also harm democracy, market and civil rights under wrong leadership.

CONCLUSION

The security forces have an unavoidable role in any society. They are responsible for law enforcement. They are expected to prevent crime, terrorists attacks and to maintain order in society. In order to provide these services they are given special powers. Accountability and legitimacy are essential issues for creating mutual respect and trust between security forces and community. On the other hand, the concepts of the fight against terrorists and the counter terrorism have different meanings. The concept of counter terrorism requires a wider perspective.

In conclusion, it should be understood that, financial dimension is one of the most important dimension of terror groups. As it has been cleared with the examples above, it is very hard to bind the roots of terrorism to one reason such as regimes or poverty. Also, every actors or every different markets regardless of their regime or structure reaction is different to terror groups and terrorist attacks. Therefore, finance dimension of terrorism should be examined very carefully by those that are working in the field academically or professionally. In order to do that better, not only political and legal structure of states and military capacities, but also economical policies and market structures of the actors should be examined altogether.

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