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9 Strategy for a New World: Combating Terrorism and Transnational Organized Crime

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Reader's Guide

The world of the twenty-first century is one in which transnational non-state actors such as criminal organizations and terrorist networks pose new threats to security. This chapter shows that both transnational criminal organizations and global terrorist organizations are very rational in their behaviour and place great reliance on network structures. The chapter also looks at similarities and differences between criminals and terrorists as well as the possibility of closer relationships between the two kinds of groups. It argues that although such synergies could occur they are currently less important than terrorist use of organized crime methods to fund themselves. The chapter also examines the strategies devised by the United States to combat transnational organized crime and terrorism and highlights their fundamental shortcomings. These shortcomings include poor implementation by government hierarchies which are far less flexible and agile than criminal and terrorist networks.

Introduction

States are good at dealing with security threats from other states. This is not surprising. The state system, which has dominated world politics since the Treaty of Westphalia in 1648, has been characterized both by frequent warfare and by the evolution of diplomatic norms and conventions. States have typically made both peace and war with one another. State departments and foreign offices have largely been responsible for developing and implementing cooperative relations; military forces have provided the wherewithal when diplomacy has failed or been deemed inadequate. Great powers have become particularly adept at the use of force, as the United States demonstrated with its military intervention in Iraq and the toppling of Saddam Hussein. As the subsequent insurgency has demonstrated, however, states are less effective when dealing with challenges posed by non-state and transnational actors. The Iraqi insurgency is a mix of indigenous groups sharing only a deep antipathy to foreign occupation and transnational global jihadists who have come to Iraq to fight for the cause. Moreover, although some elements of the insurgency have support from Syria and Iran, others are self-sufficient, using crimes such as kidnapping to fund the struggle (Looney 2005). Whatever the source of funds, though, the continuing insurgency shows that conventional military superiority does not easily translate into the capacity to impose political stability.

In many respects, the difficulties that the United States is having in Iraq are symptomatic of the broader difficulties that states face in dealing with transnational threats to security and stability in the twenty first century. It is arguable that the world has entered a new era characterized by a transition from the orderly if often extreme violence of the Westphalian system to a disorderly, fragmented, system in which states have lost the monopoly of the use of violence both domestically and internationally. The characteristics of this new world are perhaps most usefully captured in the notion of the 'new middle ages' or neo-medievalism which, as Philip Cerny (2005) has pointed out, is characterized by: 'competing institutions and overlapping jurisdictions of . . . state, non-governmental and private interest groups; fluid territorial boundaries both within and across states; increasing inequality and isolation of marginalized groups, multiple and fragmented loyalties, contested property rights, and the spread of geographical and social "no go areas" where the rule of law . . . no longer extends'. In such a system, security is no longer about the clash of great powers and strategy is no longer simply about the use or threat of military force.

With this in mind, this chapter—starting from Sun Tzu's contention that it is essential to know the enemy—explains why transnational threats from terrorism and organized crime have become so formidable. It then considers the strategies that have been articulated to respond to these threats. In effect, combating terrorism and organized crime requires a multilateral cooperative approach towards both law enforcement and military measures, as well as unilateral defensive measures initiated by governments to protect potential targets and to mitigate damage in the event that protection fails. Yet devising such strategies is far easier than implementing them.

The Evolution and Nature of the Threat

Neither organized crime nor terrorism is new. Italy, Japan, China, and the United States are all countries in which organized crime flourished for much of the twentieth century. Similarly, terrorism has long been a weapon of the weak against the strong and has been employed by anarchists, nationalists, anti-colonialists, and by political and religious extremists. Yet, in the decade after the end of the cold war and fuelled in large part by globalization, both terrorism and organized crime morphed into far more formidable threats than ever before.

