



The Crime-Terror Nexus in Austria and Hungary

- The objective of this working paper is to present an overview of links between crime and terrorism (the crime-terror nexus) in Austria and Hungary, highlight potential risks, and make a series of recommendations for how such risks can be mitigated.
 - It is part of a Europe-wide survey that will produce similar papers for all 28 member states of the European Union. In doing so, the aim is to generate a more holistic understanding of threats from crime and terrorism, and promote new and innovative ways of tackling them.
 - Though illicit activities are notoriously difficult to measure, the presence of links between crime and terrorism can be tentatively observed:
 1. Among Austrian jihadists of Chechen origin;
 2. In Austrian prisons.
 - Our recommendations include action on prisons, terrorist financing, information sharing, and collaboration between security agencies as well as between government and non-government actors.
 - There is no doubt that, like in other countries, involvement in crime and radicalisation has emerged from similar social and demographic conditions, and that the integration of recent migrant communities poses severe challenges in both countries. Rather than escalating the rhetoric *against* such communities, and further contribute to their perceived marginalisation, policymakers in both countries would be well-served by working out more effective long-term policies for promoting shared societal norms and opportunities.
-

1 Introduction

Austria and Hungary are at the juncture between western and south-eastern Europe, and have frequently experienced flows of people and illicit goods in both directions. Especially Austria is home to populations of diverse origins. While this has contributed to the richness of culture from which the countries continue to benefit, it may also have given rise to problems.

The objective of this working paper is to present an overview of links between crime and terrorism in Austria and Hungary, highlight potential risks, and make a series of recommendations for how such risks can be mitigated. It is part of a Europe-wide survey that will produce similar papers for all 28 member states of the European Union. In doing so, the aim is to generate a more holistic understanding of threats from crime and terrorism, and promote new and innovative ways of tackling them.

The paper's empirical basis is a survey of open sources, including relevant government and inter-governmental reports, academic research, court documents, newspaper articles, as well as interviews with practitioners and subject matter experts. The research took place between February and April 2018, and was carried out by a team of Austrian, Hungarian, and British researchers.¹

Though illicit activities are notoriously difficult to measure and quantify, the presence of links between crime and terrorism can be tentatively observed:

1. Among Austrian jihadists of Chechen origin;
2. In Austrian prisons.

Our recommendations include action on terrorist financing, information sharing, safer prisons, and collaboration between security agencies as well as between government and non-government actors.

Furthermore, there is no doubt that, like in other countries, involvement in crime and radicalisation has emerged from similar social and demographic conditions, and that the integration of recent migrant communities poses severe challenges in both countries. Rather than escalating the rhetoric *against* such communities, and further contribute

¹ The authors of this report are Peter R. Neumann and Rajan Basra. We wish to thank Johanna Fürst, Dániel Hegman, and Petra Urszuly for their research support. We are also grateful to all interviewees, whether named or anonymous.

to their perceived marginalisation, policymakers in both countries would be well-served by working out more effective long-term policies for promoting shared societal norms and opportunities.

The paper starts with overviews of organised crime and terrorism in Austria and Hungary, before exploring potential links between terrorism and crime. It concludes with a series of recommendations for policymakers and practitioners.

Box 1: What is the Crime-Terror Nexus?

The concept of the crime-terror nexus emerged in the early 1990s, following the collapse of the Soviet Union and the rise of globalisation. Amidst shifting geopolitics and the birth of the information age, analysts noticed that terrorist and insurgent groups were increasingly adapting criminal modus operandi to further their aims.

Since then, scholars have identified *three types of crime-terror nexus: institutional, organisational, and social.*

Institutional

One of the pioneers was Tamara Makarenko.² On her “crime-terror continuum”, she identified three types of institutional linkages between criminal and terrorist groups:

- At one end, criminal and terrorist groups engaged in *co-operation*, either in limited, transaction-based alliances, or in more sophisticated coalitions.
- Nearing the middle, *convergence* indicated when groups adapted skills belonging to the other, resulting in “hybrid criminal-terrorist groups”.
- At the other end was *transformation*, in which a group had completely transformed into the other by way of a shift in motivation.

Among the most prominent examples have been the Taliban, which have at times depended on Afghanistan's heroin production; the Colombian Revolutionary Armed Forces' (FARC) involvement in their country's narcotics industry; and the smuggling of petrol and counterfeit goods by the Irish Republican Army (IRA).

