

# THE CONNECTION BETWEEN TERRORISM AND ORGANIZED CRIME: NARCOTERRORISM AND THE OTHER HYBRIDS

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## ABSTRACT

Globalization, which has had its expansion after the fall of the Iron Curtain and the opening of borders after the fall of the ruler of Eastern Europe - Soviet Union brought the development of many spheres of social life. The development of positive values of society meant development of negative too.

Until then almost clear boundary between terrorist organizations and organized criminal groups, slowly but surely melt. The need for finance of their goals, terrorist organizations continued to find through involvement in other crime businesses. The result was birth of many hybrids.

Because of its first place on the scale of financial gain, the drug trade since 1970s has been used as a source of financial resources for major terrorist organizations, primarily in South America. Its result was the narcoterrorism which covers only the early political aspirations of the drug cartels in Latin America, but later has expanded to such activities in other parts of the world. However, mixing does not finish here. Many other forms of organized crime have become the subject of interest to terrorist organizations. We mustn't forget the possibility of opposed interests - the use of terrorist acts from organized criminal groups (the Sicilian Mafia's actions in the 1990s in Italy).

This paper aims to point the close connection between terrorism and organized crime, the nearly invisible border between them, the financing of terrorist organizations through the forms of organized crime, their hybrids, with particular reference to narcoterrorism.

Key words: hybrids, narcoterrorism, organized crime, terrorism.

## INTRODUCTION

Many years before terrorism got his place at the pedestal beside organized crime, the latter one had his golden age. Developing with enormous speed, organized crime entered into every sphere of modern life. It became the most profitable business. Its transnationality and variety are only some of his characteristics that make him a golden mine for many criminals.

When we mention organized crime we speak about many types of crimes. Drug trafficking, arms trafficking, money laundering, trafficking in human beings, cybercrime, etc. All of them are very profitable and these last years emerged enormously.

Before September 11<sup>th</sup>, we could find many countries that financed state terrorism. But after this event, some of them stopped their activities. State sponsored terrorism activities decreased. Those countries that once refused cooperation with USA now have become more vigilant in tracking money transfers through their territories.

The consequence of this was the need for new financial sources. The U.S. State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) through its researches has targeted some terrorist groups which are financing their activities with operations in fields of organized crime.

Groups such as the IRA and the German Red Army Faction raised money by robbing banks, while groups such as the PKK used extortion. FARC in Colombia collected taxes from people who cultivated or processed illicit drugs on lands that were under its control. The Lebanese Hezbollah and Colombia's AUC trafficked in drugs themselves, while others in many parts of the world such as the Abu Sayaff Group use ransom money rose through hostage – taking operations.<sup>1</sup>

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<sup>1</sup>Shanty, F.G. (2008). *Organized Crime: From Trafficking to Terrorism*. Santa Barbara: ACB-CLIO. p.366

With this paper we will try to point out the close connection between terrorism and organized crime, the nearly invisible border between them, the financing of terrorist organizations through the forms of organized crime, their hybrids, with particular reference to narcoterrorism.

## TERRORISM AND ORGANIZED CRIME – BROTHERS IN TERROR AND MONEY

In Colombia, in early 1980s, the Medellin Cartel was doing everything to obtain its power. The leader was Pablo Escobar, who turned the cartel toward violence to acquire some political legitimacy. Medellin Cartel's terror many people link with 1984 murder of Minister of Justice Rodrigo Lara Bonilla, after which murder Colombian President Belisario Betancur started extraditing drug traffickers to the USA. This led to public bombings, targeted killings of judges, police officers.

In September 2003, the United Nations (UN) Security Council noted in its Resolution 1373 "the close connection between international terrorism and transitional organized crime, illicit drugs, money laundering, illegal arms – trafficking, and illegal movement of nuclear, chemical, biological and other potentially deadly materials".<sup>2</sup>

Most international organized crime and terrorist groups operate secretly and usually take sanctuary in an underground network. Both use intimidation, ruthlessness, and violence against mostly civilian targets. They use similar tactics such as kidnapping, assassination and extortion. In both types of organizations, the control of the group over the individual is strong. Both use front operations such as legitimate business or charities to obscure their activities and launder money. In any case both types of criminals have to use underground economies and networks to move people, goods, and weapons, contraband, and, most important, money. Terrorists use existing criminal networks for logistics, including financial activities. Some terrorist groups even rob banks and create phony (shell) companies to launder money, whereas others engage in secret arrangements and form alliances with organized crime groups.<sup>3</sup>

Terrorist and criminal organizations, which have fundamentally dissimilar motives for their crimes, may cooperate by networking or subcontracting on specific tasks when their objectives of interest intersect. For example certain South American kidnapping gangs frequently sell custody of their victims to larger terrorist groups on what amounts to a "secondary market".<sup>4</sup>

The connection between terrorism and organized crime is derived from the relationship between the two kinds of groups and from the necessity of financial profit.