Globalization as motivator and facilitator

Globalization has had paradoxical consequences for both transnational organized crime and international terrorism, acting as both motivator and facilitator. This is not entirely surprising. Although globalization has had many beneficial consequences, it has losers as well as winners—and the pain for the losers can be enormous. Indeed, globalization has had a disruptive impact on patterns of employment, on traditional cultures, and on the capacity of states to deal with problems facing citizens within their jurisdictions, as well as problems that span multiple jurisdictions. In some instances, globalization has created massive economic dislocation that has pushed people from the legal economy to the illegal. In other cases, globalization has been seen as merely a cover for Western and especially United States cultural and economic domination—domination that has created enough resentment to help fuel what has become the global jihad movement.

At the same time, globalization has acted as a facilitator for a whole set of illicit activities ranging from drugs and arms trafficking to the use of large-scale violence against innocent civilians. Many observers assumed that in the post-cold war world, democracy, peace, stability and order could easily be exported from the advanced post-industrialized states to areas of conflict and instability (Singer and Wildavsky 1993). In fact the opposite has occurred. Al-Qaeda was able to attack the United States homeland while based in Afghanistan, thereby illustrating what Robert Keohane described as the transformation of geography from a barrier to a connector (2002: 275). Indeed, one of the most important characteristics of a globalized world is that the interconnections among different parts of the world are dense, communication is cheap and easy, and transportation and transmission, whether of disease, crime, or violence, are impossible to stop. Transnational networks link businessmen, families, scientists, and scholars; they also link members of terrorist networks and criminal organizations. In some cases, networks are successfully integrated into the host societies. In other instances, however, migrants find themselves in what Castells called 'zones of social exclusion' (1998: 72). Muslim immigration from North Africa and Pakistan to Western Europe, for example, has resulted in marginalization and alienation that were evident in the widespread riots in France in the late months of 2005 and that have also helped to fuel radical Islamic terrorism in Western Europe. Moreover, for second and third generation immigrants who have limited opportunities in the licit economy, the illegal economy and either petty crime or organized crime can appear as an attractive alternative. Ethnic networks of this kind can provide both cover and recruitment

opportunities for transnational criminal and terrorist organizations. In effect, therefore, globalization has acted as a force multiplier for both criminal and terrorist organizations, providing them with new resources and new opportunities.

Criminal and terrorists as rational actors

One reason that criminal and terrorist organizations have been able to exploit these new resources and opportunities so effectively is that they are highly rational in their behaviour. In effect, both organized crime and terrorism can be understood in classic Clausewitzian terms. Organized crime is, in essence, a continuation of business by criminal means, while terrorism is the continuation of politics through the use of indiscriminate violence by non-state actors. Terrorists can be understood as political individuals, groups, and movements demanding change and using violence to bring it about. It is the peculiar combination of means and ends that gives terrorists their very identity and demarcates them from other social and political activists. Ironically, from the perspective of the victims and many observers, terrorist violence is often dismissed as senseless, particularly as it is usually targeted against innocent civilians. In fact, terrorism is a highly instrumental activity. Terrorists are as Clausewitzian in their resort to violence as most states; for them violence is no more and no less than a continuation of politics by other means. Of course, terrorists do not have the sanction of the state to endow their violence with the legitimacy of warfare. Even more important, the deliberate targeting of civilians or non-combatants is something that has always been regarded as outside the laws of warfare—even though these laws have sometimes been honoured in the breach more than the observance. Nevertheless, acts of terror for the terrorist are the equivalent in utilitarian terms of acts of war for the state. The political objectives being sought by the perpetrators can range from efforts to expel an occupying power from one's country, to the ambitious endeavour of Osama Bin Laden to recreate a global caliphate. In this connection, the United States is a major target of Al-Qaeda because it is the 'far enemy' which supports the 'near enemy', the existing regimes in the Arab world.

