

Transnational Trends: New Threats?

The term “transnational” means a phenomenon that cuts across national borders and often is not directly controlled by national governments. Transnational threats include terrorism, organized crime, drug trafficking, illegal alien smuggling, smuggling of weapons of mass destruction (WMD), widespread environmental degradation, and a host of others. What security challenges do transnational threats pose, and what do they portend for the future? These threats are already affecting global affairs and could intensify in ways that further damage U.S. interests. This chapter will focus primarily on terrorism, international organized crime, and drug trafficking.

Many transnational threats are interrelated. Although they are politically motivated, terrorist and/or insurgent groups often provide armed protection to narcotics operators in exchange for money or arms. Conversely, organized crime groups and drug traffickers commit terrorist acts that target government agencies and personnel who attempt to bring them to justice. These activities also rely on clandestine networks that operate across the frontiers of several states. Additionally, these operations violate international

laws. Thus, while their motivations may not intersect, many of the actions of international criminal narcotics networks and terrorist groups frequently do. The point is that these actors are clandestine networks that operate fluidly across the frontiers of several states to threaten public order, undermine the rule of law, and disrupt good governance.

President Clinton’s *National Security Strategy for a New Century*, published October 1998, articulated the need for a coherent U.S. policy approach to deal with these transnational threats. Accordingly, the Department of Defense is examining how its strategies and missions may shift to meet these dangers. This is being done with the realization that a reactive policy and a disjointed strategy will not be effective. The future challenge facing the United States will be to design more comprehensive policies to meet these threats.

Key Trends

The lack of predictability in the post-Cold War international system has become one of the larger problems confronting policymakers. Magnifying this uncertainty is the weakened state of numerous countries resulting from internal economic and social strife. Some governments have been debilitated in struggles against their own



AP/Wide World Photos

Sergei Mikhailov (right, in a bullet-proof jacket), accused of heading a Russian Mafia organization with operations in New York, Los Angeles, Houston, and Miami

citizens or as one of many groups vying for power in fragmented and disputed territories. For many Third World states, the loss of windfalls from the old bipolar rivalry has further compounded these difficulties. Many regimes that were propped up for decades by aid and assistance now lack backing and financial support. Indeed, while the Cold War competition to obtain and keep allies was problematic for numerous reasons, it was a boon for many in the Third World. It maintained a semblance of economic stability and stifled bids for power by ethnic, religious, and opposing political groups. With foreign aid and Cold War restraints now declining, festering internal problems have toppled onto the international stage and now pose myriad threats to global stability.

Fertile Ground for Transnational Threats

Transnational threats are growing because of fertile ground. In many formerly authoritarian states, there has been a long tradition of using coercion, violence, and numerous forms of corruption to resolve disputes in society. Further, such arbitrary regimes left a strong legacy of reliance on roles and relations rather than rules and regulations in which personal affiliations and connections were the preferred means of achieving monetary and political success. With the most recent wave of democratization, there was an expectation that the mechanical features

of personal government would be eradicated from political cultures as quickly as votes could be cast. However, while it may be true that in many new democracies elections are now regularly held and there is the ability to form an opposition, it is questionable whether these are sufficient credentials to allow for the label liberal democracy. Superimposing a system of laws and constitutional ideals on top of an entrenched culture of reliance on arbitrary and personal government using the coercive instruments of the state to advance its own purposes of monopolizing power has not met with the advertised success. Indeed, establishing a constitution and the rule of law is a tall order, especially for those people who climbed the slippery slope of power under authoritarian governance only to reach the pinnacle and find that the structure had changed. Hence, in many of the emerging democracies, the underlying system continues to be plagued with factional loyalties that take precedence over the commitment to public policies, and indeed the constitution. Robert Jackson refers to countries displaying this lack of empirical statehood as “quasi-states.” He argues that while these states may enjoy juridical sovereignty in the international system, internally they not only lack “institutions capable of constraining and outlasting the individuals who occupy their offices” but they cannot guarantee a stable social order, and therefore freedom, for most of their citizens.¹

In this setting, criminal elements are able to co-opt government officials through bribery or threats of violence. In effect, these criminal groups become a shadow government. In some regions of Colombia, for example, insurgents and drug mafias replaced the state as the governing authority for lengthy periods of time. In the city of Medellín in the 1980s, the drug cartels became famous for rivaling the government in their provision of housing and other amenities to the poor. Former Medellín cartel leader Pablo Escobar was well known for his contributions of housing and soccer stadiums in the poor areas of the city.² However magnanimous these deeds were, these groups and individuals were not elected representatives of the people. Rather, they insinuated themselves using large quantities of money and have continued to operate with relative impunity like barons of medieval feudal fiefdoms, with the law of the jungle as a guide for the dispensation of their largesse and

their justice. Hence, while the citizens in many states are subject to well-written and just constitutions on the formal level, at the informal level they are subject to as much arbitrary rule as exists in any authoritarian state. The lack of liberty and fear for personal safety that are characteristic of authoritarian government amount to the same thing, but the coercion is simply being employed increasingly by groups other than the government. Nor have organized criminals and terrorists limited their activities solely to the territories of their home states. They have increasingly extended their empires into other states' jurisdictions, while simultaneously hiding behind the sovereignty of their home states. While they pose a threat to the international system, these groups have been difficult to target because of the customary international legal premise of noninterference in the internal affairs of states.

The challenge now is to identify and evaluate old and new transnational dangers and retool national security policy to address them. Transnational threats may be subcategorized as those that pose a longer term danger, and those that pose an imminent danger. Longer term dangers are those with effects that are currently less discernable. Consequently, fewer resources have been dedicated to understanding and countering them. They are, nonetheless, a gathering storm and pose a distinct danger to global security. These threats include environmental degradation, cybermanipulation, smuggling of WMD, global contagion and health issues, smuggling endangered flora and fauna, and smuggling of illegal aliens.