Organisational

Writing at the same time as Makarenko, Letizia Paoli focused on the structural and organisational similarities between youth gangs and terrorist groups, which she categorised as “clannish” organisations:³

- They were involved in illegal activity, including violence;
- They required members' “absolute commitment”;
- They offered *emotional benefits*, such as status, “brotherhood”, identity, and belonging.

continues...

2 Tamara Makarenko, “The Crime-Terror Continuum: Tracing the Interplay between Transnational Organised Crime and Terrorism”, *Global Crime*, Vol 6, No 1, 2004, pp.129-145.

3 Letizia Paoli, “The Paradoxes of Organized Crime”, *Crime, Law, and Social Change*, Vol 37, No 1, 2002, pp.51-97.

In Paoli's view, drawing sharp distinctions between actors based on their stated aims – criminal versus political – could be misleading, because the distinctions might be blurred and “goals [could] change”.

As an example, she cited white supremacist gangs in the United States, which recruited their membership according to ideological principles and professed to have a political programme but were heavily involved in “ordinary” crime.

Social

In a recent study of jihadist recruitment in Europe, Rajan Basra and Peter R. Neumann highlighted not the convergence of criminals and terrorists as groups or organisations but of their social networks, environments, or milieus.⁴ Rather than formalised collaboration or even transformation, they found that criminal and terrorist groups recruited from sociologically similar pools of people, creating (often unintended) synergies and overlaps.

This “new” crime-terror nexus had four facets:

- It affected processes of *radicalisation*, because involvement in terrorism could offer redemption and legitimise crime.
- It highlighted the *role of prisons* as environments for radicalisation and networking among criminals and extremists.
- It emphasised the *development of skills and experiences* that could be useful for terrorists, particularly access to weapons, forged documents, and the familiarity with violence.
- It facilitated the *financing* of terrorism, especially through petty crime.

Despite differences in approach and perspective, the *three types of nexus – institutional, organisational, and social* – are not mutually exclusive. Taken together, they provide the analytical framework of the Crime Terror Nexus Project.

⁴ Rajan Basra and Peter R. Neumann, “Criminal Pasts, Terrorist Futures: European Jihadists and the New Crime-Terror Nexus”, *Perspectives on Terrorism*, Vol 10, No 6, 2016, pp.25-40.

2 Organised crime

There exists a paucity of information regarding organised crime in Austria and Hungary.⁵ While neither are large countries, their criminal markets remain important, with annual revenues from organised crime estimated at €3.2bn in Austria and €1.1bn in Hungary.⁶ Austria and Hungary are coveted countries for illicit trade: sitting at the heart of Europe, they are close to Western, Eastern, and Southern Europe, and are connected by good levels of infrastructure. Yet research into the exact activities, contours, and developments of their crime scene is lacking, meaning that the impact of organised crime is difficult to measure.

This section provides an overview of the organised crime scene, covering the groups involved, their activities, and the locations in which they operate. It seems clear that both countries occupy a strategic position, connecting south-eastern and western Europe, and that trafficking lines can be used for a variety of illicit purposes.

Groups

Neither Austria nor Hungary give public estimates of the number of active organised crime groups, or how many individuals are involved. Despite this lack of data, the former head of Vienna's security bureau has acknowledged the presence of Chechen, Georgian, and Balkan crime groups, alongside native Austrians, suggesting that transnational networks are present.⁷ The Ministry of Interior's most recent report also notes the prevalence of Turkish groups, which have shown a tendency to collaborate with other groups, such as those that are ethnic Albanian.⁸

In recent years, Chechen groups have begun to establish themselves as important players in the Austrian crime scene. Austria is home to one of the largest Chechen diaspora communities in Europe – with approximately 30,000 people – and Chechen crime groups appear to have used this as a platform to establish themselves in the country.

5 As per Austria's penal code (§ 278a StGB Kriminelle Organisation), organised crime is defined as serious criminal activities (e.g. weapons trafficking) committed by an "organisation that resembles an enterprise", over a "long period of time", to "enrich themselves", and "corrupt or intimidate others". In Hungary, there is no codified legal definition of organised crime, though the country's penal code (Btk./Büntető törvénykönyv § 459/1) defines a criminal organisation as a "group of 3 or more people which is organised in a coordinated way".

6 Transcrime, *From Illegal Markets to Legitimate Businesses: The Portfolio of Organised Crime in Europe*, Università degli Studi di Trento, 2015, p.36.

7 Paul Donnerbauer, "Ist Wien ein Paradies für das organisierte Verbrechen?", *VICE*, 6 December 2015.

8 *Sicherheitsbericht: Kriminalität 2016*, Bundesministerium für Inneres (BMI), 2016, p.39.