Although transnational criminal organizations and global terrorists emerged during the same period, are highly rational, and carefully design strategies to achieve certain objectives, the objectives themselves are very different. Terrorists organizations are quintessentially political organizations; even if they are motivated by religious fundamentalism, their actions are designed to bring about political change. And at the core of this effort to bring about change is the choice of targets and weapons. Terrorist attacks, however, are still best understood as the final result of a whole set of activities that includes fund-raising, recruitment, training, the development of special skills, and attack preparation that can take months or even years. In the case of criminal organizations, the objectives centre around profit. In order to obtain these profits, criminal organizations develop what are, in effect, illicit business strategies. In this sense whether they are marketing cocaine and heroin or trafficking in illegal arms or women and children, their business strategies are not that different from the ways which companies like Coca-Cola and Pepsi market their soft drinks. At the same time, because the products and the activities are illicit, and normal business rules do not apply, steps have to be taken to manage risks—whether from ruthless competitors seeking to take over market share or from governments and law enforcement

agencies seeking to put them out of business. This process of risk management operates at several levels and includes risk avoidance or risk prevention strategies, efforts to combat or control risk, and strategies of mitigation. Risk avoidance is often done through what can be termed jurisdictional arbitrage, in which criminal organizations operate from countries where the state is weak and can do little to combat them effectively. Where the state does confront organized crime, criminal risk management strategies include the use of corruption and violence to neutralize the criminal justice system, to circumvent customs and immigration controls, and ultimately to perpetuate the weakness of the state and maintain the territory as a safe haven. At the third level, criminal organizations adopt strategies to mitigate damage and to maximize resilience. One component of this is the adoption of networked structures that are readily compartmentalized and facilitate regeneration in the event that part of the network is destroyed.

Terrorist and criminal use of violence

Terrorist attacks are designed for maximum psychological impact. The old adage, coined by Brian Jenkins, that terrorism is theatre remains valid (Hoffman 1998: 132). Indeed, in an era of globalization and instant communications through global media, terrorism has become global theatre. At the same time, as Hoffmann has noted, terrorism has also become more lethal (1998). Yet killing more people is not inconsistent with the notion of global theatre. The Mumbai bombings of 1993, the Al-Qaeda attack on the World Trade Center, the Chechen assault on the school in Beslan, and the attacks in Madrid and London, were all designed to kill a lot of people and to obtain maximum media coverage. The World Trade Center attack, in particular, was so spectacular that, perhaps more than any other single event, it raised the prospect that Al-Qaeda would try to follow it with the use of weapons of mass destruction (WMD).

Such an attack would not be entirely unprecedented. Chemical weapons were used in 1995 when the cult group, Aum Shinrikyo released sarin gas on the Tokyo underground. Even though the delivery systems consisting of plastic bags and sharpened umbrellas were relatively primitive, the attack resulted in about 5,000 casualties. There was also a very close call in Jordan in 2004 when terrorists were thwarted while implementing the early stages of what would have been a major chemical attack. Had this attack succeeded it is likely that the casualties would have been somewhere in the region of 20,000 to 80,000. Even more serious is the possibility that terrorists will succeed in acquiring a radiological bomb or a small nuclear weapon. The calculation for terrorist organizations such as Al-Qaeda is whether this would create so much revulsion that it would outweigh the political gains as well as the emotional satisfaction that would come from such a major attack on the United States or its allies. To rely on self-restraint on the part of the terrorists, however, would be a huge mistake. The use of WMD by a terrorist organization would be a product of rational calculation—not least because of the difficulties of retaliation in kind. The fact that terrorist organizations are increasingly elusive distributed networks makes it very difficult for governments to carry out massive retaliatory strikes against them—and, therefore, to deter them. The implication is that the trend in terrorist lethality is likely to continue to increase.

In a few instances—most notably Italy in the early 1990s and Colombia in the late 1980s and early 1990s—criminal organizations have also embarked on campaigns of terror

against the state and its citizenry. This appropriation of terrorist methods, however, is rare—not least because it tends to galvanize the state into mobilizing all possible resources against the organization. It typically occurs when the state launches a frontal assault on the criminals, as it did in Colombia through the policy of extraditing drug traffickers to the United States. Alternatively, if the political elites fail to provide the protection that the criminals have come to expect through the development of symbiotic relationships, then once again organized crime will resort to a campaign of violence. This occurred in Italy in the early 1990s when the Mafia felt that it had been betrayed by the Christian Democratic Party, with which it had long enjoyed a mutually beneficial relationship. Significantly, in both cases, organized crime paid a high price for a frontal assault. It is not surprising, therefore, that criminal use of terrorist campaigns is relatively rare.