The immediate and more apparent dangers are currently being experienced in the global community, with disastrous consequences. They include terrorism, international organized crime, and drug and arms trafficking. Leeching off weakened and failing governments, organized crime and terrorist groups have slowly ravaged their host states. Their spreading influence has become a global scourge that often rivals the power and economic assets of sovereign states.

These threats require different policy approaches. Treating long-term threats the same as imminent threats may deflect attention from and weaken planning for more immediate concerns. For instance, using crisis action planning to deal with global warming will likely result in a short-sighted approach to a long-term problem. Likewise, clear and present dangers to national security would be underestimated if placed in the same category as deforestation and refugee problems.

The threats of terrorism, international organized crime, and drug trafficking have the potential to significantly disrupt the U.S. social order. These threats are mutating and multiplying. Criminal groups often make "power sharing" arrangements with each other and threaten aspects of state sovereignty and security that have, traditionally, been taken for granted. They are increasingly proving the permeability of national borders, gaining access to states through clandestine methods, destabilizing and corrupting governments, and perverting systems of justice to the point that states cannot maintain order. The United States is endangered; other countries are even more so.

Terrorism: Growing and Mutating

In recent years, there has been a surge of terrorism against U.S. targets, some of it international, much of it domestic. The August 1998 bombings of U.S. embassies in Nairobi and Dar Es Salaam by the Osama bin Ladin terrorist network followed the June 1996 bombing of the Khobar Towers near Dhahran, Saudi Arabia, and the 1994 bombing of the U.S. military Assistance Headquarters in Jiddah, Saudi Arabia. These acts represent a resurgence of anti-U.S. Middle East terrorism reminiscent of the mid-1980s. At the same time, U.S. domestic terrorism has increased, as evidenced by the bombings of the Alfred P. Murrah Federal Building in Oklahoma City, Centennial Olympic Park in Atlanta, the World Trade Center in New York City, and abortion clinics in various locations.

Bin Laden has become the inspiration for Islamic radicalism and the principal source of financing and coordinating Middle East terrorism. He supports two dangerous Egyptian terrorist organizations, the Islamic Group and Islamic Jihad. They have extended their operations into Albania and have attacked foreigners and government facilities in Egypt. Bin Laden also supports active terrorist groups in Saudi Arabia. His own organization was responsible for the Dar es Salaam and Nairobi U.S. embassy bombings.

On August 20, 1998, retaliatory missile strikes were conducted against bin Laden's facilities. More seriously damaging was an internationally coordinated effort to identify and arrest his organization's members in a dozen countries.



Wreckage of U.S. Embassy following bombings in downtown Nairobi, Kenya

Additionally, Saudi Arabia, Pakistan, and others have pressured the Taliban, which protects his network. Yet, he continues to plot against the United States and to seek new targets.

However, bin Laden is not the central element creating or controlling Middle East terrorism. This region is of great importance to the United States, and terrorism in or flowing from the Middle East has periodically been a major problem for the United States and its friends and allies. The two Egyptian groups retain some power in Egypt; however, they have been severely weakened by popular revulsion over the

deadly 1997 attack on foreign tourists at Luxor and by the Egyptian Government's antiterrorist efforts. In Israel and the Occupied Territories, Hamas and Islamic Jihad have been more subdued over the past year because of pressures from Arafat's Palestinian Authority, the Israeli Government, and perhaps an internal decision to await a more propitious time to resume large-scale activities. However, the potential for serious terrorist attacks remains; this was clearly demonstrated by the 1996 suicide bombings which disrupted Israeli domestic politics and the peace process. In the Persian Gulf, there is also substantial potential for terrorism, which has largely been quiescent since the Khobar Towers bombing. Bahrain, Kuwait, and Saudi Arabia are potentially vulnerable countries.

The Middle East may see a resurgence of terrorist activity in 1999, building upon popular anger at the combination of U.S.-led bombing and sanctions against Iraq, Israel's refusal to withdraw its troops in accordance with the Wye agreement, and falling oil prices. Popular pressures may cause governmental controls to be less stringent in response. Organized or spontaneous opposition political movements have grown stronger and provide cover for the development of terrorist activities. Both organized and spontaneous terrorists may become more aggressive in attacking U.S. military or civilian targets in the region as well as in attacking Israel.

Elsewhere in the world, most terrorism is either internal or of less importance to the United States. The Tamil Tigers of Sri Lanka are one of the world's deadliest and most determined groups, but their activities are restricted to that country. The same is true of Sendero Luminoso in Peru and the Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN), both in Colombia. The Irish Republican Army in Northern Ireland has at least temporarily eschewed terrorism, while Catholic and Protestant splinter groups have either followed suit or been badly decimated.

To complicate matters, a new breed of terrorists is emerging. During the Cold War, traditional terrorist groups often were directed and supported by foreign governments. Such groups were well trained and organized. They also had specific political motivations, making them easier to identify and target. International pressure on sponsoring governments often had an effect over time.

The new breed of terrorists lacks such comprehensible ideals, relies heavily on religious motivations, is less well organized, and has few if any ties or allegiance to a particular state. Their more diffuse and less defined structure makes them more difficult to identify and eradicate. Obscure, idiosyncratic cliques of fanatics with no clear ideological objectives, along with nationalist quasi-religious zealots, have thus introduced a far more dangerous component into the terrorism frenzy. They have a hedonistic desire to wage violence against the U.S. and its citizens, for largely ambiguous motivations; this makes them far more dangerous than the previous generation of terrorists.