What we find today is a convergence between the terrorist groups and organized criminal networks to the extent that a single entity simultaneously exhibits criminal and terrorist characteristics. For example, the Chechen terrorists may primarily be interested in creating an independent state, but they might as well be interested in maintaining the degree of instability so that they can continue engaging in extremely lucrative criminal activities.<sup>5</sup> The first form of contact between the two is alliances for mutual benefit. In this, the terrorists enter agreements with transnational criminals solely to gain funding without engaging directly in commercial activities or compromising their ideology. Then the terrorists get directly involved in organized crime, removing the middleman but maintaining the ideological premise of their strategy. Ultimately, the ideology gets replaced with the profit motive.<sup>6</sup>

Terrorist organizations started to rely on legitimate businesses, nongovernmental organizations and self criminal activities. They also mastered their skills in transborder movement of money, especially in the usage of the *havalas* system.

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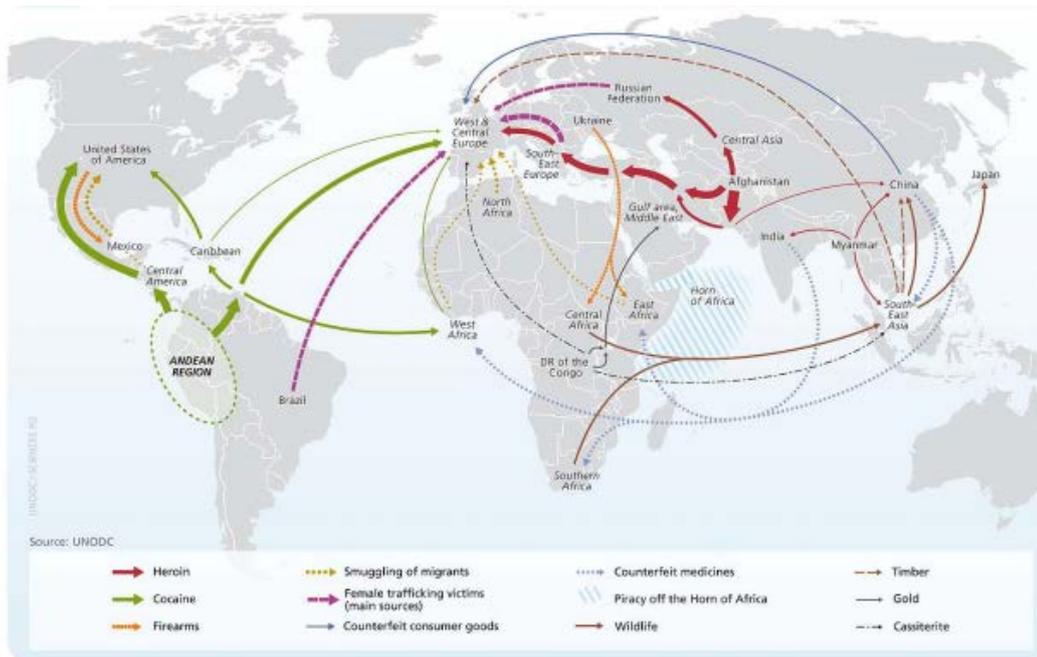
<sup>2</sup>Shanty, F.G. (2008). *Organized Crime: From Trafficking to Terrorism*. Santa Barbara: ACB-CLIO, p. 342

<sup>3</sup>Roth, M.P. (2010). *Global Organized Crime*. Santa Barbara: ABC-CLIO, p.46

<sup>4</sup>Nicaso A. & Lamothe L. (2005). *Angels, Mobsters and Narco – Terrorists: The Rising Menace of Global Criminal Empires*. Mississauga: Wiley, p.245

