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- produce distinctive research and fresh policy options for Australia’s international policy and to contribute to the wider international debate.
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EXECUTIVE SUMMARY

The current turmoil in the Middle East is incubating a new generation of jihadists. Syria has become a magnet for foreign fighters, including Australians. The political crisis in Egypt is being exploited by extremists and could result in a lengthy period of violent conflict. New spaces are opening up across the region that can be used by jihadists for training. Power struggles between regional powers are exacerbating the instability.

In many respects the conditions for the creation of extremist movements and ideas in the Middle East are worse today than they were before 9/11. And while the current focus of jihadist groups is on the Middle East, this can, and probably will, change. For Australia the immediate focus is, and should be, on individuals returning from Syria. But the government should be keeping a weather eye on other parts of the Middle East as well.
Osama bin Laden is dead, it has been over a decade since the Bali bombings, and Australian troops have mostly withdrawn from Afghanistan. It has been three years since the last major conviction in a domestic terrorism case. Yet terrorism still occupies a prominent place in the national security consciousness of most Australians. In the forthcoming 2014 Lowy Institute Poll, 65 per cent of Australians see international terrorism as a critical threat to Australia's security.¹

Australian agencies charged with combatting terrorism are naturally preoccupied with events in Syria. In the last three years at least 120-150 Australians have travelled there to participate in the uprising against the regime of President Bashar al-Assad. A number of these individuals have been fighting with jihadist groups such as Jabhat al-Nusra and the Islamic State of Iraq and the Levant (ISIL, but also referred to as ISIS). Should they return to Australia, some will bring with them new military skills and connections with the international jihadist community.

Yet Syria is just one piece of a disturbing picture in the Middle East. That picture includes what is likely to be a prolonged period of domestic unrest in Egypt and other Arab countries, and an intensifying geostrategic and sectarian rivalry between regional powers – all of which are contributing to the recrudescence of jihadism. In many respects conditions in the Middle East are more propitious for jihadist activism today than they were before the 9/11 attacks. Is it any wonder that al-Qaeda has christened its new English-language magazine, ‘Resurgence’?

This Analysis argues that these developments represent a serious threat to Australia's security. The involvement of Australians in the Syrian conflict is the most immediate manifestation of this threat. But new threats can also emerge from other parts of the Middle East, even if the precise nature of those threats is not yet entirely evident. The Australian Government will need to sustain counter-terrorism efforts in the years to come. And it must not lose sight of developments in the broader Middle East even as it focuses more intensely on strategic developments in East Asia and the Indo-Pacific.

THE SYRIAN VORTEX

Invariably any discussion of the revival of jihadism in the Middle East begins with Syria. Over three years that conflict has become a magnet for myriad jihadist groups from around the world. In recent congressional testimony, the US Director of National Intelligence, James R. Clapper, estimated that over 7,000 ‘foreign fighters’ drawn from over 50 countries
worldwide have participated in the Syrian conflict.² Given the prevalence of improvised explosive devices (IEDs) in that conflict a number may have received bomb-making training. These individuals would have also been able to establish personal links with jihadists from other countries, potentially creating networks that could last for many years. According to Clapper, foreign jihadist groups have established facilities in Syria to train their members for conflicts in their home countries.³

The foreign fighters in Syria have included a significant number of Australian citizens. According to one recent press report quoting government sources, some 120-150 Australians are believed to be in Syria, Lebanon or Turkey, serving in either combat or combat-supporting roles – although this is probably a conservative estimate.⁴ More worryingly, a proportion of that number are thought to be serving with jihadist or al-Qaeda-linked groups.⁵ This includes a former member of the Australian Defence Force who was killed in March 2014 reportedly fighting with ISIL.⁶

All of this should sound familiar. It echoes what happened in Afghanistan in the decades before 9/11. Foreigners travelled to Afghanistan in the 1980s to fight the Soviets. They gained military experience and ended up using the country as a base for training and establishing linkages with other jihadists. It was out of this extremist incubator that al-Qaeda emerged.