Additionally, "amateur" terrorists are now further complicating the problem. The Unabomber, Theodore Kaczynski, and the Oklahoma City bomber, Timothy McVeigh, are American cases in point. They acquired their knowledge and weapons from locally available books, the Internet, and farm supply stores. New foreign amateurs operate alone, without a command structure, plotting schemes in foreign states and operating beyond the scrutiny of U.S. law enforcement. For example, some Hamas terrorists seem surprisingly unprofessional and act out of religious fervor without training or specific instructions. The World Trade Center bombers operated similarly. As disingenuous as these dilettantes were at eluding capture, they did set a new precedent for terrorism. The new amateurs are virtual unknowns, are erratic, and have fewer inhibitions about indiscriminate killing.

Terrorism is also attracting mercenaries. With the Cold War's end, experts in mass killing and destruction became unemployed and therefore available to the highest bidder. They may be used by governments seeking to commit terrorist acts. Rank amateurs for hire may be used as expendable dupes, as well. Attacks that occurred in France in summer 1995 exemplify this trend. In these incidents, terrorists used cooking-gas canisters with nails wrapped around them to kill eight people and wound approximately 180 more. French authorities believe that professionals conducted the first attack. After that, the Algerian Armed Islamic Group (GIA) recruited amateurs from the Algerian expatriate community in France to conduct the remainder of the bombings.

Terrorism is metastasizing and spreading in ways not previously considered. Lacking meaningful ideologies, terrorist groups and amateurs today often do not claim responsibility for their actions or seek media attention as in the past. The new terrorists are less identifiable and more

willing to commit acts of terrorism for money, out of simple malice, or misguided zeal.

The future will be influenced by the actions taken to control, deter, and punish terrorism. At the G-8 meeting in 1997, participating countries reaffirmed their intent to combat terrorism. They also expressed determination to persuade all countries to join the international counterterrorism conventions signed in 1986. If such international cooperation grows, it may dampen terrorism. However, even if success is achieved, terrorism will likely remain a problem to some degree in the foreseeable future.

Organized Crime Growing

While no uniform definition of international organized crime exists, *World Crime Trends* describes it as, "any group of individuals organized to profit by illegal means on a continuing basis."³ Additionally, the "Report of the UN Seminar on International Crime Control" states, "This phenomenon is usually understood as a relatively large group of continuing and controlled criminal entities that carry out crimes for profit and that seek to create a protective system against society by illegal means such as violence, intimidation, corruption and large-scale theft."⁴

International organized crime is not well understood, largely because crime is normally thought of as a domestic legal concern. Because these criminal groups have largely economic objectives, they are not viewed as political threats to states. Many transnational criminals with foreign nationalities are thought to be another country's problem, even though they operate across international borders. Additionally, national security structures do not take into account law enforcement issues. Consequently, many political leaders see organized crime as a low-level law enforcement issue that does not require sustained policy attention at the national level, rather than as a major national security threat.

International organized crime is more than an extension of domestic crime. It consists of complex, clandestine, hierarchically organized networks that operate internationally with little regard for the borders of states. The gravity of the problem lies not only in the increasing complexity and number of these organizations, but more importantly, with the serious challenge they pose in their ability to penetrate and operate with relative



Pedro Nel "Peter" Herrera, arrested on narcotics trafficking charges in Cali, Colombia

AP/Wide World Photos

impunity in several states simultaneously. These illegal enterprises not only threaten aspects of state sovereignty and security that have traditionally been taken for granted, but they also prove the permeability of national borders and the vulnerability of state institutions. Their activities are becoming increasingly well organized and more difficult to detect, largely because of the opportunities technology has afforded them.

Organized crime groups are involved in a wide range of illicit global activities. They readily traffic in conventional arms, narcotics, humans, metals and minerals, endangered flora and fauna, and Freon gas. They also engage in large-scale money laundering, fraud, extortion, bribery, economic espionage, smuggling of embargoed commodities, multinational auto theft, international prostitution, industrial and technological espionage, bank fraud, financial market manipulation, counterfeiting, contract murder, and corruption.

The threat is insidious rather than direct. It does not overtly threaten a state in the same manner as conventional military power. Rather, it covertly challenges the state's prerogatives and control over its own activities. It also is baffling law enforcement, as the complexity of the secret networks have become progressively difficult to detect and monitor.

Crime groups further achieve their aims through corruption. Arguably, it is their most socially damaging activity. They have engaged in campaigns of co-opting public officials and political leaders using a combination of bribery, graft, collusion and/or extortion. To alter policy, organized crime has successfully targeted members of governments in countries such as Colombia, Italy, Thailand, Mexico, Russia, and Japan. Criminals pay off or threaten justice officials to alter charges, change court rulings, lose evidence, and not try them at all. By suborning entire justice systems, they attack the very order of society. Corruption encompasses the infiltration of political parties and various government offices, as well as local administrations. While Italy has had a number of successes in fighting organized crime, many states report that members of their police forces and armed forces have been

corrupted by organized crime. Those who resist have often become the targets of hired assassins.

