Written by Murad Batal al-Shishani Thursday, 23 April 2009 00:00

Since the end of the 1980s, al Qaeda and affiliated Salafi-jihadist groups and individuals have resorted to different types of a violent behaviour, which reflects the development of al-Qaeda as a social movement and ideology beyond being just an organization. As the al-Qaeda organization was still in the process of evolving in the era of "Afghan Jihad", the different forms of violence resorted to by jihadists, evolved from targeting bars and stores that sell alcohol (as happened in Jordan for example), targeting the interests of non-Muslims (Egypt), or targeting stores that sell or rent video tapes (as happened in Saudi Arabia during the eighties) to targeting sophisticated strategic targets. This shift coincided with the transformation of al-Qaeda and Salafi-jihadist groups into trans-national movements and their evolution as non-state actors in the field of international relations as witnessed by the open conflict with the US and many other countries. Al-Qaeda's targets have become more highly valued strategically speaking, either attacking socio-economic and politically symbolic targets (such at 9/11), searching and creating safe havens in areas with high geopolitical importance (Afghanistan, Saudi Arabia, Yemen and Somalia, and Yemen), or by targeting oil interests, which included the attempted attack on the largest oil refinery in the world, Abgaig, in 2006. Oil is one of the major targets of al-Qaeda and in the heart of its open conflict with the West and its allies in the Middle East.

Al-Qaeda and oil

Peter Bergen in his book "The Osama I know: the Oral History of al-Qaeda's leader", which is based on interviews with people who knew al-Qaeda's leader in various stages of his life provides some significant insight into the significance of "Muslim oil" from bin Laden's perspective. This represents the Salafi-jihadists general understanding of the matter in general. They believe that Muslims do not benefit from their "main wealth", because the West, and the US in particular, supports and protects "apostate" Arab regimes to "guarantee the flow of oil", therefore, attacks on the oil interests would threaten the coalition between both parties on the one hand, and will "expel the Americans" from the region, on the other. In other words this means that the attacks on oil interests would hit both the "far enemy" and "close enemy" together, and then the wealth will be guaranteed to go back to the hands of Muslim Ummah (nation).

Considering as the first consequences of targeting different types of oil interests is to rise the price, Abd-al-Aziz bin Rashid al-Anzi have concluded the "rules" legitimate targeting oil facilities:

- 1) The targeting of oil facilities as a legitimate means of economic jihad. "Economic jihad is one of the most powerful ways in which we can take revenge on the infidels during the present stage...."
- 3) "The infidels do not own what they have seized from the Muslims. It is still Muslim property."
- 4) "The demolition of infidel property as part of a war is legitimate, as long as the benefits

Written by Murad Batal al-Shishani Thursday, 23 April 2009 00:00

outweigh the costs of such an action."

- 5) "It is okay to destroy Muslim property if infidels have seized control of it, or if there are fears that something like this may happen. This is true as long as the potential damage of the infidels making use of this property is greater than the potential benefit that can be obtained when this property is returned to Muslim hands...."
- 6) There are four types of oil related interests:
- a. Oil Wells: the targeting of oil wells in not permitted as long as an equally powerful alternative exist. This is because the negative consequences of such an operation outweigh the benefits...
- b. Oil Pipelines: these are among the easiest targets to attack. The benefits of attacking pipelines outweigh the costs.
- 3. Oil Facilities (such as: Refineries, Oil Plants, Transportation, Pumping Stations): these are not to be targeted if they are privately owned by a Muslim.
- 4. Petroleum Industry Personnel: these are among the easiest targets to attack, and the benefits of such operation for outweigh the disadvantages-as long as [spilling] the blood of the person who is being targeted is permissible".

Al-Qaeda and affiliated groups have targeted oil interests several times: in October 2002, al-Qaeda attacked the Limbourg, a French oil tanker, off the coast of Yemen with a suicide boat filled with explosives. In the same year a helicopter of the American oil company "Hunt Oil" was targeted by al-Qaeda. In 2003-2004, al-Qaeda attacked the Saudi port of Yanbu and murdered five Western engineers working there. In the same period al-Qaeda attacked a complex of oil companies in al-Khobar eastern Saudi Arabia. On February 2006 the attempt to attack the Abgaig refinery took place.

In late 2006, al-Qaeda claimed responsibility for the attacks on the Safer and Dabba refineries in Yemen, and it also claimed reasonability for failed attacks on Safer again in June 2008. Moreover, observers have noticed the increasing targeting of facilities and workers in the oil and gas sector in Algeria by the so-called "al-Qaeda in the Islamic Maghreb".

In Iraq reports indicate that the attacks on oil targets have fallen after the killing of the leader of al-Qaeda in Iraq, Abu Musab al-Zarqawi, in June 2006. It is worth mentioning that the attacks on oil interests in Iraq were associated with armed groups other than al-Qaeda. However the decline in the attacks on oil pipelines in Iraq was related to the Foundation of Awakening forces by the Sunni tribes of Iraq. These forces were one of the major factors behind the decline of al-Qaeda in Iraq as well.