Since 2001 a lot of that experience and those linkages built in Afghanistan have been lost as the Afghan generation of jihadists were captured or killed. But the conflict in Syria is enabling jihadist groups to regain what was lost in Afghanistan. The number of foreign fighters in Syria is now larger than the 3,000-4,000 foreign fighters that were ever in Afghanistan at any one time.⁷

Of course, things could change quickly. There are reports, for example, that foreign fighters are outstaying their welcome in parts of Syria by antagonising locals and there has been significant fighting between jihadist groups.⁸ Some fighters are reportedly leaving, disillusioned with their experience in Syria.⁹ But even if the foreign jihadist presence in Syria declines in coming years, the damage, in terms of training of jihadist groups, will already have been done.

Egypt is also on a trajectory that will add to the pool of extremists in the region.

Any discussion of the re-emergence of jihadist groups in the Middle East certainly starts with Syria, but it does not end with Syria. Egypt is also on a trajectory that will add to the pool of extremists in the region. At the heart of the Egyptian crisis is a conflict between the Muslim Brotherhood and the Egyptian military. The coup in July 2013 against the elected president Mohammed Morsi, from the Brotherhood, may have been

THE EGYPTIAN MAELSTROM
genuinely popular; it may even have been justified by the former president’s own undemocratic moves. But it has swung Egypt firmly back towards authoritarian rule. For that reason stability is unlikely to return to Egypt any time soon.

On the one hand, hardliners within the military and security forces seem to genuinely believe they can eliminate the Brotherhood, something that not even Egypt’s legendary president Gamal Abdel Nasser was able to achieve. On the other hand the Brotherhood is embracing its prospective political martyrdom in the hope that the regime’s assaults will win it sympathy with the general population. The Brotherhood will also use rising instability as leverage to force the military to allow it back into politics.

The military will not be able to eliminate an organisation with the Brotherhood’s long history, depth of resources and popular support. Nor are the Egyptian people going to rise up and restore the Brotherhood to power in the short term – certainly not while the memory of the Brotherhood’s brief but incompetent rule lingers. Until both sides come to terms with these realities and seek a peaceful accommodation with each other, the military-Brotherhood conflict will provide a hot background for broader violence and instability.

Even before Morsi became President, a serious insurgency had taken hold in the Sinai, largely as a result of the deep-seated grievances of the local Bedouin population. Egyptian and foreign jihadists have woven themselves into this torn local fabric, most notably Ansar Bayt al-Maqdis (ABM). They have launched bombing and other attacks, mainly against the security forces – although, ominously, they also launched an attack against a bus full of Korean tourists in Sinai in February 2014. Weapons have flowed in from armouries looted after the Libyan uprising against former president Muammar Gaddafi. A surface-to-air missile that was used by ABM to down an Egyptian army helicopter in January 2014 may have come from Libya. (There are conflicting reports about the origin of the missile.)

The insurgency in Sinai needs to be viewed separately from the military’s conflict with the Brotherhood, but it is not totally disconnected. Since the July 2013 coup against Morsi, terror attacks have spread beyond Sinai. The military has blamed the Brotherhood for many of these attacks and used them as a pretext to declare the movement a terrorist organisation, arresting most of its leading members. The Brotherhood has denied any involvement, but to some degree whether the perpetrators are members of the movement, at its fringes, or outside its control altogether, does not really matter.

The deeply polarised and uncompromising atmosphere caused by the conflict between the regime and the Brotherhood is fuelling radicalisation and being exploited by extremists. This occurs in at least two ways. First, the crackdown on the Brotherhood is radicalising some of its members.
There is a debate within the movement between those who want to arm themselves and those who want to stick to the Brotherhood’s traditional non-violent approach to politics.\textsuperscript{10} As the Director of the International Crisis Group’s North Africa Project, Issandr el-Amrani, noted to the author, with its key leaders in prison it is much harder for the Brotherhood to keep discipline amongst rank-and-file members. Some of those members would have witnessed the deaths of comrades at the hands of the security forces, such as the now infamous killing of protestors outside the Rabaa al-Adawiyya Mosque in July 2013.\textsuperscript{11}

Second, the military-Brotherhood conflict has encouraged jihadist groups to stoke an already volatile political environment in the hope they can profit from the ensuing instability and chaos. Jihadist groups such as ABM have little regard for the Brotherhood and are happy to profit from the movement’s difficulties, radicalising the Brotherhood’s members and drawing them to their own ranks.\textsuperscript{12} In 2012, whilst the Brotherhood was in power, there were some 48 terror attacks in Sinai, but only three attacks in major Egyptian cities.\textsuperscript{13} Since the July 2013 coup, however, there have been at least eight major terror attacks outside Sinai, including in Cairo, Giza and Mansoura.\textsuperscript{14}