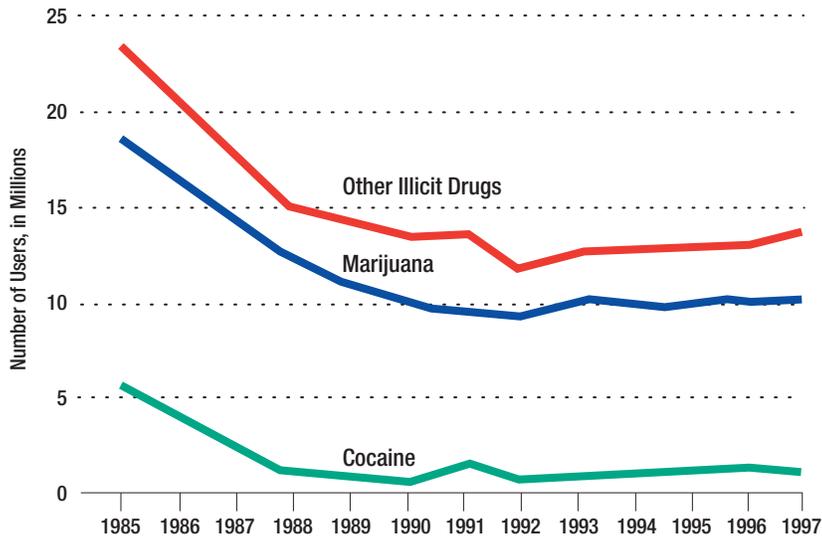
Although a single global crime cartel does not exist, there is evidence of an increasing interdependency of crime groups. This has been referred to as a *pax mafiosa*.⁵ The now largely defunct Medellín cartel engaged in joint operations with Russian and Italian organized crime groups to smuggle cocaine to Europe, for example. On the other hand, acrimonious competition has also characterized cartel relations. For example, the Colombian and Mexican drug cartels have actually clashed more than they have collaborated. Rival dealers and distributors increasingly wage campaigns of attrition against each other in New York and South Florida.⁶ Violence in many Western European cities, particularly Berlin, is further evidence of strong competition between organized crime groups.⁷ This rivalry has been a blessing in disguise. A true *pax mafiosa* might exceed many multinational corporations and even sovereign states in terms of economic clout and power and could operate more fluidly and rapidly in a high-tech world.

The explosion in new technology has significantly abetted the growth and proliferation of international organized crime groups and their capabilities. Access to modern communications and weapons technologies has given these enterprises considerable coercive political and economic leverage. Electronic transfers, unfettered Internet access, and high-tech communications equipment have permitted international criminal organizations to seriously corrode the ability of many governments to maintain order and to outstrip law enforcement and military capabilities. Organized crime groups operate massive transnational economic empires and move their merchandise fluidly among states, with fewer state-imposed constraints than ever before. Organizations, such as certain Russian or Colombian groups, now constitute a "state within a state" or maybe the functional equivalent of some of the smaller states.

Increasing Drug Traffic

Despite the relative levelling off of drug use in the United States, narcotics trafficking world wide continues to grow, particularly because of foreign demand. It is one of the larger enterprises of organized crime. Few areas of the world have been untouched by the growth in illicit narcotics production, consumption, and trafficking.

Users of Cocaine, Marijuana, and Other Illicit Drugs



Sources: 1998 and 1999 National Drug Control Strategy (Washington: Office of National Drug Control Policy); National Household Survey on Drug Abuse, National Institute on Drug Abuse, Substance Abuse and Mental Health Services Administration.

Narcotics trafficking has become an “underground empire” involving numerous actors, often employing a high level of violence.⁸ These private and public economic networks engage in production and distribution on a national and multinational level. Such systems involve complex relationships with various state governments, which often profit from drug trafficking, both advertently and inadvertently. The vast increase in global trade has also significantly facilitated illicit transactions. Much of this is simply due to the overwhelming volume of international exchanges: customs inspectors are unable to inspect a majority of the cargoes and people entering countries. Consequently, national borders are increasingly porous. This problem is accompanied by the rise in levels of crime, violence, and corruption.

The great volume of illicit drugs invading the United States is symptomatic of a pressing danger. While this is not strictly a military problem, as the term ‘the war on drugs’ suggests, it does pose a significant threat to U.S. security, because it profoundly affects the country’s social and economic well being. The economic and social costs of the illegal drug epidemic in the United States are massive. The U.S. Government estimates that the costs for law enforcement, corrections, and public health reach \$67 billion annually.

Over the past few decades, successive U.S. administrations have been unable to curtail the drug trade from countries such as Peru, Bolivia, and Colombia, although there have been some successes in the first two countries. While a few prominent drug lords have been imprisoned, extradited to the United States, or killed, on the whole, the governments of drug producing and trafficking states have been unsuccessful in significantly reducing the production and export volumes. This failure results from international criminal organizations being consummately adept at resisting government efforts.

The international networks supporting these illicit narcotics operations are a seamless web of drug producers, processors, traffickers, and street vendors, orchestrated by organized crime groups sometimes working ad hoc with each other. For example, one network involved criminals from Pakistan, Africa, Israel, Eastern Europe, and Latin America. In this case, hashish originating in Pakistan was transported to Mombasa, Kenya, where it was added to a cargo of tea and reshipped to Haifa, Israel, by way of Durban, South Africa. The drugs were then transferred to a ship that transports cargo to Constanza, Romania, every 2 weeks. From there, it was directed to Italy via Bratislava, Slovakia. The head of the network was a German citizen of Ugandan origin who worked for a Romanian company. The network was only revealed when some of the perpetrators were apprehended in Constanza.⁹

In recent years, traditional production areas and transit routes have maintained or raised production levels. Heroin for the European market originates primarily in the Golden Crescent region of Southwest Asia, which includes parts of southern Afghanistan, northern Pakistan and eastern Iran, as well as Central Asia. In 1994, Afghanistan is estimated to have produced 3,400 tons of opium, surpassing Burma as the world’s leading producer of this drug. Afghanistan’s Taliban replaced smaller criminal traffickers and have likely become the sole source for drugs trafficked out of that country. Opium for the North American, Australian, and Japanese heroin markets is produced mainly in the Golden Triangle, an area in northeastern Burma, northern Thailand, and Laos. The total annual estimated production of opium from this region is 2,500 tons.¹⁰ Mexico, Guatemala, and more recently Colombia

are also producing heroin for the North American markets. Producers and traffickers of cocaine have diversified their products in order to obtain a greater share of the international drug market.