<sup>5</sup>Shanty, F.G. (2008). *Organized Crime: From Trafficking to Terrorism*. Santa Barbara: ACB-CLIO, p.366

<sup>6</sup> *ibid*, p.367



*Global Transnational Organized Crime Flows<sup>7</sup>*

Before the Cold War, the terms “terrorist” and “criminal” were generally clear – cut. But after its end, with the collapse of the Soviet Union and the globalization, some of the terrorism sponsors were lost. Many state which till then were main sponsors of terror acts stopped their activities. The response was found in making hybrids. Globalization had altered dynamics of the two kinds of business – the legal and illegal. Conflicts were translated into armed confrontations, demand – supply process of weapons and skills entered in the gray market.

Also globalization had facilitated cross border transfers. The consequences were huge migrant populations in developed countries. This population groups are a good base and a support for criminal groups and networks in developed countries. In many cases they are the last station for money gained by criminal activities.



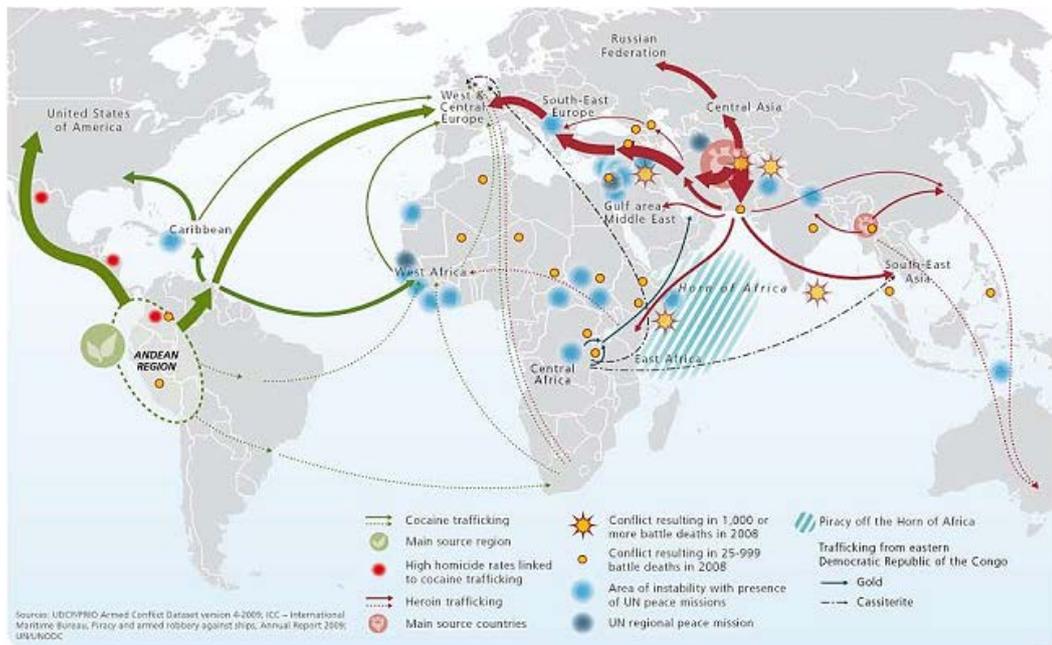
*Major migrant flows<sup>8</sup>*

<sup>7</sup>United Nations Office on Drugs and Crime.UN Global Initiative to Fight Human Trafficking. (2010). *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*. Vienna: UNODC, p.20

Migrant paths since always were and are from less developed to developed countries. On this way many terrorist using migration infiltrate themselves into some state's society and become base and tool for terrorist organization's acts and criminal activities.

From the map we can conclude that some of migrant paths are same as drug trafficking paths and conflicts places what gives us clearer picture for connection between migration, organized crime and terrorism.

