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Background

The notion of a nexus between criminal and terrorist organizations surfaced during the 1990s. The term narco-terrorism, however, was coined even earlier than this. Ironically, it initially referred to the Medellin drug trafficking organization in Colombia using terrorist tactics to coerce the government into abandoning its policy of extraditing drug traffickers to the United States; subsequently, its meaning was reversed and it was predominantly used to describe terrorist organizations using narcotics trafficking as a funding mechanism. After September 11, in particular, it was frequently used to refer to the FARC and the Taliban using income from the drug business to fund their insurgent activities. Meanwhile, the broader notion of a criminal-terrorist nexus that emerged during the 1990s, inspired by events in the Balkans, focused less on the appropriation of criminal activities by terrorists or terrorist activities by criminals, and more on direct cooperation between criminal and terrorist organizations—a cooperation that soon became enshrined in the concept of a criminal-terrorist nexus. The Madrid bombings in 2003, in which the attacks and their preparation were financed with the proceeds of drug trafficking, are also portrayed as an example of a nexus in action.

This argument challenges widespread allegations of an emerging crime terrorism or trafficking-terrorism nexus, as well as a broader analytic trend emphasizing threat convergence. It suggests that most claims about the nexus are based on little more than flimsy anecdotal evidence, from which unwarranted and exaggerated inferences are drawn. One or even a few examples of cooperation between criminals and terrorists do not make a nexus. And they certainly do not provide evidence of a “grand shift” whereby “international drug traffickers and international terrorists are in a hedonistic marriage of design . . . linked at the hip, and . . . extremely wealthy.”¹ Yet such grandiose claims abound, fuelled by worst-case thinking and unwarranted generalizations from the few to the many.

This is not to deny some grounds exist for suspecting that criminal organizations and terrorist groups are, in some cases, forging closer links with one another. Both terrorist and criminal organizations operate in the same underworld, and often in the same geographic area or weak state; they have similar needs in terms of false documentation, weapons, and money; and each type of organization could find advantage in forging closer links with the other. For all this, it is important not to mistake isolated incidents for a secular trend, and not to emphasize specific examples of cooperation without also considering

the barriers to more extensive cooperation. Most transnational criminal or trafficking organizations and terrorist networks have little or no contact with one another, do not share common interests, and are not part of a process of threat convergence. And even where there are connections, their scope and nature are rarely specified, resulting all too often in broad allegations about the organized crime-terrorism nexus that obscure more than they reveal. The notion of cooperation needs to be disaggregated and refined. The problem with at least some proponents of the nexus approach is that they treat all levels of cooperation as equal. Little attention is given to the level, intensity, forms, and duration of cooperative relationships between criminals and terrorists, with the result that what are simply market-based business transactions are often endowed with a strategic significance they do not deserve. A very good example of this involves Al Qaeda in the Islamic Maghreb (AQIM), which has been providing “protection” for Latin American cocaine shipments that pass through West Africa and are then moved through the Sahel before being smuggled into Europe. This is often portrayed as a perfect example of the new forms of cooperation between criminal and drug trafficking organizations on one side and terrorist organizations on the other. Yet, in some contexts, the term protection is little more than a polite euphemism for extortion. This makes it surprising that few observers have asked the key question – is the protection accepted voluntarily by the traffickers or is it a tax imposed on them by the major terrorist organization operating in the region, as the price of moving the drugs through AQIM-controlled territory?