The global economic crisis

Written by Murad Batal al-Shishani Thursday, 23 April 2009 00:00

In the shadow of the global economic crisis it seems that the threat of targeting oil interests by al-Qaeda and affiliated Salafi-Jihadist groups is currently on the rise. Oil producers seem to be aware of such a threat. Recently the Bahraini weekly business magazine The Gulf reported that Middle East oil companies are spending billions of dollars on security every year and the cost is rising fast, with Saudi Arabia alone expected to spend \$14 billion over the next six years.

Also authorities in Yemen, a country which has witnessed an increasing presence of Salafi-jihadist groups. In response they have strengthened the security around the construction of a huge plant LNG facility in the south of the country which is expected to receive the gas from Safer through a 320-kilometre pipeline. This pipeline passes through an area controlled mainly by tribes suspected of accommodating members of al-Qaeda.

As the oil prices have seen a great decrease over the last couple of months because of the global economic crisis, two factors explain the increase of risks that al-Qaeda poses to oil facilities: (1) the Salafi-jihadi switch to a strategy of waging a war of attrition against their 'enemies' in the global economic crisis; and (2) the decrease in oil prices, which al-Qaeda and affiliated groups believe should stay high.

One of the major aspects of al-Qaeda leader Osama bin Laden's audio tape on January 14, 2009 was a threat to wage a war of attrition against US interests:

The real question is: can the United States persist in its war against us during the coming decades? [ex-President George W. Bush] created a grave inheritance for his successor, and left him with two unattractive options-like being forced to swallow a double-edged sword that will wound him however he deals with it...If he withdraws from the war, it will be a military defeat. If he continues it, he will drown in the economic crisis. How will he act, having inherited two wars, not one of which he is capable of continuing? And we are in the process of opening new frontlines, God willing.

The decline in oil prices is not desirable for the Salafi-jihadists, as the oil is the "entire nation's property" and the ummah (Islamic community) typically benefit from its high prices. In 2004 Osama bin Laden declared that the price of a barrel of oil should reach \$100 considering that oil is subject to looting by the United States and its allies. After the foiled attempt to attack the Abqaiq refinery in 2006, al-Qaeda issued a book that legitimized the targeting of oil pipelines and oil workers who facilitate the looting of the ummah's wealth, but forbade the targeting of oil wells and fields, as they belong to the ummah.

Written by Murad Batal al-Shishani Thursday, 23 April 2009 00:00

Actual Impact

There are two academic points of view regarding the actual impact posed by al-Qaeda in targeting oil interests. In a study by the Oxford Institute for Energy Studies Bassam Fattouh, the Director of the "Oil and the Middle East", found that the impact of attacks on oil interests is limited compared to other factors such as war and civil conflicts, political instability, regime change, export restriction the closure of trade routes. In contrast, in an extensive study carried out by a senior analyst at the Center for Strategic and International Studies (CSIS) found that the start of al-Qaeda attacks on the oil interests in Saudi Arabia have impacted the price of oil compared to other factors such as the Gulf-War, the Arab Oil Embargo in 1973, etc.

Targeting oil interests, regardless of its actual effect on the price of oil, has an impact on the economy of states, the prestige of political regimes, and on the confidence in the economy of the state either locally or externally. For example, Dr. John Daly, a specialist in the study of terrorism and oil, in an article published after the attack on the Abqaiq refinery in Saudi Arabia in 2006 concluded that "A successful strike on Abqaiq would produce an immediate global deficit of up to nine million b/d in an already tight market. Oil prices jumped 3.6% in the aftermath of the attack. Since the only swing capacity for oil production is approximately three million barrels in Saudi Arabia and the United Arab Emirates a successful attack would produce a global shortfall of up to six million barrels, which could easily push global prices above \$100 per barrel with no relief in sight".

Conclusion

As mentioned above, Bin Laden' said in 2004 that oil prices should reach \$150 per barrel. Legitimizing the targeting oil pipelines, refineries or workers rather than the wells themselves suggests that raising oil prices is a strategy Salafi-jihadists are adopting. In the shadow of bin Laden's threat of "opening new fronts for the attrition of the economy of the West", it seems that such understanding is not limited to the Middle East only. The African continent is becoming an increasingly important for the diversification of oil production and transportation, as well as is the Caspian Sea region which is critical for diversification of oil resources to the West. However the risk of targeting oil interests, is not confined to certain geographical locations, as it's associated with a strategy of opening "new fronts".

According to this understanding, it seems that the targeting of oil facilities by al-Qaeda or affiliated Salafi-jihadists is designed to affect the flow of oil leading to higher fuel prices in the midst of a global economic crisis.

Written by Murad Batal al-Shishani Thursday, 23 April 2009 00:00

Murad Batal al-Shishani is an Islamic groups and terrorism issues analyst based in London. He is a specialist on Islamic Movements in Chechnya and in the Middle East. He is a regular contributor to several publications in both Arabic and English. He is also author of the book "The Islamic Movement in Chechnya and the Chechen-Russian Conflict 1990-2000", Amman, 2001 (in Arabic), and "Iraqi Resistance: National Liberation vs. Terrorism: A Quantitative Study," November 2005 Iraqi Studies Series, Issue 5, Gulf Research Center-Dubai