In fact, the problem of youth alienation and radicalisation goes wider than just the Brotherhood. The crackdown by the military and security forces has not just targeted Islamist activists. Secular youth activists who played a prominent role in the uprising against Mubarak have also been arrested. Disaffection amongst young people was reflected in its very low turnout in the recent constitutional referendum. As one former youth activist noted to the author, disaffection is also reflected in social tensions within families between parents who want to see a quick return to stability and their children who want real change in the country.\textsuperscript{15} Some young people are drifting away from politics altogether, back to their professional lives. But others are turning to violence.\textsuperscript{16}

It may well be that the military and security forces will eventually be able to restore stability. However, a number of Egyptian observers interviewed by the author in Cairo in early 2014 doubted the ability of the military to rebuild a stable authoritarian state in the short term. In the meantime instability will result in many Egyptians being killed, injured, imprisoned or radicalised.

As a number of commentators have noted, the conditions are ripe for a repeat of the violent conflict in the 1990s between the former Mubarak regime and jihadist groups, when the jihadists launched a campaign of terrorist attacks against government targets but also tourists, the mainstay of Egypt’s economy.\textsuperscript{17} This may in fact be the best-case scenario. Today the regime is not as strong as it was in the 1990s, the economy is much worse, and the borders with Libya and Sudan are more open, allowing for the easier movement of personnel and arms than was the case in the 1990s. Today the threat comes from a more
diverse and decentralised array of jihadists groups, which will make them harder to neutralise.\textsuperscript{18}

Why does this matter for the West? Unlike Syria, for example, fighters from Western countries are unlikely to flock to Egypt (unless, of course, the situation deteriorates further). But Egypt is a key country in the Middle East. What happens in Egypt has a major impact on the rest of the region, underlined by the way that key Gulf Arab states such as Saudi Arabia have been pouring money into the country to back the military against the Brotherhood. Moreover, because Egypt has historically been a wellspring of Islamist and jihadist thought, a new conflict will not just produce new jihadist cadres, it will also produce a new generation of jihadist leaders. Key al-Qaeda leaders such as Ayyman al-Zawahiri were veterans of and refugees from jihadist struggles in Egypt in the 1980s and 1990s.

A REGIONAL TEMPEST

In addition to Syria and Egypt, Libya, Tunisia, Yemen, Bahrain, Iraq, and Lebanon are all experiencing major domestic instability and in some cases major upsurges in violence. The instability in the Middle East is also bleeding into conflicts in neighbouring parts of Africa where jihadist elements are also active, including Mali, Niger, Nigeria and Somalia.

Indeed, the breakdown of state control in a number of Middle East countries is opening new spaces in which jihadists can train and operate. In fact the situation today is considerably worse than it was before 9/11. In the 1990s jihadists found sanctuary in Afghanistan, parts of Pakistan, Yemen, Sudan and Somalia. Today all of those are still on the list of jihadists’ safe (or semi-safe) havens, which now also includes Sinai in Egypt, Libya, parts of Iraq and Lebanon, and of course Syria.

Often these conflicts feed off and into each other. Egyptian jihadists are amongst the foreign fighters in Syria, but have also been returning to Egypt to participate in violence there. According to one report, for example, at least two ABM suicide bombers were veterans of the fighting in Syria.\textsuperscript{19} ABM appears to have ties to the al-Qaeda-linked jihadist group in Syria, ISIL.\textsuperscript{20} The Syrian conflict has also played a key role in exacerbating sectarian tensions in the Middle East, especially in Lebanon and Iraq, providing jihadists with yet more conflicts to participate in and exploit.

The large refugee population created by the Syrian conflict is a cause for concern, and not just on humanitarian grounds. Where they can, local authorities are keeping these camps under close supervision, conscious that such camps have been breeding grounds for extremism in the past. Yet the scale of the problem was brought home to the author during a January 2014 visit to the Za’atari refugee camp – now the second-
largest refugee camp in the world – on the Jordanian-Syrian border. The Jordanian official in charge of Za’atari noted that of its population of around 110,000 refugees, some 49,000 were under the age of 16. He said that maintaining order amongst this group is his number one challenge.

