

CFR Backgrounders

The Islamic State

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Introduction

The self-proclaimed Islamic State is a militant movement that has conquered territory in western Iraq and eastern Syria, where it has made a bid to establish a state in territories that encompass some [six and a half million residents](#). Though spawned by al-Qaeda's Iraq franchise, it split with Osama bin Laden's organization and evolved to not just employ terrorist and insurgent tactics, but the more conventional ones of an organized militia.

In June 2014, after seizing territories in Iraq's Sunni heartland, including the cities of Mosul and Tikrit, the Islamic State proclaimed itself [a caliphate](#), claiming exclusive political and theological authority over the world's Muslims. Its state-building project, however, has been characterized more by extreme violence, justified by references to the [Prophet Mohammed's early followers](#), than institution building. Widely publicized battlefield successes have attracted thousands of foreign recruits, a particular concern of Western intelligence.

The United States has led an air campaign to try to roll back the Islamic State's advances, and a series of terrorist attacks outside of Iraq and Syria in late 2015 attributed to the group [spurred](#) an escalation in international intervention. The U.S.-led coalition has worked with Iraqi armed forces and irregulars and the Kurdish armed forces, or peshmerga, in Iraq. In Syria, a small number of U.S. Special Operations Forces have embedded with some opposition forces. Meanwhile, militant groups from North and West Africa to South Asia have professed allegiance to the Islamic State.

What are the Islamic State's origins?

The group that calls itself the Islamic State can trace its lineage to the aftermath of the U.S. invasion of Iraq in 2003. The Jordanian militant Abu Musab al-Zarqawi aligned his Jama'at al-Tawhid w'al-Jihad with al-Qaeda, making it al-Qaeda in Iraq (AQI).

Zarqawi's organization [took aim at U.S. forces \(PDF\)](#), their international allies, and local collaborators. It sought to draw the United States into a sectarian civil war by attacking Shias and their holy sites, including the Imam al-Askari shrine in 2006, to provoke them to retaliate against Sunni civilians.

Zarqawi was killed in a U.S. air strike that year. The emergence of the U.S.-backed Awakening councils, or Sons of Iraq, further weakened AQI as Sunni tribesmen reconciled with Prime Minister

Nouri al-Maliki's Shia-led government. Zaraqawi's successors rebranded AQI as the Islamic State of Iraq, and later, the Islamic State of Iraq and al-Sham (ISIS). The name refers to a territory that roughly corresponds with the Levant, reflecting broadened ambitions as the 2011 uprising in Syria created opportunities for AQI to expand. The group is known to its followers as *il-Dawla* ("the State") and to its Arabic-speaking detractors as *Daesh*, the Arabic equivalent of the acronym ISIS.

The Islamic State's current leader, the self-proclaimed caliph Abu Bakr al-Baghdadi, spent time in [U.S.-run prisons](#) in Iraq. Cells organized within them, along with [remnants](#) of former Iraqi President Saddam Hussein's ousted secular-nationalist Ba'ath party, make up some of the Islamic State's ranks. Excluded from the Iraqi state since occupying U.S. authorities instituted de-Ba'athification in 2003, they see collaboration with the Islamic State as a way back to power.

How has the Islamic State expanded?

The militant group has capitalized on Sunni disenfranchisement in both Iraq and Syria. In Iraq, the Sunni minority was sidelined from national politics after the United States ousted Saddam Hussein, a Sunni, in 2003. In Syria, an uprising in 2011 pitted the ruling minority Alawis, a Shia offshoot, against the primarily Sunni opposition, spawning a civil war fought largely along sectarian lines.

In Iraq, Maliki cemented his own power as U.S. forces pulled out in 2010 by practicing what was widely denounced as [divisive politics](#) that [excluded Sunni political rivals](#) and gave Shias disproportionate benefits.

The Awakening councils effectively came to an end as Maliki reneged on a pledge to integrate many of their militiamen into the national security forces and [arrested](#) some of its leaders. In 2013, the security forces put down [broad-based protests](#), contributing to the Sunni community's sense of persecution.

Maliki also purged the officer corps of potential rivals, which, combined with desertion and corruption, contributed to the [Iraqi military's collapse](#) as Islamic State militants overran Mosul, Iraq's second-largest city, in June 2014.

Syria's 2011 uprising gave the Islamic State new opportunities to expand. Some analysts have even described a [tacit nonaggression pact](#) between Islamic State militants and President Bashar al-Assad's regime, with each focused on fighting the main antigovernment opposition forces for territorial control. As extremists came to dominate territory in Syria's north and east and overran more moderate forces, Assad claimed it validated his argument that only his government could mount an effective opposition to "terrorists"—a term he has applied to opposition forces of all stripes.

The northern Syrian city of Raqqa is often cited as the Islamic State's [de facto capital](#). There, the group has established some new institutions (e.g., judicial, police, economic) and coopted others (e.g., education, health, and infrastructure) to provide residents a modicum of services and consolidate its control over the population.