This is not suggest that criminal organizations are reluctant to resort to violence. Contract killings, in particular, have been a major feature of organized crime throughout the former Soviet Union. Victims have included prominent reformist politicians, investigative journalists, bankers, businessmen, and rival criminals. In the energy sector, and in the aluminum industry in the mid-1990s, struggles for control resulted in a spate of contract killings. Moreover, it is clear that criminal organizations use violence as part of their efforts to protect themselves and to advance their economic and financial interests. In effect, criminal organizations use contract killings to remove threats, whether from politicians, law enforcement personnel, journalists, or rivals. They also use such killings as a means of removing obstacles to their takeover of legitimate businesses—although in some cases only as a last resort after intimidation tactics have failed. For the most part, therefore, the violence is selective rather than random and usually is a matter of 'business'. In some cases, it is bound up with political rivalry. In Odessa in the mid-1990s, for example, the Mayor and the Oblast Governor, in effect, waged war against one another, and both were in league with major criminal organizations. At issue was control of resources, especially oil, moving through Odessa. Sometimes, of course, the conflicts are over control of criminal routes and illicit markets rather than legitimate businesses. In 2004 and 2005 on Mexico's northern border, for example, there was a series of killings—many taking place in Nuevo Laredo—as the Cardenas drug trafficking organization and the group led by Chapo Guzman struggled for dominance. Both employed paramilitary forces and on occasion the violence spilled over into the United States. Questions of status can also create clashes in the criminal world, and internecine warfare among criminal organizations is sometimes sparked by no more than an insult or personal antipathy.

Criminal use of corruption

As well as violence, however, transnational criminal organizations use corruption as a major instrument—and target it is as carefully as they do the use of violence. In essence, there are two main purposes of corruption. Instrumental or operational corruption is designed to facilitate cross-border trafficking activities. The targets are customs and immigration officers charged with the responsibility for protecting the borders. In this sense, corruption payments are simply the cost of doing business. Perhaps even more serious is what Ethan Nadelmann (1993) termed 'systemic corruption' where organized crime seeks to corrupt policy-makers, bureaucrats, law enforcement personnel, and members of

the judiciary in order to maintain a low-risk environment from which they can operate with a high level of impunity. In Mexico, for example, during the Presidency of Carlos Salinas, drug traffickers bought the protection of his brother, Raul Salinas, who eventually ended up with over 130 million dollars in Swiss bank accounts. While terrorists can also use corruption, this is less important for them than finding states which have some sympathy for the cause and provide a territorial safe haven or financial support. When Al-Qaeda was based in Sudan in the early 1990s, Bin Laden invested heavily in infrastructure projects for the country. Although it is possible that some politicians also received corrupt pay-offs, the investments were designed primarily to benefit the country as a whole rather than line the pockets of politicians.

Criminal and terrorist use of alliances

If criminal organizations can be understood as highly rational in their use of violence and corruption, they can also be understood as illicit businesses, and—not surprisingly, in a globalized world—have developed in parallel with licit business. Just as licit business has become more global through the use of cooperative alliances, so too has transnational organized crime. Criminal organizations have developed stable supplier relationships with one another as well as tactical and even strategic alliances. Since the fall of the Medellin and Cali drug trafficking organizations, for example, Colombian drug traffickers have truncated the scope of their activities—primarily to avoid direct confrontation with United States law enforcement and intelligence agencies—and have supplied cocaine to Mexican groups which then bring it into the United States. Moreover as some groups have developed specialized capabilities such as money laundering, other groups have turned to them for assistance. There have even been cases in which ethnic antipathy has not prevented cooperation for mutual gain. Serbs and Albanians, for example, have been known to cooperate in the trafficking of women through the Balkans. Some observers have even sounded warnings about criminal 'summit meetings' (Raine and Cilluffo 1994: 120) and it is clear that, on occasion, leaders of major criminal organizations have met with one another to minimize conflict, carve out spheres of influence, and even initiate cooperative ventures. Characterizing such meetings as summits, however, is a misnomer that oversimplifies the criminal world: there is no single leader of Russian, Italian, Albanian, Chinese, or Nigerian organized crime who can speak on behalf of all the criminal organizations in the country. Nevertheless, the impulse towards cooperation is a very real one and meetings among group leaders can be an important facilitator of such cooperation.

