

Narco terrorism and terror funding

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LONG ago, Chanakya, the wizard of statesmanship, had opined "*Feed a little opium everyday to your neighbour*". The strategic importance of this incisive piece of advice has been taken notice of only by terrorists, insurgents, militants, mafia gangs, separatist and those who operate within the shadow economy. Illicit drug business is a form of criminal and shadow economic activity. The vast and deep rooted global shadow economy include the imposition of taxes on illicit drug trade/production in major drug – producing areas and along main trafficking routes as well as related money laundering activities.

The high profitability in illicit drug trade enables many terrorist groups to achieve full financial self-sufficiency. All aspects of illicit drug business from imposing taxes on cultivation, production and local trade to global trafficking are highly lucrative. The illegal drug trade has been estimated to be worth \$ 2 trillion per annum. The U.S. House Speaker Dennis Hastert has expressed the view that "The illegal drug trade is the financial engine that fuels many terrorist organisations around the world".

In 1983, the term "narco-terrorism" was introduced by Peruvian President Belaunde Terry. It became very popular in a short span of time.

Drug Enforcement Agency of U.S.A defines Narco – Terrorism as "an organized group that is complicit in the activities of drug trafficking in order to further, or fund, premeditated, politically motivated violence perpetrated against noncombatant targets with the intention to influence (that is, influence a government or group of people.)"

The complicity of terrorist groups in drug trafficking varies from group to group and region. In the broadest sense, some terrorist groups may be involved in all aspects of the drug trade, from cultivation, production, transportation, and wholesale distribution to money laundering. These groups may also provide security for drug traffickers transporting their product through territory controlled by terrorist organization or their supporters. Finally, in some cases, terrorist groups or their supporters may require a "tax" to be paid on illicit products, or passage through controlled territory.

Any region, in which illegal drugs are cultivated, transported, distributed, or consumed, is susceptible to narco-terrorism. Throughout the world, insurgent groups, revolutionary groups, and ideological or spiritual groups, who use violence to promote their political mission may use drug proceeds to fund acts of terror in furtherance of their ideology. Leadership, cultural, political, and economic change may affect the ideology or mission of a group. Internal divisions and splinter groups may result, each seeking to pursue their goals via different avenues, be they legitimate political activity, perpetuation of violence, or criminal activity, such as drug trafficking.

There are 12 major multilateral conventions and protocols on combating terrorism. International efforts to combat narco-terrorism are focusing on asset seizure and control of all funding sources used by terrorist organizations. In 1999, the International Convention for the Suppression of the Financing of Terrorism was adopted. It required signatories "to take steps to prevent and counteract the financing of terrorists, whether directly or indirectly, through groups claiming to have charitable, social or cultural goals or which also engage in such illicit activities as drug trafficking or gun running." Under this convention, signatories also were required to hold those who finance terrorism to be criminally, civilly, or administratively responsible for their acts.

On September 28, 2001, the United Nations Security Council unanimously adopted an anti-terrorism resolution that called for the suppression of terrorist group financing, and improved international cooperation against terrorists. The resolution, identified as Resolution 1373 (2001), requires all states to prevent and abolish the financing of terrorism, and to criminalize the willful collection and distribution of funds for such acts. Furthermore, the resolution created a committee to monitor the implementation of the guidelines set forth in this resolution. The Security Council noted, "the close connection between international terrorism and transnational organized crime illicit drugs, money-laundering, illegal arms trafficking, and illegal movement of nuclear, chemical, biological and other potentially deadly materials, emphasizes the need to enhance coordination of efforts on national, sub regional, regional and international levels to strengthen a global response to this serious challenge and threat to international security."

There are three crucial elements to attacking narco-terrorism: law enforcement efforts, intelligence gathering, and international cooperation. Many terrorist groups rarely act within the borders of one state, but tend to have a more global view in regard to their activities and fundraising. This means that combating narco – terrorism requires a global network of law enforcement and intelligence official tracking this issue wherever it appears.

Proliferation of terrorist groups, fundamentalist organisations, militant outfits, revolutionary groups across the globe has become the major cause of concern for almost all nations. Armed with sophisticated weapons, communication equipment, dedicated followers, bases spread throughout several countries, many terrorist outfits are mini governments by themselves. Maintenance of such establishments involves heavy monetary expenditure. The clandestine nature of operations, buying equipments, devices, buying of intelligence, all require quick infusion of money. The terrorist groups need rapid cash transfers, access to various currency systems and denominations, yet at the same time ensuring that no paper trail is left behind for investigators to pursue. The success of any terrorist organisation today depends on its ability to raise, manage and move money across different parts of the globe. A terrorist leader derives much of his authority and influence from the liquid cash reserves he can control and manipulate. Hence many terrorist groups seek to develop complex global financial networks that will enable them to indulge in money raising and money moving systems, which are required to attract the support or buy the acquiescence of rival terrorist outfits and mercenary groups. To harmonise these processes throughout the global transportation and logistics networks, efficient financial networks must be in operation. The proliferating unregulated banks all over the world, unregulated offshore centres and, financial organisations have facilitated and contributed to the movement of terrorist finances. Networks that ferry terrorist money and other financial instruments do not require actual physical movement of bank notes across borders. The regulations of the legitimate financial world are not relevant in the illegitimate financial networks. Since much of terrorism has become transnational coordination among disparate banking systems, investigating enforcement agencies, have to deal with bloated bureaucracies of different countries involving a convoluted maze of agencies, directorates, and bureaus, which are time consuming and unproductive.

Drug trafficking has become the best weapon for the terrorists, apart from enabling them to finance their wide range of illegal activities, the drug market has enabled them to undermine targeted countries, both, politically and economically.

Various United Nations organisations and their associates like the International Monetary Fund (IMF), the World Bank, the United Nations Office on Drugs and Crime (UNODC) and Interpol, are at work to ensure that nations have in place the laws and institutions to comply fully with international norms and obligations to combat money – laundering and financing of terrorism. The International Convention for the Suppression of the Financing

of Terrorism adopted by the United Nations in 1999 established as an independent crime the very act of providing or collecting funds with the intention or knowledge that they would be used to carry out terrorist acts.

Yet, experts around the world are also examining a new dimension to the problem

++ Is the funding of terrorism another unintended consequence of drug prohibition?

++ Could a regulated and controlled model for soft drug similar to approach with alcohol stop the flow of illegal drug profits?

The above questions are likely to engage the attention of world leaders and authorities in the days to come.