After rapid expansion through Iraq in much of 2014, the Islamic State seemed to run up against its limits as it pushed up against majority Kurdish and Shia Arab regions, where it faced greater resistance from Iraqi forces and local populations, along with U.S.-led air strikes. Its militants have

failed to advance on Baghdad or the Kurdish capital, Erbil.

What is the Islamic State's relationship with al-Qaeda?

The group became an al-Qaeda franchise by 2004, but has since broken with bin Laden's organization and become its rival. The split reflects strategic and ideological differences. Al-Qaeda focused on attacking the United States and its Western allies, whom it held responsible for bolstering Arab regimes it considered apostate, like those in Saudi Arabia and Egypt, rather than capturing territory and establishing a state. Bin Laden also envisaged the [establishment of a caliphate](#)—but for him, it was a goal for future generations.

In 2005, bin Laden deputy Ayman al-Zawahiri [castigated](#) AQI's Zarqawi for indiscriminately attacking civilians, particularly Shias. Zawahiri believed that such violence would alienate Sunnis from their project. That was indeed the case, as many Sunnis allied with the government during the Awakening movement.

A more thorough rupture came after the start of Syria's uprising. Zawahiri, who succeeded bin Laden as al-Qaeda's chief, privately ruled that the emergent Syrian al-Qaeda affiliate, [Jabhat al-Nusra](#), remain independent, and Baghdadi's organization restricted to Iraq, a move Baghdadi [publicly rebuffed](#). Since then, the two groups have at times fought one another on the Syrian battlefield.

How is the Islamic State financed?

Oil extraction constitutes the Islamic State's largest [source of income](#). The group [produces an estimated](#) forty-four thousand barrels a day from Syrian wells and four thousand barrels a day from Iraqi ones. It then sells the crude to truckers and middlemen, netting an estimated \$1 million to \$3 million a day. By selling well below market price, traders are incentivized to take on the risk of such black-market deals. The oil-starved Assad regime, Turks, and Iraqi Kurds—all putative enemies of the Islamic State—are rumored to be [among its customers](#). In a [rare raid on Syrian territory](#) in May 2015, U.S. Special Operations Forces killed an Islamic State official believed to have managed the group's oil and gas operations.

The Islamic State is believed to extort businesses in Mosul, netting upwards of \$8 million a month. Christians who have not fled the city face an [additional tax](#) levied on religious minorities. [Protection rackets](#) bring in revenue while building the allegiance of some tribesmen. Exploitation of natural resources and [trafficking in antiquities](#) also contribute to the Islamic State's coffers.

[Ransom payments](#) provided the Islamic States upwards of \$20 million in 2014, including large sums for kidnapped European journalists and other captives, according to the U.S. Treasury. The United States maintains a no-concessions policy, [at odds](#) with its European counterparts.

The Islamic State pays its fighters estimated monthly [wages of around \\$400](#), more than rival rebel groups or the Iraqi government offer, and as [much as five times](#) what ordinary Syrians earn in territory controlled by the Islamic State.

Does the Islamic State pose a threat beyond Iraq and Syria?

The Islamic State's claim to be a caliphate has raised concerns that its ambitions have no

geographic limits, and a series of attacks in November 2015 highlighted its ability to strike beyond its territorial base. The group has [seized territory](#) in Libya that spans more than 150 miles of Mediterranean coastline between the cities of Tripoli and Benghazi. As the United States and European powers have grown increasingly concerned about the Islamic State there, they have [intensified pressure](#) on Libya's divided governments and factions to reconcile, and [signaled](#) they are considering expanding military operations there.

Militant groups in [Egypt](#), [Nigeria](#), [Pakistan](#), [Afghanistan](#), [Indonesia](#), and the Philippines have also taken up the Islamic State's trappings and sworn allegiance to Baghdadi.

The conflicts in Syria and Iraq have attracted [foreign fighters](#) by the thousands. Middle Eastern and Western intelligence agencies have raised concern that their citizens who have joined the fighting in Iraq and Syria will become radicalized and then use their passports to carry out attacks in their home countries. U.S. Director of National Intelligence James Clapper [estimated](#) in February 2015 that more than thirteen thousand foreign fighters joined Sunni Arab antigovernment extremist groups, including the Islamic State, in Syria, and that more than 3,400 of more than twenty thousand foreign Sunni militants hailed from Western countries. ([Estimates](#) of the group's total forces range from around thirty thousand to more than a hundred thousand.)

In November 2015, the Islamic State claimed responsibility for downing a Russian passenger jet over the Sinai peninsula, shortly after Russia began conducting air strikes in Syria. Over the following two weeks, the group also claimed responsibility for two suicide bombings in a Shia-majority suburb of Beirut—the city's deadliest attack since the end of its civil war in 1990—and coordinated attacks in Paris that killed at least 129 people. France retaliated by bombing Raqqa, marking its first major involvement in the anti-Islamic State campaign in Syria, even as [questions persisted](#) as to whether these attacks were centrally directed.