Against this background, this note is an effort to go beyond the facile labels and identify an emerging reality in which entities are adapting and evolving, in which relationships are coming and going, and in which new kinds of organizations and arrangements are emerging. In doing this, it is important to recognize that existing categorizations might not be adequate to encompass the variety of complex, highly dynamic relationships and interactions between criminals and terrorists. Consequently, it might be necessary to develop new categories and concepts. As Karl Weick and Kathleen Sutcliffe note, “people who persistently rework their categories and refine them, differentiate them, update them, and replace them notice more and catch unexpected events earlier in their development. That is the essence of mindfulness.”²

Indeed, in thinking “mindfully” about organized crime and terrorism, at least four different phenomena or dimensions of the issue are discernible:

- Relationships between groups involved in political violence and those involved in criminal business;
- Appropriation of methods, i.e. the possibility of each kind of entity engaging in the kinds of activity associated with the other (terrorists using crime for funding and criminals using terrorism for some political objective);
- The emergence of hybrid organizations that harmoniously combine political and financial objectives;

- A transformation in identity and purpose, whereby a criminal organization becomes radicalized and engages in political violence or a terrorist organization abandons its campaign of violence in favor of a criminal agenda and the pursuit of profit rather than political, ideological or religious goals. Each of these phenomena must now be examined.

Relationships between Criminals and Terrorists

Rather than just focusing on the prospects for and examples of cooperation between criminals and terrorists—an approach that is inherently vulnerable to confirmation bias—it is necessary to consider the spectrum of possible relationships between criminal and drug trafficking networks on the one side and terrorist organizations on the other. Such an approach reveals examples of conflict as well as cases of cooperation. Instances of this include the relationship between the PKK and Kurdish drug networks in Europe. This started as a predatory relationship as PKK imposed transit taxes on traffickers crossing territory it controlled; when the PKK saw the financial benefits of drug trafficking and moved into the business for itself, the relationship became hostile and violent. Another example is the conflict over the profits from tribal rackets between the Sunni tribes and AQI, a conflict that provided the basis for the “Sunni Awakening” and U.S. success in Anbar.

There are also examples of cooperation. On occasion, terrorist organizations need goods or services that can only be provided by others. In such cases they might reach out to conventional criminal organizations. One possibility, for example, is that they seek assistance from criminal organizations that can provide operational support. Such groups, which are sometimes characterized as “criminal service providers” include those specializing in clandestine travel and possessing the resources and expertise to facilitate the illegal movement of people.³ Similarly, when they need weapons or explosives, and have difficulties in procuring them directly, they turn to criminal brokers who are adept at putting together customers and the illegal supplies they need. The brokers might or might not know that they are dealing with terrorists. For the most part, however, the main concern of the brokers is that the payments from the customers will be prompt. In a similar vein, those terrorists lacking the skill or resources to make fake passports will call on providers who specialize in document forgery. Such relationships generally involve little more than a one-time business deal, although sometimes it will be more enduring.

Cooperation is likely to occur and be more enduring and extensive when criminal and terrorist organizations share the same geographical and opportunity space, as they did in Iraq, Afghanistan, and the Sahel. Much of the cooperation occurred in the kidnapping business, and ranged from tacit to explicit. Sometimes the initiative was taken by kidnapping gangs, which

abducted people with the expectation that they could sell them to political groups that might either kill or ransom them. So long as the gangs were paid, the fate of the hostages was irrelevant. On other occasions, however, the insurgency and jihadi groups let it be known that they had certain requirements or targets; the for-profit kidnapping groups typically responded to what was, in effect, a request for services by abducting appropriate victims. In other words, the criminal market worked very efficiently and successfully, corresponding fully with John Robb's notion of a "bazaar of violence."⁴

At other times, cooperation can be driven by sympathy or affinity. In Italy, for example, it was reported that "a member of the Camorra, the Neapolitan Mafia, converted to Islam and subsequently set up an exchange of arms for drugs between the Camorra and Islamic terrorists."⁵ According to Pierluigi Vigna, Italy's national anti-mafia prosecutor, these cooperative links were formed in prison.⁶ The notion of affinity between a criminal and a terrorist organization facilitating cooperation is also relevant in terms of Lebanese criminal and drug trafficking organizations and Hezbollah. In this connection, however, there might be an important distinction between the Chekry Harb trafficking organization and that of Ayman Joumaa. Both made payments to Hezbollah that can be understood as protection or extortion payments, but Joumaa seems to have had more affinity for the organization than did Harb.