While they have become “known for their brutality”,⁹ much of their organisational structure and operations remain opaque.

Recent incidents include the arrest of nine Chechens in August 2017, who were later charged with a range of crimes from racketeering, arson, robbery, and fraud, to bodily harm, counterfeiting, and drug dealing.¹⁰ In July 2016, six individuals – the majority of them Chechen – were arrested as part of a migrant smuggling ring. The key facilitator was a 44-year-old Syrian national who had been recruiting drivers in Austria to deploy them in Hungary.¹¹

Hungary has a decades-old organised crime presence, with established Hungarian, Russian, Ukrainian, and Albanian groups operating in the country since the 1990s.¹² The current picture, however, is largely unknown. Even the most recent government report on organised crime – released as long ago as 2007 – noted the underreporting on the issue, and there have been no substantial publications – neither by government institutions nor academics – in the intervening years.¹³

Activities and Locations

Recent arrests in Austria highlight the criminal activities involved: human trafficking and migrant smuggling;¹⁴ racketeering;¹⁵ arms trafficking;¹⁶ counterfeit money;¹⁷ as well as drug trafficking.¹⁸ In Hungary, crimes often involving drug trafficking, car theft and trafficking, and human smuggling,¹⁹ with the most common cases estimated to involve prostitution and large-scale financial crimes such as tax fraud.²⁰

Both countries have seen substantial activity relating to *human trafficking*. Their position on the so-called “Balkan Route” – which stretched from Turkey, via Greece, Macedonia, Serbia, Hungary, and Austria, to Western Europe – meant they were key territories in the refugee and migrant crisis. This route reached a peak in 2015, when there were 764,038 detected illegal border crossings by migrants, presenting an opportunity for organised crime.²¹

Unsurprisingly, organised criminals took advantage of this surge in demand by involving themselves in *migrant smuggling*. They provided a transit service from Serbia to Austria – via Hungary, where refugees/ migrants did not stop to register themselves. Typically, the criminals

9 “Tschetschenen in Österreich: Die missglückte Integration”, *Kurier*, 28 November 2016; “Europol Supports Austrian Federal Criminal Police Office In Dismantling Chechen Organised Crime Network”, *Europol*, 7 April 2016.

10 “Schlag gegen tschetschenische Bande: Neun Festnahmen”, *Kurier*, 25 August 2017.

11 “Austria, Hungary And Europol Dismantle Migrant Smuggling Ring”, *Europol*, 25 July 2016.

12 Interview with Dr Attila Kasznár, Head of Counter-Terrorism Department (Terrorrelhárítási Tanszék) at the National University of Public Service (NKE), 21 March 2018.

13 Péter Tóth, *A nemzetközi terrorizmus és a szervezett bűnözés hatása a nemzetközi biztonságra és Magyarországon*, Magyar Tudományos Akadémia (Hungarian Academy of Sciences), 2007.

14 “Austria, Hungary And Europol Dismantle Migrant Smuggling Ring,” *Europol*, 25 July 2016.

15 “Schlag gegen tschetschenische Bande: Neun Festnahmen,” *Kurier*, 25 August 2017.

16 “Europol Supports Austrian Federal Criminal Police Office In Dismantling Chechen Organised Crime Network,” *Europol*, 7 April 2016.

17 “Schlag gegen tschetschenische Bande: Neun Festnahmen,” *Kurier*, 25 August 2017.

18 BMI, 2016, p.39.

19 Interview with Dr Szilveszter Poczik, Senior Research Fellow at the National Criminology Institute, 15 March 2018.

20 *Ibid.*

21 Frontex, “Migratory Routes: Western Balkan Route”, available at: <https://frontex.europa.eu/along-eu-borders/migratory-routes/western-balkan-route/>.

most readily able to offer this service were those with longstanding experience in other forms of illicit trafficking – such as drugs – and thus maintained a highly organised and well-managed operation.²²

In summary, despite the lack of recent data, it seems clear that the two countries' geographical position puts them at the heart of significant trafficking routes, which can be used for criminal, terrorist, and other illicit purposes.

22 Interview with András Siewert from Migration Aid, March 2018.

3 Terrorism

Europe has witnessed a wave of jihadist terrorist attacks in recent years, ranging from coordinated bombings to vehicle-ramming and knife attacks, that have left hundreds killed and many more injured.²³ While Austria and Hungary have escaped this recent violence – there has not been a single successful jihadist attack in either country – terrorism has still affected their social fabric, with security fears dominating the domestic agendas.