Another concern is Turkey's [five-hundred-mile border with Syria](#), through which foreign fighters have entered and exited the conflict. Turkey kept its border open as it sought Assad's overthrow. But as the Islamic State crowded out other armed opposition groups and [came up to the Turkish border](#), international pressure mounted for Turkey to seal it. In July 2015, Turkey joined the U.S.-led coalition despite concerns about Kurdish gains on its southern border and domestic reprisal attacks. A series of bombings over the course of the campaign season culminated with an attack in Ankara in October 2015 that killed more than one hundred people—the worst such attack in the country's history.

What is U.S. strategy vis-à-vis the Islamic State?

U.S. President Barack Obama's administration has assembled a [coalition](#) of some sixty countries to "[degrade and ultimately defeat](#)" the Islamic State, but has privately expressed frustration that many of these countries, particularly Sunni Arab states distracted by [a Saudi-led conflict against Houthi rebels in Yemen](#), have [contributed little](#) more than rhetorical support. As of late February 2016, the coalition has carried out more than ten thousand air strikes, three-quarters of them by U.S. forces, in Iraq and Syria, the Pentagon said.

In Iraq, the United States has deployed more than three thousand uniformed personnel and armed the Kurdistan Regional Government's paramilitary, the peshmerga. Meanwhile, [Shia militias](#) known as Popular Mobilization Forces have done much of the fighting on the ground,

making up for the hollowed-out Iraqi army. Those [backed by Iran's Islamic Revolutionary Guard Corps](#) played a [critical role](#) in Iraq's March 2015 push to oust Islamic State forces from Tikrit. Another militia involved in the fight against the Islamic State is loyal to the nationalist cleric [Moqtada al-Sadr](#), whose Mahdi Army battled U.S.-led forces early in the occupation.

The Obama administration insisted that Maliki step down and be replaced by a less polarizing politician as a condition of military assistance. His successor, Haider al-Abadi, assumed office in September 2014, [pledging to practice more inclusive politics](#) and bring Shia militias aligned with Iraqi security forces under the state's control. But rights groups allege that these militias have [evicted, disappeared, and killed](#) residents of Sunni and mixed neighborhoods in the wake of operations to root out Islamic State militants. Acknowledging these abuses, Sadr [temporarily froze](#) his militia.

As Islamic State forces fought for control of the heavily Sunni-populated Anbar province, the United States [opposed](#) the deployment of Shia paramilitary groups to fend them off. Washington believed they would exacerbate sectarian tensions and Sunni alienation from the state while undermining the government. Seven months after the provincial capital, Ramadi, fell to the Islamic State, local Sunni fighters, trained by U.S. special operators and backed by U.S. air power, recaptured the city in January 2016 in alliance with a reconstituted Iraqi army. Meanwhile, the Iraqi cities of Fallujah and Mosul remained under Islamic State's control.

In early 2015, the Pentagon began a three-year program to train and equip [five thousand](#) "[appropriately vetted](#) elements of the Syrian opposition" a year to attack Islamic State forces—but not the Assad regime and its allies. But the Obama administration abandoned the \$500 million program in October 2015 after it was revealed to have yielded just "four or five" fighters in Syria. In its place, the White House said it would adopt a looser approach, screening just commanders rather than individual fighters.

Regional geopolitics have complicated U.S. efforts there. The YPG, a Syrian Kurdish militia, has proven to be one of the forces most effective at rolling back the Islamic State. But Turkey says the YPG is an extension of the Kurdistan Workers' Party (PKK), which the United States, EU, and Turkey all consider a terrorist organization. Russia launched air strikes of its own in late 2015. Though it claimed to be targeting extremist groups like the Islamic State, it has mostly targeted Syrian opposition forces, helping Assad recapture lost territory as international negotiations gained momentum. Iran remains committed to the Assad regime's survival, while the Gulf Arab states are more interested in containing Iran than fighting the Islamic State. "The caliphate survives because its defeat is nobody's priority," the *Economist* [wrote](#) in August 2015.

These military measures may contain the Islamic State, but are unlikely to help resolve the governance problem, which the Obama administration has said is the only solution to this conflict. But the diplomatic efforts of major powers appear deadlocked as the regime's backers and opponents remain unable to agree on what a political transition ought to look like.

Additional Resources

Cole Bunzel examines the [Islamic State's ideology](#) in a Brookings Institution paper.

The UN Human Rights Council's [Commission of Inquiry on Syria](#) reports on developments in

areas inaccessible to most Western journalists.

Peter Harling, of the International Crisis Group, and the *Economist's* Sarah Birke argue that a strategy centered on air strikes may, perversely, [bolster the very conditions that gave rise to the Islamic State](#).

Counterterrorism strategies that beat back al-Qaeda make [a poor model for defeating the Islamic State](#), Audrey Kurth Cronin writes in *Foreign Affairs*.

The Brookings Institution's Daniel L. Byman and Jeremy Shapiro [assess the threat](#) of foreign fighters attacking the United States and Europe.

Andrew F. March and Mara Revkin [examine the legal strategy](#) behind the Islamic State's state-building project in *Foreign Affairs*.

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