The use of cooperation is also an important characteristic of Al-Qaeda and its leadership of the global jihad. Even prior to September 2001—after which Al-Qaeda was forced on the defensive by the United States response to the attacks—Bin Laden had been very successful in cultivating a whole series of affiliate organizations that shared Al-Qaeda's objectives. These included the Abu Sayyaf Group in the Philippines and Jemaah Islamayah in Indonesia as well as the GSPC and the Moroccan Islamic Combatant Group in Western Europe. These groups have a high degree of autonomy but have received financial support and training from Al-Qaeda and clearly embrace the same cause. Indeed, whereas criminal cooperation is predominantly a matter of expediency and mutual advantage, terrorist cooperation has far more to do with shared values and objectives.

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Criminal and terrorist reliance on networks

As suggested above, transnational criminal organizations rely heavily on network structures for their operations. This is not to deny the importance of leadership within the organization; nor is it to claim that criminal organizations lack any hierarchy. In some cases the network is directed by a clear leadership node; in others it operates much more through what can be described as a transactional network, in which illicit goods are moved through a series of independent brokers who have at least a degree of trust in one another. In some cases the network is held together by ties of family, kinship, clan loyalties, or common ethnicity; in others the trust within the network, such as it is, comes from knowledge of and experience with other participants. Whether it is a tight directed network or a loose transactional network, however, the network form provides the flexibility, agility, and adaptability that are essential for operating in the licit or illicit global market-place. As Moises Naim has noted,

> “networks are simultaneously global and local. Their ability to exploit their international mobility at great speed and their deep entrenchment within local power structures give them a huge advantage over the national or local governments that try to contain them . . . Survival hinges on the networks' ability to recombine, form collaborations, and dissolve them with equal ease, forging new markets and always keeping a step ahead.”

(2005: 34)

Many terrorists including the global jihad movement, are also highly reliant on networks. This was evident, although not widely recognized, prior to 11 September 2001. Indeed, one way to understand the training camps in Afghanistan and elsewhere is that they were—and are—exercises not only in the development of terrorist skills and capabilities but also in the development of networks of individuals who could subsequently come together in cells to carry out attacks. Although it has become fashionable to claim that Al-Qaeda has become much more of a network since the United States destroyed its safe haven in Afghanistan and put the leadership on the defensive, Al-Qaeda has always had this network quality. Indeed, a key part of Bin Laden's strategic genius is the way he established himself as a bridge-builder or boundary spanner, infusing groups as different as Jemaah Islamayah in Indonesia and the Salafists for Call and Combat in Western Europe with a common sense of purpose.

In many respects, transnational networks are ideal organizations for criminal and terrorist operations in a globalized world. Networks are distributed and even though they often have a core, the transnational distribution makes it difficult for states to attack their centre of gravity. Moreover, networks are agile and highly adaptable, often making it difficult for bureaucratic governments—which are accountable to comptrollers and lawyers as well as parliaments and publics—to respond in a timely and effective manner. This is not to deny that networks can sometimes exhibit serious vulnerabilities. The Al-Qaeda network in Western Europe, for example, was characterized by dense communication connections between individual cells in France, Britain, Italy, and Spain. Such close coupling was a major vulnerability and meant that the take-down of a cell in one country would often provide information about cells elsewhere. The result was often a series of cascading arrests that

until the Madrid and London bombings proved very effective in preventing attacks. As Madrid and London revealed, however, some cells emerge at the local level and, although they tend to be connected to the broader network, they are very difficult for governments and law enforcement agencies to detect prior to an attack. Not surprisingly, the earlier successes of many West European governments in thwarting terrorist attacks were overshadowed by the failures to prevent the bombings in Madrid in March 2004 and in London in July 2005.