Of the two countries, Austria has been home to active jihadist networks, whereas Hungary has an almost entirely non-existent jihadist scene. Additionally, there is a residual – and potentially growing – threat of far-right extremism. In both countries, therefore, the terrorism risk remains low, though far from negligible.

Jihadist

Presently, Islamic extremism is considered the greatest threat to Austria's internal security, as stated by the country's *Bundesamt für Verfassungsschutz und Terrorismusbekämpfung* (Federal Office for the Protection of the Constitution and Counterterrorism, or BVT).²⁴ There is a sizeable pool of potential jihadists in the country: the authorities had classified 287 individuals as *Gefährder* (potentially violent extremists) by July 2016, though it is unknown how this pool has changed in the past two years. Many of these have connections to Chechnya or Bosnia.²⁵

While the Hungarian jihadist scene is muted, the country has had an important logistical role in recent attacks. Abdelhamid Abaaoud – a key figure in the Islamic State's (IS) external operations apparatus – arrived in Hungary from Syria in August 2015. Travelling with him was Ayoub El Khazzani, who would later be arrested during an attack on the Amsterdam–Paris Thalys train that month. Remarkably, there were delays in relaying this information to the French authorities, who only discovered this connection between El Khazzani and Abaaoud following an academic article in the *CTC Sentinel*.²⁶ Other IS militants also used Budapest as a landing point: Salah Abdeslam made four trips to Budapest, in

23 We define terrorism as symbolic acts of politically motivated violence. See Peter R. Neumann and M.L.R. Smith, *The Strategy of Terrorism* (London: Routledge, 2008), p.8.

24 *Verfassungsschutzbericht 2016*, BVT, 2016, p.5.

25 Interview with Mag. Dr. Nicolas Stockhammer, 21 March 2018.

26 "Train attack suspect confesses after revelations in academic journal", *CNN*, 19 December 2016; Jean-Charles Brisard and Kevin Jackson, "The Islamic State's External Operations and the French-Belgian Nexus", *CTC Sentinel*, Vol 9, Issue 11, pp.8-15.

the months before the November 2015 Paris attacks, to pick up other IS militants.²⁷

Attacks, Plots, and Arrests

Of the two countries, Austria has had the greatest experience with jihadist networks. While there have been no confirmed jihadist attacks, there have been several notable events:

- *December 2017*: a 25-year-old Bosnian man was arrested in Graz, Austria, for allegedly planning a vehicle-ramming attack, after having been seen watching extremist videos and glorifying terrorism at a homeless shelter.²⁸
- *July 2017*: a 54-year old Tunisian man killed an elderly couple in Linz, Austria. He had sympathies for IS, and believed that the couple supported the far-right Freedom Party of Austria (FPÖ).²⁹ He has been charged with attempted arson, of openly sympathising with IS, and two counts of murder; his trial is scheduled for June 2018.
- *April 2017*: three men were arrested after planning to attack a police station in the town of St. Pölten, Austria. The cell had originally planned to travel to Syria, but their contact in Syria instead encouraged them to carry out an attack in Austria.
- *January 2017*: 17-year old Lorenz K. is arrested in Vienna, after plotting to use explosives in an Islamic State-inspired attack in Austria (see Box 2).
- *January 2017*: eleven people were arrested in Graz and four in Vienna for being members of Islamic State.³⁰ The group was described as “Salafist agitators” by the mayor of Graz.³¹
- *September 2015*: Ahmed H. encouraged a crowd of immigrants to break through the Hungarian border fence and throw rocks at police. Hungarian authorities charged him with terrorism offences, though it remains unclear to what extent his behaviour was motivated by a jihadist and/or extremist agenda.
- *March 2015*: a 14-year-old, Merkan G., was charged with terrorism offences in Austria for downloading bomb making instructions and contacting fighters in Syria.³² He was convicted in 2016, and sentenced to 20 months in prison.
- *November 2014*: a Balkan-born preacher, Mirsad Omerovic – known as Ebu Tejma – was arrested in Vienna, and eventually sentenced to 20 years in prison, for membership of IS and attempting to incite

27 Ibid.

28 “Terror-Verdächtiger schaute Videos von Amokfahrten an”, *Kleine Zeitung*, 7 December 2017.

29 “IS-Terror erreicht nun auch Österreich”, *T-Online*, 6 July 2017.

30 “Polizei gelingt Schlag gegen Terrorverdächtige”, *Neue Zürcher Zeitung*, 26 January 2017; “Verdächtige träumten von Gottesstaat in Österreich”, *Kleine Zeitung*, 26 January 2017.