Finally, a power struggle between key Sunni states and Shi’ite Iran is exacerbating the jihadist threat. In part this struggle is being fought out through proxies – some of them jihadists – in Syria, but also in Yemen and Iraq. Qatar has been accused of directly supporting jihadist factions. Turkey has been allowing these groups to transit its territory. Saudi Arabia has also been providing support to a range of Syrian opposition groups. Not all are jihadist, but individual Saudis and non-government organisations may have been providing support to jihadist groups separately from the Saudi state. US pressure recently prompted King Abdullah to issue a rare royal edict imposing tough sanctions on Saudis who participate in jihad in Syria or who provide material support to jihadist groups there.

NEAR ENEMY OR FAR?

The other major element in the regional equation, one that has spurred competition amongst regional powers, is the Obama administration’s recalibration of America’s role in the Middle East. After a decade of fighting two draining wars in Iraq and Afghanistan, Washington has set clear limits for its future involvement in the region. The extreme reluctance of the Obama administration to become involved militarily in Syria is just one example of this recalibration; its willingness to reach a diplomatic understanding with Iran over its nuclear program is another.21

Washington’s adoption of a lower profile in the Middle East is not going to spare America the attention of jihadist groups, however. The post-9/11 wars in the region will linger long in the regional memory. It is true that the current preoccupation of jihadists is with events in the Middle East. But as was the case in the past, priorities and targets can shift from the ‘near enemy’ – the rulers of their own countries – to the ‘far enemy’ – those non-Muslim countries that jihadists believe threaten the Muslim world.

The most immediate cause for concern is obviously Syria. It is not difficult to conceive of a jihadist narrative that places the blame for any failure of jihad in Syria on the United States and its Western allies. President Obama has already made clear that he is not going to launch a major intervention to change the regime in Syria. Washington’s concern for the jihadist threat in Syria has seen it place pressure on those regional states that have been supporting these groups. A greater
focus on jihadists by US security agencies will bring the United States into more direct conflict with these groups.

This will be replicated in other countries, including Australia, as they focus their own policing and intelligence efforts on their own citizens returning from Syria or elsewhere in the region. Some will have been radicalised by their experience in Syria. But even if they are not intending to continue their jihad at home, the attention they receive from security agencies could breed resentment and a sense of persecution and, in some individuals, a desire to retaliate.

For Australia the concern is not just about Australian returnees, however. Indonesians have also travelled to Syria. At least one has been killed there. Given the success that the Indonesian authorities have had in tackling the terrorist threat over many years, it is critical that the conflict in Syria does not allow jihadist groups in Indonesia to redevelop their lethal capabilities and linkages once again. This is a situation that will require close attention and cooperation with the Indonesian government, perhaps as much as any focus on Australians returning home.

A natural focus on Syria should not, however, distract from the broader situation in the region. Conflicts in Egypt and elsewhere are creating and will help to sustain a large pool of jihadists who will move from conflict to conflict, as the jihadists of the 1990s did – and not just conflicts in the Middle East. Even if these developments do not appear directly threatening today, things can change quickly and in ways that are difficult for us to predict now. Almost all the leaders of al-Qaeda’s struggle against the West in the last decade and a half were veterans of domestic conflicts in the Middle East in the nineties – conflicts that were once assumed would threaten only those Westerners that travelled to the Middle East. Three years ago some commentators were heralding al-Qaeda’s struggles for relevance amongst popular uprisings in the Arab world. Today the situation seems far different.

There are also particular cases that deserve close attention. From an Australian and an Indonesian perspective one concern would be the large number of Indonesians who study at Islamic institutions in Egypt. In the past there have been some 3,000-4,000 students at anyone one time – although it is not clear what impact the Egyptian uprising has had on numbers since 2011. One key area of research would be to understand how the uprising and the military conflict with the Brotherhood have shaped these students thinking about politics and activism.
HOW SHOULD AUSTRALIA RESPOND?