In many respects, these attacks highlight one of the major differences between the threat posed by transnational organized crime and that posed by terrorism. The terrorist threat is rather like smallpox—when it erupts it is immediate and devastating in its impact. Transnational organized crime, in contrast, is rather more like AIDS: it breaks down the defences of the body politic, using corruption as a selectively targeted instrument to weaken or neutralize law enforcement, the judiciary, and even the government as a whole. Moreover, transnational criminal activities such as trafficking in arms or smuggling of aliens pose a direct challenge to the ability of states to determine who or what enters their territory. Even though this notion of sovereignty as territorial control has never been absolute, in the era of globalization, it is particularly fragile.

Synergies between organized crime and terrorism?

One major concern has been possible synergies between organized crime and terrorism. The smuggling of nuclear material from the former Soviet Union by amateur and opportunistic criminals, smuggling networks, and, in some cases, sophisticated criminal organizations, has raised the spectre of material sale to terrorists who could then use it to create either a crude nuclear device or a radiological weapon or 'dirty bomb'. Moreover, cooperation is something that could provide powerful benefits for each kind of group in terms of fund-raising and resource generation, combating government agencies, and enhanced reach and effectiveness. Yet, there is little evidence of a nexus of cooperative relations between criminal and terrorist organizations. There is some cooperation to be sure, and it is clear that, on occasion, terrorists turn to what one intelligence analyst described as 'criminal service providers' for such things as false documents and people smuggling capabilities. Supplier relationships involving drugs and weapons have also been developed, although these appear to be driven by mutual convenience and opportunity rather than any convergence of objectives. Yet, the possibility of much closer links between terrorists and criminals cannot be ruled out. One area where such linkages seem likely to develop is prison, which helps to foster bonding mechanisms that can lead to unlikely alliances after prisoners have been released. In some cases, members of criminal organizations will maintain linkages with terrorists and could provide the weapons or logistic support that facilitates a terrorist attack. In other cases, however, the criminals might actually be converted to Islam and embrace the global jihad. In these circumstances, the result is not cooperation so much as integration. A prime example of this—and one that could easily be replicated in the future—occurred in Spain where members of a small but well-established Moroccan drug trafficking organization led by Jamal Ahmidan, became radicalized and were subsequently integrated into the cell that carried out the Madrid bombings. The contribution of the radicalized drug traffickers is difficult to overestimate: they provided the

finance, the logistics, the safe houses, and the connections that enabled the cell to acquire the explosives. Indeed, without their resources and expertise, it is unlikely that the attacks on the trains would have taken place, and certainly not on such a destructive scale. This trend towards radicalization of criminals is likely to become stronger in both Western Europe and the United States, and will significantly enhance the capacity of terrorists to carry out attacks with high levels of casualties.

If criminal–terrorist cooperation is a dangerous trend, however, another phenomenon is currently even more evident: the appropriation of organized crime methods by terrorists in order to fund the cause. As the United States and the international community clamped down on Islamic charities that had been used to fund terrorist activities, Al-Qaeda's affiliated networks as well as individual cells were compelled to become more self-reliant for funds. The Abu Sayyaf Group in the Philippines, for example, has obtained considerable funding through kidnapping and extortion as well as through some limited involvement in drug trafficking. In Western Europe, the trend, if anything, is even more pronounced. As one astute observer has noted, 'Along with drug trafficking, fraud of every sort is a growth industry for European jihadists. Popular scams include fake credit cards, cell phone cloning, and identity theft—low level frauds that are lucrative, but seldom attract the concerted attention of authorities' (Kaplan 2005b: 46). In addition, European jihadists are heavily involved in human smuggling, an activity where they appear to have established cooperative linkages with the Neapolitan Camorra. (Kaplan 2005b: 46) Indeed, the more terrorists behave as criminals to raise money for the cause, the more likely they are to come into contact and cooperate with traditional criminal organizations interested in profit not politics.