31 Ibid.

32 “Austria charges 14-year old with terror offences”, *Reuters*, 31 March 2015.

murder and coercion.³³ Famous for his charismatic YouTube videos, Omerovic was considered a key entrepreneur within the Austrian jihadist movement, and is suspected of inspiring over 60 people to travel to Syria.³⁴

From 2012 to 2016, there were 110 arrests made for jihadist-related activities in Austria.³⁵ It is unknown how many terrorism-related arrests were made in Hungary.

Foreign Fighters and Returnees

More than six thousand European “foreign fighters” have joined jihadist groups in Syria and Iraq. Austria has been affected by this mobilisation, with at least 245 of its citizens having travelled to join jihadist groups such as Islamic State.³⁶ Early figures from the Interior Ministry state that Chechens comprise around 50 per cent of all Austrian foreign fighters,³⁷ though the exact figure may be even higher.³⁸

Of the 245 travellers, 90 have returned to Austria, 45 have died in Syria and Iraq, while the remaining 110 are likely still in the conflict zone, as confirmed by former BVT director Peter Gridling in June 2017. An added 52 individuals have been restricted from travelling abroad.³⁹

The profile of travellers has varied. They have included newfound adherents to jihadism, such as the well-publicised cases of Samra Kesinovic, 16, and Sabina Selimovic, 15 – two girls of Bosnian descent – who travelled to Islamic State territory in April 2014.⁴⁰ The Austrian cohort also includes individuals with deep and long-standing ties to the jihadist movement, such as Mohamed Mahmoud (Abu Usama al-Gharib), who travelled to Syria in late 2014.

It is unknown how many foreign fighters – if any at all – Hungary has produced. The country has, nevertheless, acted as a transit point for travellers *en route* to Syria. In January 2017, for example, two women – an 18-year old from Belgium, and a 19-year old French national – were arrested by Hungary’s southern border while allegedly transiting to Syria.⁴¹

There is collective anxiety throughout Europe regarding the threat posed by “returnee” foreign fighters, who are trained and battle-hardened.⁴² While there is currently insufficient data to conduct a wholesale analysis

33 This was the longest sentence given for this type of crime, though at the time of writing the verdict is still not finalised, with judges deliberating on shortening it. “‘Hassprediger’ hat wieder einen Auftritt vor Gericht”, *Kurier*, 6 February 2018; “‘Es geht in den seltensten Fällen um Religion’”, *Neue Zürcher Zeitung*, 1 February 2015.

34 Meret Baumann, “Österreichs Youtube-Jihadist verurteilt”, *Neue Zürcher Zeitung*, 14 July 2016.

35 The annual breakdown is: 2012 (1), 2013 (1), 2014 (30), 2015 (48), and 2016 (30). The 2017 figures have yet to be released. Figures from Europol’s annual *European Union Terrorism Situation and Trend Reports (TESAT)*, 2013 to 2017.

36 “Terrorismus: 141 Personen mit Gefährderpotenzial in Österreich”, *Tiroler Tageszeitung*, 14 June 2017.

37 “‘Es geht in den seltensten Fällen um Religion’”, *Neue Zürcher Zeitung*, 1 February 2015.

38 Interview with Mag. Dr. Nicolas Stockhammer, 21 March 2018.

39 “Terrorismus: 141 Personen mit Gefährderpotenzial in Österreich”, *Tiroler Tageszeitung*, 14 June 2017.

40 Umberto Bacchi, “Syria: Austrian Teen ‘Jihadi Bride’ Sabina Selimovic’s First Interview on Life with ISIS Militant Husband”, *International Business Times*, 27 October 2014.

41 “Five people suspected of jihadist links arrested in Spain and Hungary”, *France24*, 14 January 2017.

42 For more, see Thomas Renard and Rik Coolsaet (eds.), “Returnees: Who are they, why are they (not) coming back, and how should we deal with them?”, Egmont – The Royal Institute for International Relations, February 2018.

of the 90 Austrian returnees,⁴³ the BVT has emphasised the acute challenge they pose.⁴⁴

One infamous Austrian returnee is Oliver N., who was arrested upon his return to Austria in 2015, aged only 16.⁴⁵ He was convicted for being a member of a terrorist organisation and sent to prison for two and a half years.⁴⁶ Upon his release, Oliver N. gave an extensive TV interview, speaking in detail about his radicalisation process and how he “wanted to slaughter people”. According to him, he changed his mind when he almost died in a bomb attack close to his flat in Raqqa, and managed to return to Austria.⁴⁷