The bulk of illegal drugs entering the United States comes from Peru, Ecuador, Bolivia, and Colombia. Cocaine is Latin America's second largest export, accounting for 3 to 4 percent of the Peruvian and Bolivian gross domestic product (GDP) and up to 8 percent of Colombian GDP. The cocaine industry employs close to half a million people in the Andean region alone. It is estimated that of a total of 229,900 metric tons of coca cultivated, Bolivia produced 52,900, Colombia 81,400, and Peru 95,600. The figures from Colombia are likely conservative and are under review, as the Colombian producers are cultivating higher yield varieties of coca. In all, a total of 190,800 hectares are dedicated to coca cultivation in the Andean region with Colombia accounting for 53 percent, Peru, 27 percent, and Bolivia, 20 percent of this figure. The majority of the raw coca is processed and refined in Colombia.

Further, the Drug Enforcement Agency estimates that Mexico alone produces approximately 45 to 55 metric tons of heroin, accounting for 41 percent of the total U.S. supply. Countries that once argued that the drug war is a demand, rather than a supply problem, and therefore was none of their concern, now find that increasing quantities of cocaine are remaining within their borders for domestic consumption. The effects of "basuco"—cocaine mixed with tobacco to form a highly addictive and cheap drug—have devastated entire sectors of populations in countries such as Colombia.

The United States has increased its ability to detect, monitor, and interdict drug trafficking aircraft moving from South America to Central America and has had some success in finding alternatives to Howard Air Force Base in Panama, which closes this year. However, traffickers have adopted more evasive and complex methods of air delivery, as well as less detectable highway and sea transportation means. Originally, one of the principal methods of smuggling cocaine to North America was in small planes by way of the Pacific coast of Central America or, alternatively, across the Caribbean. There, plastic-wrapped bundles of narcotics were dropped in the water and recovered by small boats. However, as U.S. forces began detecting these small planes, the traffickers became more sophisticated and bolder. The U.S. National Narcotics Intelligence Consumers Committee reports that cocaine has been hidden in the walls of cargo containers, in bulk

International Cocaine/Heroin Trafficking Flows



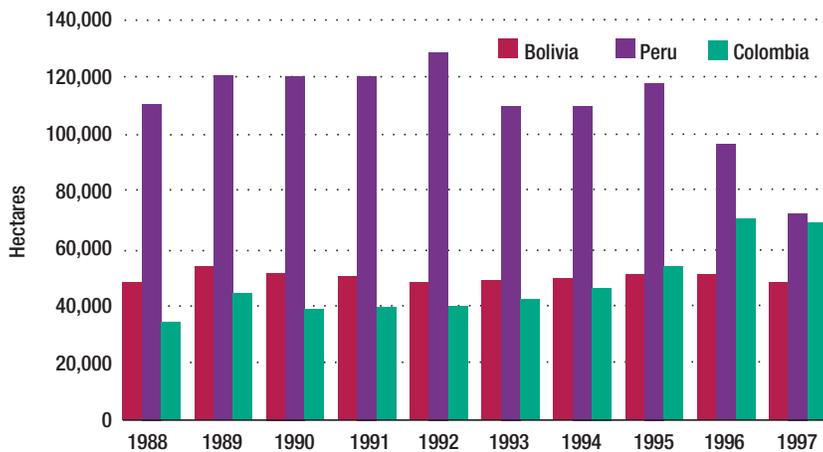
Source: 1999, *National Drug Control Strategy* (Washington: Office of National Drug Control Policy).

cargo such as coffee, concrete lamp posts, live animals, and in the stomachs of "mules" (human couriers), who swallow up to 50 "fingers" (condoms full of hard-packed cocaine).

Rogue Criminal States

Criminal organizations now threaten not only to destabilize entire states, but also suborn entire governments. Many governments are now in danger of becoming organized crime groups themselves. A dangerous post-Cold War legacy has been the emergence of the rogue criminal state on the world stage. Boris Yeltsin, for example, described Russia as the biggest mafia state in the world, and the "superpower of crime." In Russia, a virtual kleptocracy has evolved in which the corrupt state bureaucracy has discovered that generating vast amounts of money illicitly is less effort than reconstructing and running a bona fide government. Approximately 8,000

Net Coca Cultivation (Global)



Sources: U.S. Department of State, 1998; 1998 *National Drug Control Strategy* (Washington: Office of National Drug Control Policy).

billion in drug money alone was laundered through BCCI. For this, the bank received only a moderate fine.¹² The illegal narcotics business is estimated to be the second largest industry in the world. The glut of profits from it rivals the GNP of many countries. It can undermine legitimate commerce and affect a country's balance of payments, monetary system, and international bank cooperation.

Profits are so immense that drug traffickers are known to weigh money, rather than count it. The retail drug transactions accumulate mostly \$5, \$10, and \$20 bills. Some distributors amass 1,000 to 3,000 pounds of bills on a monthly basis.¹³ Transporting money in bulk poses more of a problem than transporting the drugs themselves; such large volumes of cash are often moved in cargo containers. This necessitates the constant search for safe storage of money, as well as discreet bankers to invest the money in licit ventures.

Consequently, criminal groups have gained control over a significant number of major banks and private businesses. This has the potential to expedite their virtual take-over of smaller states. Worldwide, criminal groups launder an estimated \$300 to \$500 billion annually in illicit profits; they have used that money to generate still more capital. With that capital they bribe officials and legislators to obstruct unfavorable legislation, or to gain preferential treatment.

The FBI states that the United States now faces a well-organized, well-funded, sophisticated, and often brutal criminal conspiracy. It has

gained ground in this country by purchasing with laundered money legitimate U.S. businesses and real estate. Its laundering activity involves placement of currency in financial service institutions. These funds are moved from institution to institution to hide their source and ownership. It concludes with the reinvestment of those funds in an ostensibly legitimate business.