In short, relationships between criminal and terrorist organizations span the gamut from conflict to cooperation. Much depends on context and a variety of other factors. Yet it is important not to ignore the inhibitions on cooperation. Criminals are generally pragmatic, risk averse, business oriented, and concerned about feeding illicit markets and deriving the profits therefrom. They do not want to be involved in anything that might disrupt their market. This logic might be particularly compelling for Latin American drug trafficking organizations. For their part, terrorists likely have serious reservations about cooperation with criminals, who are greedy, non-believers, overly pragmatic and excessively preoccupied with money. Moreover, for terrorists, criminals who do not share their political convictions are inherently unreliable partners who might betray or exploit them.

It is perhaps not surprising, therefore, that terrorists themselves have increasingly become involved in criminal activities as a funding mechanism.

Terrorist Appropriation of Criminal Methods (Do-it-Yourself Organized Crime)

If there is a nexus anywhere, it is between terrorist organizations on one side and organized crime activities on the other. This is the 600-pound gorilla. The use of organized crime activities by terrorists is widespread and has become even more prevalent, especially for groups involved in global jihad, in the years since September 11. As other funding sources, such as diversions from Islamic charities have been restricted, global jihad groups have increasingly resorted to

criminal activities, which do not have a steep learning curve in terms of acquiring basic competencies. Moreover, the criminalization process is facilitated by the fact that many terrorist organizations operate in, from, or through lawless areas where state capacity is weak or state authority is absent. It is also fairly easy for terrorist organizations to justify or rationalize these criminal activities, either by claims that the end justifies the means or by the argument that these activities are directed against the enemy. Terrorist organizations raising money through drug trafficking, for example, legitimize their activities by emphasizing the drugs will be consumed by infidels.

Crimes designed to produce income that will help fund the cause are the most obvious criminal activities used by terrorist organizations. Another category is what might be described as logistical support crime, that is, crime that facilitates easy and undetectable movement of personnel or money across national borders. A third category covers criminal activities designed to protect the terrorist organizations against law enforcement and intelligence agencies – and these can include violence or corruption or a mix of both. The fourth category of crimes encompasses those committed in direct support of specific operations or attacks – and typically includes such acts as the theft of weapons and explosives, illegal immigration that facilitates undetected entry into the target country, and even drug trafficking if necessary to provide any additional funds that are required.

Specialized criminal activities for profit are easy to implement, lucrative, and low risk, especially in regions where a terrorist group can operate with minimum interference and maximum impunity. They include looting of natural resources (oil in Iraq and Syria) and cultural property, the trafficking of drugs, cigarettes, weapons and other contraband, kidnapping-for-ransom, and extortion, as well as theft and counterfeiting. More work needs to be done on the fungibility of these various revenue streams to assess how badly terrorist organizations can be hurt by the international community targeting a particular revenue stream.

The Emergence of Hybrid Organizations

Given the linkages and associated learning between criminals and terrorists, as well as the use of crime by terrorists, some groups become hard to categorize using traditional typologies. In some instances, for example, it is impossible to tell whether an entity is predominantly criminal or terrorist since it has major attributes of both. Recognizing this, it is possible to identify the emergence of hybrid organizations that share the attributes and objectives of both criminal and terrorist groups. The notion of hybrids is rooted in biology and botany. The word is generally used to refer to “the offspring of two different species” or “the genetic mixture or cross of two unrelated plants.”⁷ Here it refers to organizations combining an explicit political agenda pursued through violence with a desire to make profits through illegal activities that go beyond

those needed to fund the cause. In cases such as this, the major players are hybrid organizations, part criminal enterprise and part terrorist group. Examples of these hybrid organizations can be found in South Asia and Latin America, and among the terms that have been used to capture them are “commercial insurgency,” “Dons of Terror,” and “For Profit Terrorism.”⁸ Some hybrids—such as D-Company and the Haqqani Network—are entirely comfortable with the mix and do a good job of sustaining and balancing their different agendas. Others, such as Abu Sayyaf, however, are less comfortable and as a result, tend either to shift the emphasis back to their original character or to oscillate uncertainly between its terrorist and criminal identities.⁹ FARC has most of the qualities of a hybrid and although some would argue that it has transformed from terrorist to criminal, it is not clear that the organization, as a whole, has disavowed its ideological goals. Indeed, in an analysis done several years ago at the University of Pittsburgh it became clear that FARC was far better connected than most criminal or terrorist organizations and that it could also act as a bridge between the two worlds.