Far-Right and Far-Left Extremists

There is a comparatively low threat of terrorist attacks by far-right or far-left groups. From 2012 to 2016, there were no far-right or far-left terrorist attacks in Austria or Hungary. During that same time period, there were at least three arrests for left-wing terrorism in Austria, and – at most – one arrest for far-right terrorism offences.⁴⁸ The numbers for Hungary are unknown.⁴⁹

Far-right extremism is, nevertheless, an area for concern. According to BVT statistics, there were 1,313 criminal actions related to extremism in 2016, following on from 1,156 in 2015. These are typically for incitement of racial hatred and acts of vandalism. Some far right extremist groups have chosen to pursue an exclusively non-violent strategy, hoping that this is a better way for gaining supporters and “mainstreaming” their ideas.

There is a similar – albeit much reduced – picture of the far-left. In 2016 there were 383 left-wing criminal actions, an increase from 186 in 2015. There is a cohort of Marxist, Leninist, and Trotskyists groups, as well as anarchists. It remains to be seen whether these extremists will escalate their actions to violence and/or terrorism.

Hungary is home to an array of far-right paramilitary groups and organisations. While the National Guard Movement (*Nemzeti Garda*) – allied with the far-right Jobbik party – was banned, there exists a plethora of other active groups. One such example is the Hungarian National Front (*Magyar Nemzeti Arcvonal*), whose leader, Gyorkos Istvan, was found in possession of a cache of illegal weapons in 2016.⁵⁰ Other prominent far right groups are the Army of Outlaws (*Betyársereg*) and Sixty-Four Counties Youth Movement (*Hatvannégy Vármegye Ifjúsági Mozgalom*, or HVIM).

43 Interview with Mag. Dr. Nicolas Stockhammer, 21 March 2018.

44 Letter from BVT, 16 March 2018.

45 Colette M. Schmidt, “Rund 300 zogen aus Österreich in ihren Jihad”, *Der Standard*, 27 October 2017.

46 Manfred Seeh, “17-jähriger IS-Heimkehrer: ‘Keine Lauterung’”, *Die Presse*, 15 July 2015.

47 “IS-Heimkehrer Oliver: ‘Ich wollte euch schlachten’”, *Heute*, 4 October 2017.

48 Figures from Europol’s annual *European Union Terrorism Situation and Trend Reports (TESAT)*, 2013 to 2017. One arrest, in 2014, was classified as “unknown”, so could potentially be related to far-right activity.

49 The Europol TESAT reports do not contain figures for Hungary.

50 “Intent on Unsettling E.U., Russia Taps Foot Soldiers From the Fringe”, *New York Times*, 24 December 2016.

These groups target their rhetoric against minorities such as Roma, Jews, and refugees and migrants, though refrain from committing targeted hate crimes or acts of terrorism as an organisation. A notable exception was the Hunnia organisation (*Magyarok Nyilai*), whose members were accused of attacking left-wing organisations with molotov cocktails in 2009. The movement's leader, György Budaházy, was convicted for this in 2016.⁵¹

It seems clear, therefore, that both countries are home to extremists and extremist movements, though the threat of terrorism has – thus far – been relatively low.

51 "Ma elítélhetik Budaházy Györgyöt az öt éve folyó terrorperben", *HVG*, 30 August 2016.

4 A Tentative Social Nexus

There is little evidence of an institutional nexus between organised crime and terrorism in Austria. There is, however, evidence of a social nexus, where criminal and extremist milieus, countercultures, and networks have partly merged (see Box 1).

The extent of this is difficult to gauge. In 2015, for example, a United Nations report noted that many Austrian foreign fighters were previously involved in petty crime, and that recruitment often involved criminal networks – particularly from ethnic Chechens living in Austria – though exact figures were not provided.⁵²

More precise details are available by examining the jihadist prison population. The Austrian Institute for the Sociology of Law and Criminology interviewed jihadist detainees for a 2017 report on prison radicalisation. They interviewed 41 of the country's 52 jihadist inmates,⁵³ and found that 11 individuals (27 per cent) had previous criminal convictions, of which 6 inmates (15 per cent) had committed violent crimes.⁵⁴ Seven jihadists (17 per cent) had more than one prior conviction. Their previous offences varied greatly, including: illegal possession of weapons; document forgery; theft; vandalism; assault; threatening behaviour; robbery; possession of child pornography; serious coercion; and even attempted murder.⁵⁵

Prison radicalisation is a concern in Austria, though it rarely occurs (see Box 2). At least three jihadists had – at least partly – radicalised during previous prison stays.⁵⁶ A recent case in Graz-Karlau prison highlights how radicalisation can be (violently) coercive: in June 2017, an inmate had violently threatened another inmate to participate in Muslim prayers, and even repeatedly injured him with a knife.⁵⁷ He has since been charged for this, and moved to a different prison.