In instable regions, today, in the absence of the sort of outside funding, rebel and illegal armed groups must derive their sustenance from the regions they control and these unstable areas are often already enmeshed in drug trafficking. The money associated with organized crime can be so great that militants may forget about their grievances and focus on satisfying their greed. Even where this is not true, drugs pay for bullets and provide a lifestyle to combatants that make them less likely to come to the negotiating table.<sup>9</sup>



*The Intersection of Transnational Organized Crime and Instability*<sup>10</sup>

## NARCOTERRORISM – ORIGINS, REASONS, FACTS

Historically, a fanatical sect of Ismaili Shiite Muslims active between the eleventh and thirteenth centuries in Syria and Iran provides the first known link between drugs and terrorist crimes. The very name “assassins” is thought to derive from Arabic *hashishin*, the drug that reportedly used before engaging on their murderous missions of assassinations by dagger. Until this day, some terrorists (e.g. in Kashmir) are fired up by drugs as they are sent to commit acts of terrorism.<sup>11</sup>

Many centuries later, in the 1980s, the political aspirations of guerrillas in Latin America were called “narcoterrorism”. The term was used as a tool for their delegitimization. Originally the term “narcoterrorism” was used to explain the usage of terrorist activities by drug traffickers in Peru and Colombia. Today it is used to refer to the use of profits from drug trafficking for

<sup>8</sup>United Nations Office on Drugs and Crime.UN Global Initiative to Fight Human Trafficking. (2010). *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*. Vienna: UNODC,p.33

<sup>9</sup>United Nations Office on Drugs and Crime.UN Global Initiative to Fight Human Trafficking. (2010). *The Globalization of Crime: A Transnational Organized Crime Threat Assessment*. Vienna: UNODC, p.14

<sup>10</sup>Ibid

<sup>11</sup>Shanty, F.G. (2008).*Organized Crime: From Trafficking to Terrorism*. Santa Barbara: ACB-CLIO, p.342

financing terrorist activities. Also it is used to suggest an alliance between terrorism and organized crime.

The term “narcoterrorism” was coined by Peruvian president Belaunde Terry in 1983 to describe violent attacks on antinarcotics police by the Shining Path (Sendero Luminoso) insurgents in Peru. Other Latin American countries have borrowed the term, most notably Colombia, in reference to links between drug traffickers and guerrillas. There is still a lack of consensus as to what exactly constitutes narcoterrorism, with critics suggesting that it connotes “too broad a range of activities to be definitive for a particular type of terrorism”. Some scholars suggest that it refers to all insurgent actors involved in the drug trade, whereas others argue the term only confuses the issues linking terrorism and drug trafficking. Most authorities agree, however, that it refers to a type of terrorism linked to the production of illegal drugs.<sup>12</sup>

Narco, or narcotic-related, terrorist activities are performed to further the aims of drug traffickers. These aims include financial gain, avoiding detection and apprehension, and establishing control over territories. This form of terrorism has been the focus of law enforcement and militaries from a wide array of countries for many years. Narco terrorist activities are often directed toward judges, prosecutors, politicians, and law enforcement officials in the form of assassinations, extortions, hijackings, bombings, and kidnappings.<sup>13</sup>

As we mentioned at the beginning of this chapter, the countries of Latin America are the best example of narcoterrorism territories. They are cultivation areas and important part of the chain called cocaine and heroin supply system. Also they are “cultivation” for much rebellion, military and terrorist groups.

The Revolutionary Armed Forces of Columbia (FARC) collects “taxes” from traffickers to raise funds to finance their lengthy war against the Government of Colombia. In some regions, U.S. sources believe, FARC also protects jungle laboratories and maintains airstrips for planes that carry cocaine out of remote areas for several of the cartels. They’re paid either in cash or in weapons.<sup>14</sup> Sources give information that FARC’s prices for services to cartels are \$15.70 per kilo of cocaine produced in laboratories, \$4 210 per hectare of poppy field, \$5 263 for international flights, and \$2 631 for protection of landing strips.

Same as FARC, the National Liberation Army (ELN) works with drug trafficking groups in Colombia and Venezuela. They collect taxes for protecting and guarding marijuana and opium poppy fields.

Although we speak for terrorist organizations in Latin America, we mustn’t forget that narcoterrorism can also be found in the Middle East where heroin is produced. In Afghanistan, that gives 70% from the world opium’s production, with the defeat of Taliban, many of the opium kingpins re-emerged through the usage of the pro-American profile.