Transformation

The notion of transformation reflects the dynamism of political and social phenomena and the capacity of organizations to morph. Transformation can occur in both directions either through the commercialization of terrorist organizations or the politicization of criminal organizations. Fundamental to the process, however, is a shift in the primary purpose of the organization—going from bringing about political change through violence to using criminal activities for financial gain, or the opposite. In some cases, the transition can be quick and relatively direct; in others, it may be slower, moving through the rise and decline of a hybrid organization.

One possible cause of terrorist organizations becoming criminal organizations is disillusionment with the progress of the political struggle. Another is that, over the long haul, a group becomes so enamored of its moneymaking activities that the political struggle becomes secondary, and ultimately subordinate. Profit trumps politics, and political objectives are ultimately abandoned in favor of the pursuit of profit for its own sake.

Change can also occur in the other direction. Perhaps the best example of this transformation is the hashish trafficking group that became involved in the Madrid bombings of March 11, 2004 and actually financed the operation. The drug traffickers purchased the explosives with a mix of money, Moroccan hashish and a stolen car. Indeed, Spanish authorities concluded that the attacks cost somewhere between 43,000 and 54,000 Euros, all of which was provided by the traffickers.¹⁰ The terrorists had over 50,000 Euros in reserve, as well as a stash of drugs worth over a million Euros. Although it appeared initially that the Madrid bombings were an authentic case of close cooperation between criminal and terrorist organizations to carry out terrorist attacks, in fact, something

different occurred. The key was the radicalization of the leader of the trafficking group, Jamal Ahmidan who was partially radicalized by the U.S. invasion of Iraq while in prison in Morocco. When Ahmidan returned to Madrid and met Sarhane ben Abdelmajid Fakhet, a zealot and wannabe terrorist, his radicalization was complete. In the event, Ahmidan and two Moroccan brothers who were part of his trafficking organization were in the apartment in Leganes, and on April 3, 2004 blew themselves up rather than surrender to the police. This was very uncharacteristic of drug traffickers who are intent on making money, and suggests they had not only embraced a militant form of fundamentalism, but also were willing to make the ultimate sacrifice for the cause.

Conclusions and Implications

The security challenges posed by terrorist-criminal cooperation and by terrorists engaged in drug trafficking, extortion, kidnapping and other activities are relatively modest. Convergence and cooperation cannot be ignored, but do not represent the kind or level of threat sometimes claimed. Moreover, there is a downside for terrorists in both cooperation with traffickers and appropriation of trafficking methods. For terrorists, cooperation creates risks of betrayal by pragmatic criminals, especially those who have no affinity for the cause. Moreover, cooperating with criminals also increases the possibility of infiltration by law enforcement and intelligence agents. Similarly, trafficking and other criminal activities can undermine both the status and legitimacy of a terrorist organization, as well as cause internal arguments and even divisions over the allocation of increased resources. Governments can also develop counter-narratives that tarnish the appeal of high-minded terrorists by emphasizing their linkage to common criminals and common criminality. In the final analysis, therefore, not only can the threat be contained, but it might also provide opportunities that can be exploited by the United States and its allies.

Endnotes

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6 Ibid

7 Definition of Hybrid: *Botanical Dictionary*

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9 McKenzie O'Brien, *Fluctuations Between Crime and Terror: The Case of Abu Sayyaf's Kidnapping Activities*, *Terrorism and Political Violence*, Vol. 24 No. 2, March 2012, pp. 320-336

10 See Spanish police identify financial mastermind of Madrid bombings, *El Pais*, May 17, 2005