This increased self-reliance of terrorist networks makes them difficult to detect unless local law enforcement is sensitive to the possibility that certain kinds of criminal activities are likely to be terrorist related. Developing this sensitivity has to be one of the key components of counter-terrorism strategy—although this also requires an ability to transcend bureaucratic obstacles to information-sharing, something that is not easy. Indeed, although the United States has developed explicit strategies to counter both organized crime and terrorism, these strategies still suffer from serious shortcomings, not least at the level of implementation.

KEY POINTS

- Globalization has helped to bring terrorism and organized crime together to form a formidable contemporary threat.
- Both terrorists and criminals can be thought of in Clausewitzian terms as rational actors.
- Terrorist violence is increasing in scale and although criminals use violence selectively it can sometimes take the form of terrorism.
- Apart from violence transnational criminal organizations also use corruption as a major instrument.
- Terrorists and criminals increasingly use alliances with business organizations and network structures as part of their operations.
- Effective counter-terrorism requires an awareness of the links between terrorists and criminals.

Strategies to Combat Organized Crime and Terrorism

Combating transnational organized crime

In 1998, the United States Department of State unveiled its International Crime Control Strategy to combat what it referred to as international organized crime. It identified eight goals: extend the first line of defence beyond US borders; protect the borders by attacking smuggling; deny safe haven to international criminals; counter international financial crime; prevent criminal exploitation of international trade; respond to emerging international crime threats; foster international cooperation and the rule of law; and optimize the full range of US efforts (*Transnational Organized Crime* 1998). Although the strategy articulated specific objectives that had to be attained in order to reach these goals, the strategy seems to have had little impact.

There are several reasons for this. First, in spite of growing international cooperation among national law enforcement agencies, law enforcement remains a national activity confined to a single territorial jurisdiction, while organized crime is transnational in scope. In effect, law enforcement still continues to operate in a bordered world, whereas organized crime operates in a borderless world. Second, although the United States placed a high priority on denying safe haven or sanctuary to international criminals, many states have limited capacity to enforce laws against organized crime. Consequently, transnational criminal organizations are able to operate from safe havens, using a mix of corruption and violence to perpetuate the weakness of the states from which they operate. Nowhere is this more evident than in Mexico, where a war for control of routes and markets on the northern border has led to violence spilling over into the United States. Third, all too often attacking transnational criminal organizations has been subordinated to other goals and objectives. In spite of the emphasis on attacking smuggling and smugglers, for example, this is not something which has been allowed to interfere with global trade. In effect, reaping the benefits of globalization, tacitly at least, has been deemed more important than combating transnational organized crime. Not surprisingly, therefore, as Moises Naim has pointed out, 'there is simply nothing in the cards that points to an imminent reversal of fortune for the myriads of networks active in illicit trade. It is even difficult to find evidence of substantial progress in reversing or even just containing the growth of these illicit markets'(2005: 221). Fourth, both transnational criminal organizations and the illicit markets in which they operate are highly adaptable. Law enforcement success against a particular organization, for example, tends simply to offer opportunities for its rivals to fill the gap. Moreover, the ability of organizations to move from one illicit product to another makes them even more difficult to combat. In recent years, for example, Burmese warlords have moved from opium to methamphetamine production and have become major suppliers to Asian markets for the drug.

Another problem with the United States strategy for combating transnational organized crime was that the Clinton administration failed to allocate resources commensurate with either the scale of the problem or the ambitious strategy for responding to what was clearly a growing phenomenon. A mismatch of this kind between objectives and resources can

reduce strategy to little more than slogans. In some respects the situation became even worse after 11 September 2001, as priorities changed and resources were shifted to combating terrorism. In some instances, such as the effort to combat terrorist finances, the reregulation of financial systems made it slightly more difficult for criminals to launder money. In most respects, however, the strategy against transnational organized crime was largely deprived of both attention and resources. This has begun to change partly because of the massive growth in the United States of youth gangs with connections to Central America, and partly because of concerns about terrorist use of criminal activities for funding and terrorist cooperation with criminal organizations. The United States at the end of 2005 was developing a current assessment of the threat to US interests posed by transnational organized crime. Even so it seems likely that combating transnational crime will remain subordinate to the effort to combat global terrorism.