In 2005, American authorities arrested Bashir Noorzai (Pablo Escobar of heroin trafficking in Asia) in New York City. Noorzai is charged with smuggling more than \$50 million worth of heroin into the U.S. over a 14-year period. He was reportedly supplying al-Qaeda operatives in Pakistan with 2 000 kilograms of heroin every eight weeks. That gave to Osama Bin Laden an annual income of \$28 million.<sup>15</sup>

Narcoterrorism on the Balkan has emerged since the beginning of conflicts. The main players at the Balkan are former Albanian guerrilla and terrorist groups, the ‘ndrangheta of Southern Italy and the mafia-like Sacra Corona Unita from the Apulia area. They control many of the heroin routes from Afghanistan through Turkey, Bulgaria, Macedonia, Albania, and on into Italy, where mafia groups distribute it in Western Europe.

There are authors which explain narcoterrorism as a multistage process. In the first stage the two groups begin actively buy and sell services from each other, borrowing each other’s methods in a process of “activity appropriation”. Both groups in the next stage will begin to work

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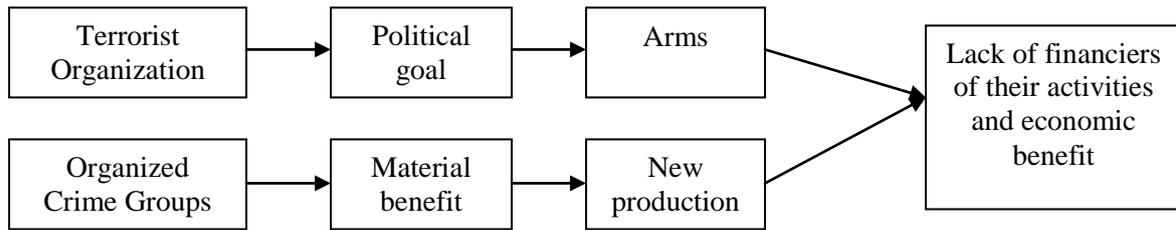
<sup>12</sup>Roth, M.P. (2010). *Global Organized Crime*. Santa Barbara: ABC-CLIO, p.52

<sup>13</sup>Ronczkowski, M.R. (2004). *Terrorism and Organized Hate Crime: Intelligence Gathering, Analysis and Investigations*. Boca Raton – London – New York – Washington D.C.: CRC Press, p.23

<sup>14</sup>Nicaso A. & Lamothe L. (2005). *Angels, Mobsters and Narco – Terrorists: The Rising Menace of Global Criminal Empires*. Mississauga: Wiley, p.246

<sup>15</sup> Ibid

more closely together in a symbiotic relationship once they mutually recognize their shared methodologies and motivations.<sup>16</sup>



*Terrorist Organizations and Organized Crime Groups Activities*

As the most illustrative nexus between organized crime groups and a terrorist organization is the mutual relationship between the Albanian Mafia and the Kosovo Liberation Army (KLA). Although KLA was born with the conflict in Yugoslavia, their link comes from much earlier, somewhere in 1990s.

For a very short time, the Albanian Mafia gained control over heroin routes on the Balkans. Millions of dollars from drug trafficking were used of KLA’s weapons. By 1999, Kosovo was called Colombia of Europe.

Terrorist groups by using drug trafficking provide them a degree of autonomy, flexibility and freedom. They also use narcoterrorism for weakening their enemies system. Drugs enter into target countries where they corrupt, harm future generations and open free paths for arms trafficking for future actions.

**TERRORISM AND ORGANIZED CRIME – OTHER HYBRIDS**

In addition to their involvement in the narcotics trade, terrorist groups have also engaged in other crimes such as fraud and human trafficking to raise money. The LTTE amassed huge payoffs from human smuggling. Thai criminal networks help facilitate smuggling of small arms into Sri Lanka and the Indonesian conflict zones of Aceh, Sulawesi, and Maluku to arm terrorist groups. In Albania, which is considered a terrorist transit point, organized crime rings help smuggle terrorists from the Black Sea to Western Europe.<sup>17</sup>

The sources of terrorist funding have been criminal, legal and diverted legal. For example, the profits to Hezbollah from cigarette smuggling in the USA between 1996 and 2000 were estimated at \$1.5 million. It has been reported that the Tri – Border Area where Argentina, Brazil and Paraguay meet has been the site of planning conferences for Hezbollah and Hamas, two Middle Eastern terrorist groups.<sup>18</sup>

