

Terrorism and Organized Crime, Overlapping Spheres

A significant event such as the end of the Cold War had left a mark on various spheres of social and political life. The end of the Cold War also marked a subsequent decline in state sponsored terrorism, this was especially apparent among leftist terrorist groups who were mostly supported by the Soviet Union. Another event which had also made a huge impact on terrorism was 9-11 and the US declaration of war against terrorism. These events were critical for the evolution of terrorist groups and their sources of funding. A newly created situation forced terrorist groups to search for new ways in order to survive and acquire resources for their operations. Engaging in organized crime was the most natural direction for many terrorist organizations. In the nineties the so called crime-terror nexus has been consolidated which describes a straightforward use of criminal activities by terrorist organizations in order to finance themselves.¹ Criminal activities practiced by the terrorist groups covers a wide range spectrum which includes: illicit trade of goods, human trafficking, illegal arms trade, kidnapping, drug trade (which is the most popular thus the term narco-terrorism) and taxation/extortion.

Beside these two global factors which induced the transformation or convergence of terrorism and organized crime there are also other aspects of this issue. The expansion of "failed states" such as Somalia, Iraq, Afghanistan, Kosovo, Libya, Ukraine, Syria, Yemen are sustaining the crime-terror nexus. In countries such as these governments are usually too fragile or too corrupt to challenge the criminal structure, this of course leads to further proliferation of criminal activity which eventually attracts terrorist groups². Widespread of arms and porous borders in Europe, Africa and Middle East further develop the nexus, conflicts in Middle East and Sahel region are probably the biggest contributors. Conflicts in these regions are also contributing to drug trade, arms trade and oil trade by smuggling routes which are easily used because of the porous borders and the overall instability in the region.

Terrorist organizations were accustomed to receive funds and support from second parties, however after the End of the Cold War and the crackdown on international terrorism many of these groups were forced to utilize criminal activity for generating revenue. Some terrorist organizations started with "in house" criminal activities for generating income after which they would engage criminal groups to satisfy their financial and operational needs. Many terrorist organizations have managed to form relationships to other transnational criminal groups or to develop and sustain a sophisticated cell structure that can operate within the frame of organized crime.³ This phenomena can be seen in groups such as Al Qaeda which are especially

¹ Tamara Makarenko, *The Crime-Terror Continuum: Tracing the Interplay between Transnational Organized Crime and Terrorism*, p.130 (<http://www.iracm.com/wp-content/uploads/2013/01/makarenko-global-crime-5399.pdf>)

² Thomas M. Sanderson, *Transnational Terror and Organized Crime: Blurring the Lines* p. 51 (http://www.shirleymohr.com/JHU/Sample_Articles_JHUP/SAI_2004_24_1.pdf)

³ *Ibidem*. p. 50

successful in the so called "black hole countries".⁴ Utilizing crime for generating revenue is present even in organizations that are founded or partially funded by the state. Hezbollah is a good example of this, though the group receives generous funding from Iran the group still relies on criminal activity to sustain or improve their operational capabilities.

Terrorist as well as criminal organizations have numerous similarities regarding their structure and the way they function. Furthermore these groups doesn't necessarily need to be in contact in order to implement or apply each other's strategies and tactics. Probably one of the most important characteristics of these groups is their flexibility. Flexibility allows quick operations, movement of cells and financial resources, or decision making without headquarters approval. This trait is essential for these groups because it allows them to escape the authorities, also this kind of power distribution reduces the possibility of decapitating strikes which could potentially destroy any criminal or terrorist network.⁵ Other similarities shared by terrorist and criminal networks also include:⁶

- Both groups are rational actors
- Both utilize violence, kidnapping, extortion, assassination etc.
- Both operate in secrecy
- Both defy state rules and the rule of law
- Leaving either of these groups is not an option, usually ends in death
- Both groups are adaptable to current situation in society and also quite resilient
- They share similar structure in terms of leadership and soldiers

There are also points in which these groups diverge from one another. While terrorist organization are usually trying to promote their "work" by mass media implementing extreme violence and spectacular morbidity in order to spread terror, criminal organizations are focusing on revenue and secrecy in order to extend their operations. Motivation and goals are also diverging factors. Profit is usually the main motivation or goal for organized crime unlike terrorism where profit is only an instrument or a resource in order to complete further goals. Ideology, religion or politics are the main propellants for many, if not all terrorist organization while criminal groups generally don't associate themselves with these terms. Finally a criminal group may implement occasionally terrorist "tactic", but criminal activity may become a permanent source of revenue for a terrorist organization. Furthermore evolution from a criminal group to a terrorist one is extremely rare, while a terrorist group can evolve into a hybrid organization simply because it needs funding and resources.

⁴ A black hole state is a weak or a failed state that provides a fertile ground for convergence of terrorist and criminal groups and creates "safe haven" for such organizations to freely continue with their operations, as in Afghanistan. Mathew D. Phillips, Emily A. Kamen, *Entering the Black Hole: The Taliban, Terrorism and Organized Crime* p. 41(<http://jtr.st-andrews.ac.uk/articles/10.15664/jtr.945/>)

⁵ *Ibidem.* p. 54

⁶ Peng Wang, *The Crime Terror Nexus: Transformation, Alliance, Convergence* p. 12 (<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.666.3359&rep=rep1&type=pdf>)

Islamic State today represents one of the best examples of converging criminal activity with terrorism. Evolving from Al Qaeda in Iraq the Islamic State managed to spread and organize its funding networks across Syria and Iraq relatively fast. In the beginning their emergence has been probably funded by the rich oil-producing states in the gulf. These oil producing countries which are in particular non-democratic have a long history of financing terrorist organization. In these countries oil revenues are easily concealed by the government and their spending is usually unknown to the public. Among others Saudi Arabia is believed to be the most relentless when it comes to financing Islamic fundamentalism across the globe. Traditional elites, who usually control oil production, are inclined to support terrorism due to ideological or religious identification. In Saudi Arabia oil-money is especially suspicious because of the widespread belief that it has been used to fund Al Qaeda among other radical organizations.⁷ However the Islamic State can't rely on this type of funding alone, capturing oil fields and exploiting oil trade on the black market brings huge revenues for the organization. Also historical artifact smuggling has been extremely profitable at one time and there is no reason to believe that the Islamic State is not present in the drug trade. Taxation/extortion of people but also smuggling routes crossing their territory is also a high source of revenue for the organization. As some regions become more turbulent and countries more unstable many radical, extremist or terrorist organizations will become more accustomed to the criminal activity. In normal countries we can still see the strict line that separates organized crime and terrorism and the groups that are involved, but in these failed states or black hole countries the border between these groups is clearly fading with the tendency to be completely erased.

IGOR PEJIC, graduated Political Science Foreign Affairs Department at the Faculty of Political Science and MA in Terrorism, Security and Organized Crime at the University of Belgrade, Serbia.

⁷ Chia-yi Lee, *Oil and Terrorism: Uncovering the Mechanics* p. 5 (Downloaded from jcr.sagepub.com at KoBSON on November 30, 2016)