This tremendous amount of money gives international organized crime enormous leverage in developing countries, where democratization has brought with it increasing pressure for a higher standard of living. Many developing state governments are often less worried about the source of foreign exchange and more concerned with political survival.

Frustration over rising expectations is being experienced by the new "middle classes" that have sprung up world wide as a result of modest increases in the standard of living in many states. Better educated and more demanding middle-class groups have made their presence known and have increasingly pressured governments to perform economically. The great influx of foreign exchange from criminal activity assists economic development and relieves pressure on governments to meet citizen demands. Governments increasingly find it is easier to look the other way than to cut off the money source and combat groups using violence and coercion against the state.

Terrorism and Organized Crime

The coercive power of these groups relative to state law enforcement agencies cannot be understated. Their willingness to use violence in some states has been more destabilizing than the activities of revolutionary or terrorist groups. There is a great deal of confusion in defining international organized crime and international terrorism. Yet, when both are closely scrutinized, the only discernable difference is that most terrorists have political or religious motivations, rather than profit, for their attacks on the state. Organized criminals are motivated by both profit and sometimes power and do not, as a rule, attack state targets, unless they are targets of the authorities. The actions of both groups are nonetheless criminal in nature.

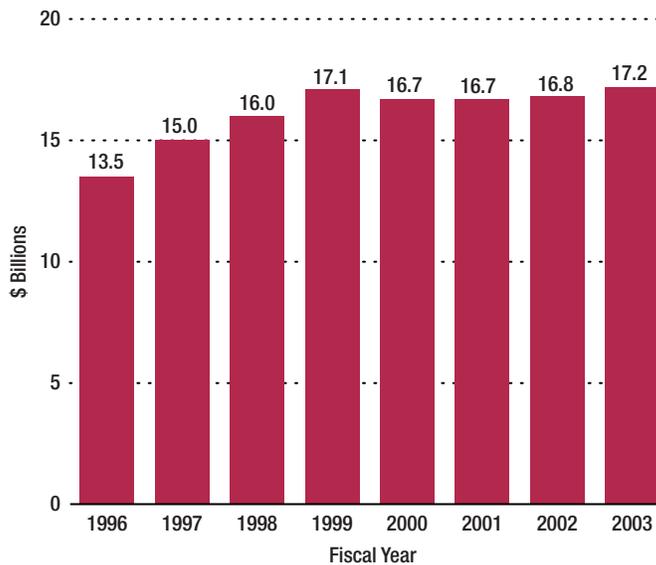
In Italy, for example, the Mafia launched attacks on the judiciary and proved to be a far

Drug Spending by Department
(\$ Millions)

Department	FY98	FY99	Planning Level				% Change 1998–2003
	Enacted	Request	FY00	FY01	FY02	FY03	
Defense	\$847.7	\$882.8	\$870.1	\$886.1	\$896.2	\$911.8	+8%
Education	685.3	739.7	741.7	743.9	746.1	748.5	+9%
HHS	2,522.5	2,812.9	2,812.9	2,812.9	2,812.9	2,812.9	+12%
Justice	7,260.5	7,670.0	7,317.3	7,234.8	7,242.5	7,443.5	+3%
ONDCP	428.2	449.4	449.4	449.4	449.4	449.4	+5%
State	211.5	256.5	263.5	270.5	278.5	286.5	+35%
Transportation	455.0	515.2	528.9	514.9	514.9	514.9	+13%
Treasury	1,327.9	1,388.1	1,317.0	1,322.9	1,337.2	1,359.2	+2%
Veterans Affairs	1,097.2	1,139.1	1,183.1	1,226.9	1,275.3	1,375.7	+25%
All Other	1,141.6	1,215.9	1,217.0	1,236.4	1,258.2	1,280.7	+12%
Total	\$15,977.4	\$17,069.8	\$16,700.9	\$16,698.8	\$16,811.3	\$17,183.2	+8%

Sources: 1998 National Drug Control Strategy (Washington: Office of National Drug Control Policy).

The National Drug Control Budget

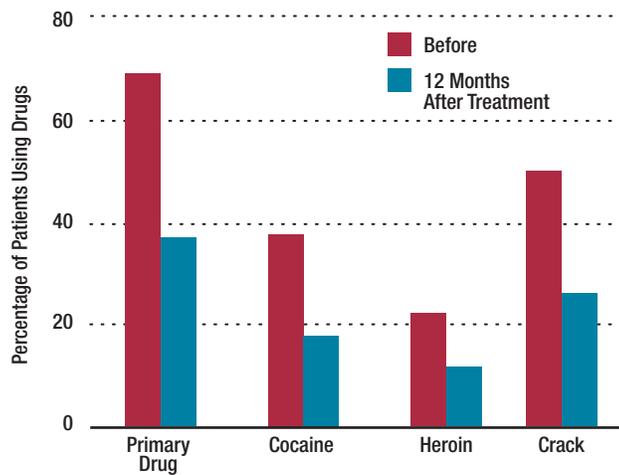


Source: 1998 National Drug Control Strategy (Washington: Office of National Drug Control Policy).

more formidable opponent than the terrorist Red Brigades. The Mafia had created an effective authority structure with its own territory, population, laws, and armed forces. It expanded its operations over the years and routinely used corruption and violence to further its aims. It had close links with the Christian Democratic party and infiltrated government at all levels. It also used the assassination and subornation of judicial personnel to avoid prosecution.

In Colombia, the now infamous *Plomo ó Plata* (Lead or Silver—a bullet or a bribe) option has virtually destroyed judicial independence. Three hundred and fifty judicial personnel, including ministers of justice and attorneys general, have been murdered since the mid-1980s. Police officers routinely have prices on their heads. Judges and prosecutors trying drug cases are threatened that if they do not take a bribe (making them complicit from that point), they and their family members will be systematically executed. This terrorism has rendered the justice system all but defunct and opened a window of opportunity that has allowed insurgent groups, such as FARC, to seize ever-larger areas of the country. The central government has little option but to negotiate with guerrillas if it wishes to avoid all-out civil war.