Curiously, a majority of the inmates (59 per cent) in the Ministry of Justice study were Chechen, though the data does not reveal how many of the inmates with previous convictions were Chechen.⁵⁸ An official from the

52 United Nations Analytical Support and Sanctions Monitoring Team, "Analysis and recommendations with regard to the global threat from foreign terrorist fighters", United Nations, 2015, pp.11-12.

53 Imprisoned for terrorism, or crimes according to § 278b StGB.

54 Veronika Hofinger and Thomas Schmidinger, *Endbericht zur Begleitforschung: Deradikalisierung im Gefängnis*, Institut für Rechts- und Kriminalsoziologie (IRKS), p.25.

55 *Ibid.*, p.26.

56 *Ibid.*, p.91.

57 Interview with anonymous source from Graz-Karlau prison, 28 March 2018.

58 *Ibid.*, p.21.

Interior Ministry, nevertheless, has confirmed overlaps between organised crime and terrorism within the Chechen community.⁵⁹

Links between crime and terrorism may well stretch back over a decade. In 2006, an Algerian network was arrested in Vienna after it was suspected of conducting ATM thefts and robberies to finance a North African terrorist group.⁶⁰ While the background of the network is unknown, it highlights how the use of criminal tactics amongst jihadists is a well-established practice.

While jihadists often *aspire* to commit crime for the sake of jihad, they may not always follow through on their plans. The cell behind the foiled April 2017 plot targeting a St. Pölten police station – where they wanted to kill police officers and “create a bloodbath” – is a case in point. The three men planned to rob a local *shisha* bar and steal the owner’s car – to finance their main attack on the police station – but backed out after surveilling the target. They had selected a weapons store to burgle in order to obtain a gun, but were still in the reconnaissance phase when the plot was disrupted.⁶¹ One of the cell, a 22-year-old Chechen, had previously been convicted for three armed robberies, highlighting how criminals-turned-jihadists often use criminal tactics they are already familiar with.⁶²

59 Interview with official from Federal Ministry of the Interior, 27 March 2018.

60 Erich Kocina and Klaus Stöger, “Terrorismus: Österreich ‘beträchtlich’ gefährdet”, *Die Presse*, 26 July 2007; *Verfassungsschutzbericht 2007*, Bundesministerium für Inneres (BMI), 2007, p.116.

61 “Mutmaßliche IS-Terroristen planten Attentat auf Polizei”, *NÖN*, 13 February 2018.

62 “Anschlagspläne auf St. Pöltner Polizei: Schuldsprüche,” *NÖN*, 14 February 2018.

Box 2: the terror plot of Lorenz K.

The most serious Austrian terror plot to date was foiled in January 2017, and involved a criminal-turned-jihadist. An Austrian named Lorenz K. – who was 17 at the time of his arrest – was taken into custody in Vienna, and an accomplice in Germany was later arrested as part of the same operation. The pair were suspected of planning a bomb attack in Vienna.

Unemployed at the time, Lorenz was already known to the police for his earlier criminal behaviour. Born to Albanian immigrants in Austria, Lorenz had a problematic childhood which saw him drop out of school and start a gang with his teenage friends in Lower Austria. His criminal activities eventually resulted in a conviction for armed robbery in 2015, and a 9-month stay at a youth prison in Gerasdorf.

It is not clear whether this is where he was radicalised, though it appears to have played an important role in his “graduation” from crime to jihadism. While Lorenz claims he was only radicalised after his release from prison, he may have actually entered prison with extremist sympathies.⁶³ He had, for example, sent a WhatsApp message to a former Gerasdorf detainee two days before his arrest, joking about the prison deradicalisation programme, and how much he would enjoy radicalising other inmates.⁶⁴

Upon release from prison in November 2015, however, there were noticeable changes in his behaviour. Lorenz moved back in with his parents in Vienna, and began using the name Sabur Ibn Gharib. He began regularly watching extremist preachers such as Ebu Tejma on YouTube, and using social media to get in contact with other radicals. After considering travelling to Syria, Lorenz decided he could have more impact by staying in Europe.

In late 2016, he recorded a video claiming allegiance to Al-Baghdadi which he sent to a German-speaking contact in Syria. He also experimented with explosives with his German friend Kevin T., and encouraged a 12-year-old German boy (who he had met on Telegram) to carry out an attack in the German town of Ludwigshafen. That latter attack only failed as the boy was unable to detonate the homemade explosive device.