There is little that Australia can do, either on its own or even in concert with its allies, to shape current events in the Middle East in any significant way. But it is critically important that the Australian Government understand these events and the ways that they may impact on the terrorist threat that Australia will face in the future. Australia’s main response will be, like other countries, to sustain a broad and effective national counter-terrorism effort over the medium term. However, at a time of shrinking resources and competing priorities, this will be a challenge. This makes it even more important to understand developments in order to focus limited resources.

The current Australian Government is right to focus its international attention on strategic and economic developments in East Asia and the Indo-Pacific. The region is undergoing enormous changes that will have a profound impact on Australia’s future. But no government can afford to be blindsided by the rapidly evolving situation in the Middle East, especially if it leads to a heightened threat from terrorist groups. What Canberra needs, therefore, is some mechanism to keep a weather eye on developments in the Middle East.

One such mechanism would be a special envoy or special coordinator for the Middle East. The envoy would have three main roles. First, it would help to ensure access to senior levels of government in key countries of the region. In most Middle Eastern countries power and authority rest with a small group of senior leaders. Regular contact with these leaders is important to understanding developments in the country, and to open doors for Australian officials at the working level. Australia’s current cohort of ambassadors in the Middle East is excellent, but their access to the highest levels of government is not always easy or regular. Often it only occurs when an Australian minister is visiting. Visits by senior Australian ministers to the Middle East are, however, likely to be less frequent now that most Australian troops are out of the region. An envoy would help substitute for regular ministerial visits.

Second, an envoy could supplement the work of Australia’s embassies in the Middle East, while also providing a regional perspective on developments. An ambassador’s time is divided between many responsibilities and, given the relatively small size of DFAT representation in most posts, can be consumed by a crisis or one or two major bilateral issues. Moreover, typically the focus of Australian embassies in the Middle East is on the countries in which they are based (and to a lesser degree the other countries to which they are accredited), rather than the region as a whole. A regional perspective is particularly important given how much of the evolving threat, as described above, crosses national boundaries.
Third, an envoy would provide provides a focal point for assessment and policymaking in Canberra. The DFAT branch in Canberra responsible for the Middle East is staffed by experienced officers with a deep knowledge of the region. But like our embassies, they too can become consumed by the issues of the day. Moreover, focusing the minds of relevant ministers is not always easy. They are also preoccupied with multiple issues and will not always have time to focus on reports from posts in the Middle East or the branch. An envoy who reports directly to the foreign minister and other key minister would be a useful way for the government to receive regular focused updates on developments in the region and, where necessary, coordinate whole-of-government policy responses.

One alternative to a Middle East envoy would be for the government to maintain the current Ambassador for Counter-Terrorism position at a sufficiently senior level and to focus the Ambassador’s work more on the Middle East. But care would be needed to avoid a situation where Australian policy to the Middle East was driven largely by a fear of jihadists. Australia has significant economic, political and strategic interests in the region. The work of any envoy must be placed in the context of these broader interests. Some of these interests might also form part of the envoy’s brief. This could include liaison with Middle Eastern community groups in Australia. This is important given both the involvement of Australians of Middle Eastern descent in Syria, but also the tensions that have been generated by the wider turmoil in the region.

CONCLUSION

In the last decade, real progress has been made in diminishing the terrorist threat by reducing the number, connections and lethal skills of the international pool of jihadists that emerged in the period leading to 9/11. Unfortunately, current developments in the Middle East are rapidly refilling that pool; it may end up considerably larger than the one that existed a decade ago. Moreover, given developments in Syria, it is a pool that is likely to have a significant number of Australian citizens in it.

For these and other reasons Australia is not about to escape the ‘war on terror’ era any time soon. The first challenge will be in managing any returnees from the conflict in Syria. But there is also a need to watch broader developments in the Middle East given the likelihood that these too will generate new threats in the future. In coming years Australia will face a more complex and serious terrorist threat than it did after 9/11. Keeping a weather eye on the Middle East today will ensure that the Australian Government is better placed to deal with that threat tomorrow.
NOTES

3 ibid.

Confidential interview, Cairo, 23 January, 2014.


Daraghi, “Egypt Fears Return”.


Anthony Bubalo and Greg Fealy, Joining the Caravan? The Middle East, Islamism and Indonesia, Lowy Institute Paper No. 5, 2005.
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