Hamas and other groups also fund themselves with the proceeds of pirated multimedia. Copying intellectual property brings in millions of dollars a year from “royalties” collected from criminals engaged in the counterfeit multimedia business. Hamas, Fatah, and even senior members of the Palestinian Authority are suspected of participating in such activities in the West Bank and Gaza. In the United States, law enforcement officials opened an investigation into a variety of criminal enterprises suspected of funding Middle East terrorist groups, including the stealing and reselling of baby formula, food stamp fraud, and scams involving grocery coupons, welfare claims, credit cards, and even unlicensed t-shirts. Hamas activists are also suspected of engaging in credit

<sup>16</sup>Roth, M.P. (2010). *Global Organized Crime*. Santa Barbara: ABC-CLIO, p.47

<sup>17</sup>Shanty, F.G. (2008). *Organized Crime: From Trafficking to Terrorism*. Santa Barbara: ACB-CLIO, p.367

<sup>18</sup> *ibid*, p.346

card fraud to fund their activities.<sup>19</sup> Hamas was identified by the DEA as one of several terrorist groups suspected of drug trafficking in the Tri-border region.

Al Qaeda followed in the footsteps of other Middle Eastern groups, such as Hezbollah, by entering the West African diamond trade. Taking advantage of African weak states and legal system, Al Qaeda made its own underground diamond market.

Hezbollah's reputation in the West has centered on its guerrilla activities, but the dynamics of its growth and its achievement of mainstream status owe more than a little to its performance in the social arena. Hezbollah owes much of its appeal to the fact that it has been able to outstrip all other parties in the delivery of social and other public services in Muslim areas.<sup>20</sup> Hezbollah had been financing its activities with diamond smuggling with underworld's assistance. Assistance from Russian weapon traffickers, Israeli military officers and Western mercenaries.

In the list of terrorism and organized crime hybrids we must mention the Sicilian Mafia. In 1982, Italy was in a period of making a law that will allow confiscation of Mafia wealth. At this time, Mafia structure started with various threats to the Italian state if the law becomes reality. Since 1991, an agreement was reached and a decision was taken for attack of the national cultural heritage. For the first time in its history, the Sicilian Mafia had stroked the economic stability of Italy by ruining the tourist industry.

The explosion of a car bomb outside Florence's famed Uffizi gallery on May 27, 1993 launched the campaign, killing five and wounding dozens. This bombing was followed in the summer by bombings of two Roman churches and a modern art gallery. Unlike terrorist groups, which typically claim responsibility for their actions, the Mafia does not. Links between the attacks and the Mafia, however, were apparent from the beginning when it was discovered that the device used in the Uffizi bombing was similar to others used in Sicily. The bombings ceased as the Government backed off from its campaign to confiscate Mafia wealth.<sup>21</sup>

## CONCLUSION

From the words in this paper, we can surely accept and conclude that the connection between terrorism and organized crime sometimes is very close and sometimes is even invisible. Necessity of new financiers gave birth of many hybrids. Some terrorist organizations started using organized crime acts; some organized crime networks started using terrorist acts.

Although narcoterrorism is the most known, because of the high placement of drug trafficking in the scale of organized criminal activities, in our newer history we can find many examples of other hybrids, as the usage of diamond smuggling, counterfeiting, trafficking in human beings, arms trafficking etc. Also many organized crime networks with an aim of fulfilling their criminal goals through years use terrorist acts.

The paper helped for a better understanding of connection between these two modern evils and also gave a better picture for the invisibility of their border. We mustn't forget that in today's time, in such conditions of living, there is no clean criminal activity. They are all mixed and used from one another for a more successful criminal activity.

Also we mustn't forget the many differences between these two phenomena. We know that particularly terrorism is used for fulfilling political aims, political aspirations. On the other side, organized crime became the main tool for financial benefit in a forbidden and easier way. But at the end we will still stay at the opinion that these modern evils at some moments are very close and that sometimes we are not able to understand which of them has the primate before the other.

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<sup>19</sup>Levitt, M. (2006). *Hamas: Politics, Charity and Terrorism in the service of Jihad*. New Haven – London: Yale University Press, p.70-71

<sup>20</sup>Harik, J.P. (2005). *Hezbollah: The Changing Face of Terrorism*, I.B. Taurus, p.81

<sup>21</sup>Roth, M.P. (2010). *Global Organized Crime*. Santa Barbara: ABC-CLIO, p.49

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