While imprisoned awaiting trial, Lorenz’s cell was found to contain drawings of the US flag with the devil, as well as explosions and depictions of violence. In April 2018 Lorenz was sentenced to 9 years imprisonment for “attempting to instigate terrorist murder”.⁶⁵

63 Interview with Mag. Dr. Nicolas Stockhammer, 21 March 2018.

64 Thomas Hoisl, “Von Thug Life zu Tauhid und Terror – wie sich Lorenz K. radikalisierte”, *VICE*, 12 February 2017.

65 “Reue kam zu spät: 9 Jahre Haft für Lorenz K.”, *Kurier*, 13 April 2018.

5 Recommendations

This paper has examined potential links between crime and terrorism in Austria and Hungary. While the existence of highly networked, if not institutionalised, links between organised crime and terrorist groups barely exists, there are areas of concern for Austria, especially when it comes to the merging of criminal and extremist social milieus (see Box 1). This has the potential for individuals with criminal backgrounds to use their skills – be it in forging documents or raising money through criminal means – to facilitate terrorist attacks. To prevent such links from re-emerging or becoming further entrenched, we recommend the following actions and/or good practices:

1. Effective monitoring

We recommend that authorities continue to periodically review their statistics on organised crime and terrorism, and consciously monitor them for emerging linkages between the two phenomena. Some areas – such as the potential link between drugs and terrorism – may require further research.

2. Re-thinking radicalisation

Given the partial merging of criminal and extremist milieus, core assumptions about radicalisation need to be reconsidered. The behaviour of jihadists with criminal pasts often contradicts the notion that extremism correlates with religious behaviour. Where needed, we recommend that authorities update their checklists, indicators, and training materials in order to reflect changing patterns and profiles.

3. Countering all streams of terrorist financing

Efforts to countering terrorist finance have excessively focused on the international financial system – with meagre results. In light of a commitment to counter the financing of terrorism, we recommend that authorities broaden their efforts at countering terrorist finance to include small-scale and petty crime, such as drug dealing, theft, robberies, and the trafficking in goods.

4. Safer prisons

The authorities in Austria have recognised the importance of prisons as potential incubators of links between crime and terrorism. We encourage them to move forward with implementing systematic efforts to make prisons safer from crime, terrorism, and any links between them. It is also important to systematically measure and assess the impact of these changes, and consider post-release arrangements, which involve re-integration as well as monitoring.

5. Information sharing

As the lines between terrorism and “ordinary” crime have become increasingly blurred, relevant agencies need to become more effective at sharing relevant information across departments and “disciplines”, as well as forming new “coalition” of individuals and institutions that may not be used to working with each other. As the example of Ayoub El Khazzani shows, the prompt sharing of information can have demonstrable results in terrorism investigations.

We recommend that governments continue to review existing channels and systems of information exchange, explore creating new partnerships (such as with local authorities, civil society, and the private sector), and make appropriate changes reflecting the new – and multi-dimensional – nature of the threat.

6. Addressing social conditions

There is no doubt that, like in other countries, involvement in crime and radicalisation has emerged from similar social and demographic conditions, and that the integration of recent migrant communities poses severe challenges in both countries. Rather than escalating the rhetoric *against* such communities, and further contribute to their perceived marginalisation, policymakers in both countries would be well-served by working out more effective e long-term policies for promoting shared societal norms and opportunities.



Crime Terror Nexus

THE CRIME TERROR NEXUS

The Crime Terror Nexus is a project that investigates links between crime and terrorism, and identifies better ways to counter them.

Over the course of 18 months, we are documenting links between crime and terrorism across the European Union. Our findings are disseminated through reports, events, and workshops.

We are partnering with officials and local stakeholders to create new and innovative approaches that contribute to countering crime and making our countries safer.

The Crime Terror Nexus is a project of Panta Rhei Research Ltd. It is funded by PMI IMPACT, a global grant initiative of Philip Morris International that supports projects against illegal trade.

Panta Rhei Research Ltd. is fully independent in implementing the project and has editorial responsibility for all views and opinions expressed herein.

For more information, visit www.crimeterrornexus.com.

CONTACT DETAILS

For questions, queries and additional copies of this report, please contact Katie Rothman: katie@crimeterrornexus.com

Registered address: Panta Rhei Research Ltd.,
37a Great Percy Street, London WC1X 9RD, United Kingdom

© Panta Rhei Research Ltd. 2018

www.crimeterrornexus.com