Changes of Drug Use as a Result of Treatment



Sources: National Treatment Improvement Evaluation Study; 1998 National Drug Control Strategy (Washington: Office of National Drug Control Policy).

The term narcoterrorism best describes the symbiotic relationship between international criminal drug trafficking organizations and terrorists, who seek to destabilize the international system. Narcoterrorists are so powerful and organized that they exert an inordinate amount of influence over many governments in certain countries, ostensibly through a combination of criminal acts and terrorist methods.¹⁴ They have committed crimes such as fraud and loan-sharking, in addition to drug trafficking. They have also engaged in such sophisticated activities as money laundering, computer manipulation, planned bankruptcy, and land fraud.

Narcotics traffickers and organized crime groups do not always merge with terrorist groups or engage in their activities; indeed, their goals are often at odds. While organized crime groups seek profits, many terrorist organizations denounce capitalist tendencies, preferring ideological or religious motivation. For example, FARC claims that its members engage in the cultivation and trafficking of narcotics in order to fund its revolution. However, the truth is that ideology has become a convenient cloak behind which to hide their drug-trafficking activities. As U.S. Senator John Kerry noted, the motivation for international organized crime "is not ideological. It has nothing to do with right or left, but it is money-oriented, greed-based criminal enterprise that has decided to take on the lawful institutions and civilized society."¹⁵

U.S. Interests

Terrorism, international organized crime, and drug trafficking organizations provoke a re-assessment of national security. They pose serious and growing challenges to U.S. interests. Yet, military power alone cannot provide security in such an environment.

One problem lies in quantifying illicit activities in order to assess national security options. Most criminal activities are quantifiable, such as homicide rates. However, many actions of transnational groups are not readily apparent and affect societies in unforeseen ways. Careful attention must be given to identifying the impact on areas of U.S. society. What constitutes a threat to national security can then be defined.

Until recently, criminals and terrorists were perceived as troublesome at the local level of world politics. However, the reality today is that they can be major determinants of political patterns, and ultimately the fate of states. Such actors seriously challenge the prerogatives of state authority and internal sovereignty and profoundly affect the state's social and economic well being.

Transnational Threats and U.S. Security

There are several reasons why some object to treating international criminal organizations as national security threats. Because such groups have predominantly economic objectives, some conclude that they are more economic organizations than political entities. As such, they are often perceived as not posing overt or obvious challenges to states, as do terrorist organizations. Criminal activity is also thought of as a domestic legal problem and not a great national security concern, and its origins are internal rather than external. Law enforcement and national security organizations see problems from different perspectives. They are based on very different philosophies, organizational structures, and legal frameworks. Additionally, an overwhelming concern is that this defining of international organized criminal and terrorist groups as national security threats will lead to fabricating enemies.

It might be tempting to say that international organized crime does not pose a threat to national security, at least from a military perspective of security. However, these arguments should not prevent the full reassessment of national security threats and identification of non-traditional threats based on strong empirical



Burmese police preparing to burn narcotics seized in Yangon

evidence. Moreover, if they threaten the effective functioning of society, then many of the criminal activities of organized criminals currently pose one of the most serious challenges to U.S. national security.

Meeting Transnational Threats

Combating transnational threats will require a proactive policy that identifies anticrime initiatives, antidrug operations, and action against terrorism, along with other low-intensity mission categories.

A more proactive policy will bring with it tough questions. For example, if U.S. forces were to assume an overseas police role dealing with forms of multinational crime and other foreign threats to national security, might military personnel be called upon to apprehend and arrest suspects? Other questions then arise. How far will this police role extend? How will sovereign states view this intrusive policing in the context of international law? How will the International Criminal Court play a role in addressing major

international crime? How will the other agencies of the U.S. Government view this additional power? Will military justice play a role? Are some crimes, as defined by international criminal law, compatible with those of military justice? Careful thought must be given to redefining the role of the military in matters regarding international criminality.

The Defense Department (DOD) can work more closely with other U.S. agencies in this regard. The three main DOD criminal investigative units operate extensively worldwide. These are the Army's Criminal Investigative Division, the Air Force Office of Special Investigation, and the Naval Criminal Investigative Service. They have developed close ties with local police forces in host countries and with civilian U.S. agencies such as the Drug Enforcement Agency, Customs, the Federal Bureau of Investigation and the Central Intelligence Agency. However, 50 percent of their time is dedicated to criminal investigations

involving U.S. personnel. As the threats increase, so do operations in foreign countries. These require developing cases, cooperating and assisting with training of local law enforcement officials, working undercover, conducting electronic surveillance, and orchestrating a network of paid informants. Despite the prevalence of turf battles between U.S. civilian law enforcement agencies, the military agencies are now poised to expand their role and presence in the international arena.

Clearly, U.S. interagency intelligence gathering efforts are needed. Criminals have access to sophisticated and high-tech equipment. Often it is superior to that of governments, which further facilitates their ability to elude authorities. Hence, timely intelligence reporting will be essential. This intelligence gathering must also enable U.S. agencies to attack international organized crime at its heart. This will entail following the money trail. Disrupting the flow of money will ultimately impede finance operations and international networks.

Consequences for U.S. Policy

The United States now has widely publicized policies for countering transnational threats. Signed in May 1998, Presidential Decision Directive-62 establishes a systematic approach to countering terrorism. An International Crime Control Strategy has been created. Each year, a U.S. National Drug Control Strategy has been adopted. The main challenge now is no longer recognizing the need for strategies, but implementing them effectively.

