

Question 9: How terrorist groups raise their money?

For the most part, terrorist attacks are relatively inexpensive. But, like any organization, terrorist groups have operating costs and require funds for general costs and support of their members. The challenge for terrorists is to ensure a regular flow of income. Without this flow, terrorist groups are limited in size, scope and efficacy. This lecture examines some of the techniques and methods used by terrorist groups to raise money and find funding sources.

Discussion questions

1. Most terrorist attacks are cheap to carry out. Terrorist groups do not need much money. Discuss.
2. What are the main 'legal' sources of revenue for terrorist groups?
3. What is the Crime-Terror Nexus? Provide some examples

Essential readings

Freeman, Michael. 2011. "The Sources of Terrorist Financing: Theory and Typology." *Studies in Conflict & Terrorism* 34 (6): 461–75.

Keatinge, Tom, and Kerstin Danner. 2019. "Assessing Innovation in Terrorist Financing." *Studies in Conflict & Terrorism*, January, 1–18.

Further readings

Clarke, Ryan, and Stuart Lee. 2008. "The PIRA, D-Company, and the Crime-Terror Nexus." *Terrorism and Political Violence* 20 (3): 376–395.

Dishman, Chris. 2005. "The Leaderless Nexus: When Crime and Terror Converge." *Studies in Conflict & Terrorism* 28 (3): 237–52.

Jacobson, Michael. 2010. "Terrorist Financing and the Internet." *Studies in Conflict & Terrorism* 33 (4): 353–63.

Levy, Ido, and Abdi Yusuf. 2019. "How Do Terrorist Organizations Make Money? Terrorist Funding and Innovation in the Case of al-Shabaab." *Studies in Conflict & Terrorism*, June, 1–23. [htt](#)

Roth, Mitchel P., and Murat Sever. 2007. "The Kurdish Workers Party (PKK) as Criminal Syndicate: Funding Terrorism through Organized Crime, A Case Study." *Studies in Conflict & Terrorism* 30 (10): 901–20.

Rudner, Martin. 2010. "Hizbullah Terrorism Finance: Fund-Raising and Money-Laundering." *Studies in Conflict & Terrorism* 33 (8): 700–715.

Harold Trinkunas. 2019. "Financing Terrorism." In *The Oxford Handbook of Terrorism*, edited by Erica Chenoweth, Richard English, Andreas Gofas, and Stathis N. Kalyvas. Oxford Handbooks Online. <https://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780198732914.001.0001/oxfordhb-9780198732914-e-29>.

Whyte, Christopher. 2019. "Cryptoterrorism: Assessing the Utility of Blockchain Technologies for Terrorist Enterprise." *Studies in Conflict & Terrorism*, January, 1–24.

Non-peer reviewed resources

- “Are the Saudis funding extremism? | Inside Story,” *Aljazeera English*, 6 July 2017.
<https://www.youtube.com/watch?v=3l1qt7B8CCo>.
- FATF. 2015. “Financing of the Terrorist Organisation Islamic State in Iraq and the Levant (ISIL).” Paris: FAFT. <http://www.fatf-gafi.org/media/fatf/documents/reports/Financing-of-the-terrorist-organisation-ISIL.pdf>.
- FATF-GIABA-GABAC. 2016. “Terrorist Financing in West and Central Africa.” Paris: FAFT. <http://www.fatf-gafi.org/publications/methodsandtrends/documents/terrorist-financing-west-central-africa.html>.
- “How Does ISIS Get Its Money?” *NowThis World*, 30 May 2015,
<https://www.youtube.com/watch?v=0tHmgWznaMM>.
- “Funding Hate: How White Supremacists Raise Their Money.” 2017. New York: Anti-Defamation League. <https://www.adl.org/media/10761/download>.
- Helfstein, Scott. 2014. “Risky Business: The Global Threat Network and the Politics of Contraband.” New York: The Combating Terrorism Center at West Point.
https://ctc.usma.edu/app/uploads/2014/05/RiskyBusiness_final.pdf.
- Gretchen, Peters. 2012. “Haqqani Network Financing: The Evolution of an Industry.” New York: The Combating Terrorism Center at West Point.
https://ctc.usma.edu/app/uploads/2012/07/CTC_Haqqani_Network_Financing-Report_Final.pdf.