One of the most crucial aspects of planning will be identifying the real problem, not just the symptoms. The recent retaliatory airstrikes against Bin Ladin's group in Afghanistan and the Sudanese factory, for example, dealt with only part of the larger problem. The broader problem is that these terrorist groups are proliferating and mutating, and we do not know enough about them. Good intelligence is critical to sound planning. Additionally, treating a problem can sometimes create new problems. While efforts to destroy the Cali and Medellín drug cartels succeeded, they engendered a new problem—smaller criminal entrepreneurs. While these new groups do not have the global reach and financial resources that the larger mafias had, they are more difficult to detect and attack because they have a less visible structure.

Long-Term Plans, Short-Term Responses

Well-considered plans that integrate the efforts of U.S. agencies with those of foreign countries will help avert the situation that has occurred in Colombia. The government's inability to resolve the drug problem has left successive administrations in a crisis-management mode. Because of repeated attacks on the state, and because most Colombian government agencies have been infiltrated or suborned by criminals, the Colombian Government is severely debilitated. At times, it has been able to react only incrementally to crises. In responding to problems that require long-term planning, it has more often resorted to quick-fix solutions, which in time have themselves created new dilemmas.

In crisis, important and often irreversible decisions are made that can be portentous to a country's future. Avoiding shortsightedness to long-term consequences will require concerted planning that harness the efforts of all government agencies. This does not imply that U.S. Government agencies engaged in fighting the drug war should be incorporated into one agency. In countries such as Colombia and Mexico, the small number of agencies fighting organized crime has made them relatively easy targets to infiltrate and suborn. U.S. agencies are numerous, and diverse and have overlapping jurisdictions, making their activities very difficult to track. Criminals would have to expend extraordinary effort to infiltrate and suborn every U.S. agency involved in the drug war. Turf battles among U.S. agencies mean that not only do they at times duplicate efforts, but also they are less complacent. While this may appear to be negative and inefficient to some observers, it helps keep criminals and terrorists at bay. This highly bureaucratic system has helped keep international organized crime and terrorism from more deeply affecting the United States.

Better Interagency Planning Needed

This highly bureaucratic system requires better integrated planning among agencies. Most important, long-term objectives must be examined, with a view to assessing their implications. Alterations to existing policy and cohesive strategies must be efficient, effective, and consistent. This requires consistent review of the operating

philosophies of the agencies involved in the fight against organized crime, and the strategies that result from them. It also requires that each organization ensure management integrity and accountability through clear lines of authority. Piecemeal changes in specific areas will be less effective in the long term, and there is a fundamental question as to whether this form of "muddling through" works at all. Extensive sharing of information about past lessons learned will help avoid misallocation of resources.

Multilateral Approach

Key to countering terrorism, international criminal activity and the drug trade will be the effectiveness of other countries' law enforcement. The United States and some other governments, mainly the European Union, have bilateral programs that assist other countries. However, they are often narrow in focus and limited in resources.¹⁶ The United Nations also has certain programs that assist selected law-enforcement capabilities.

Better coordination, more resources, and a comprehensive long-term plan would substantially improve law enforcement capabilities of selected countries. This also applies to intelligence collection and analytical capabilities. U.S. conduct of these programs would benefit the United States in terms of greater cooperation in sharing information and combined action. Better international cooperation could be obtained by strengthening Interpol and other such mechanisms, so they can provide more assistance to weak governments.

Countering terrorism could be improved by ratifying and making more effective use of the 11 existing treaties and conventions on various terrorist crimes. The presence of bilateral and multilateral experts in planning also makes a positive contribution to increased awareness and effectiveness; this includes surveillance and acquiring information on identities, locations, travel, and financing of terrorists and terrorist groups. Greater use of arrest and extradition is another important weapon. In certain cases, economic and other sanctions against governments that support or shelter terrorists can be useful, especially if approved by the U.N. Security Council.

Terrorism is not new; the struggle against it has been long and will continue. Many governments need outside support and incentives to wage an effective struggle. Also, the root causes

that foster many terrorist movements must be addressed. Severe ethnic, religious, tribal, social, economic, political imbalance, and oppression can lead to terrorism. Terrorism has been drastically reduced if not eradicated in Northern Ireland, the result of a sustained effort to counter terrorist groups and individuals while attempting to resolve the basic political differences between Protestants and Catholics. It was also helped by the upturn in Ulster's economy and U.S. efforts.

Net Assessment

International criminal organizations obtain access through clandestine methods, minimize state control over their activities, and prevent the exercise of real sovereignty. Yet, governments have responded slowly. Consequently, such criminal groups have gained power at the state and international levels. International organized crime and terrorist groups have a significant advantage over most actors in international relations. They do not observe the rules and constraints placed on sovereign states. Handling the growing transnational threats of terrorism, organized crime, and drug trafficking will be one of the main challenges facing U.S. national security policy in the future.

NOTES

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¹⁰ Mathea Falco "U.S. Drug Policy: Addicted to Failure," *Foreign Policy* 102 (Spring 1996): 130.

¹¹ *Russian Organized Crime* (Washington: Center for Strategic and International Studies, 1997), 2.

¹² Roy Godson and William J. Olson, "International Organized Crime," *Society* (January/February, 1995): 17.

¹³ Smith, 11.

¹⁴ Bruce Zagaris, "Protecting the Rule of Law From Assault in The War Against Drugs and Narcoterrorism," *Nova Law Review* 703, 15, no. 2 (1991): 704.

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¹⁶ The United States, for example, has DEA and State programs to assist foreign counternarcotics capabilities, including training and equipment. It has a State program to provide counterterrorist training to foreign governments. It has military-to-military programs for counternarcotics. The FBI provides some training for foreign police. The CIA also provides intelligence training to foreign governments.