Combating Terrorist Networks

The Bush administration in February 2003 released its National Strategy for Combating Terrorism. Defining the struggle against terrorism as different from any other war in US history, the strategy noted that 'We will not triumph solely or even primarily through military might. We must fight terrorist networks and all those who support their efforts to spread fear around the world using every instrument of national power—diplomatic, economic, law enforcement, financial, information, intelligence, and military' (White House 2003: 1). At the same time, considerable emphasis was placed on direct action to disrupt, degrade and destroy what the report described as 'a flexible transnational network structure, enabled by modern technology and characterized by loose interconnectivity both within and between groups'(p. 8). This strategy, which was encapsulated in 4Ds—defeat, deny, diminish, and defend (p. 15)—incorporated a comprehensive attack on terrorist organizations through targeting not only the networks themselves but also their leadership, sanctuaries, and finances. The strategy also emphasized the need for a multilateral approach, noting that denying terrorist organizations sponsorship and sanctuary required working with willing and able states, enabling weak states, persuading reluctant states, and compelling unwilling states (pp. 20–1) Victory was defined in the strategy as the creation of a world in which 'our children can live free from fear and where the threat of terrorist attacks does not define our daily lives' (p. 12). In operational terms this means reducing the scope and capability of terrorist organizations to a point where terrorism is returned to the 'criminal domain' and is, in effect, unorganized, localized, non-sponsored, and rare (p. 14).

Although this strategy was often criticized because of its focus on defeating terrorism—which in itself is really only a tactic—in many respects the articulation was impressive. The strategy was comprehensive and included an effort to translate broad goals into specific objectives. It also emphasized the need for both defensive and offensive components.

The major defensive goals are to prevent attacks on the United States homeland and to prevent terrorists from acquiring WMD. This focus of the strategy is compelling and few

would argue with the objective. There are, however, critics who suggest that the administration has done too little in terms of homeland security, simply creating a new massive bureaucratic department that has been given inadequate resources, in large part because of the war in Iraq. There are also those who fear that the effort to stop terrorists acquiring WMD has not been nearly as energetic and focused as it should have been.

Another important deficiency of the strategy—and this was also evident in the earlier strategy to combat international organized crime—was the absence of measures of effectiveness to measure progress. In a memorandum that was sent to a few select colleagues but subsequently leaked, Secretary of Defense Donald Rumsfeld exhibited considerable candour in noting the difficulties of finding appropriate measures of effectiveness for assessing the war on terrorism. As he put it:

> “Today, we lack metrics to know if we are winning or losing the global war on terror. Are we capturing, killing or deterring and dissuading more terrorists every day than the madrassas and the radical clerics are recruiting, training and deploying against us? Does the US need to fashion a broad, integrated plan to stop the next generation of terrorists? The US is putting relatively little effort into a long-range plan, but we are putting a great deal of effort into trying to stop terrorists. The cost-benefit ratio is against us! Our cost is billions against the terrorists' costs of millions.”
>
> **(*USA Today*, 16 Oct 2003)**

Although some critics dismissed the leak as simply a political ploy by the Secretary of Defense, in fact the memo raised some very important—and often neglected—questions about the United States strategy to combat global terrorism. The tone of the memo reflects what appears to be a genuine frustration about not only the absence of appropriate measures of effectiveness but also the difficulty of determining precisely what metrics are important. Earlier in the memo Rumsfeld had referred to United States successes against the Al-Qaeda leadership, but the passage quoted suggests that he was less confident about the overall impact of these successes than many of the administration's public statements suggested. His concern that short-term successes might not easily translate into long-term gains is also very compelling. In effect, Rumsfeld's memo identified one of the key weaknesses in the strategy to combat Al-Qaeda and its associates.

Nor is this the only problem with the strategy. At the operational level, for example, attacking networks creates dilemmas that are difficult to resolve and requires trade-offs that are difficult to make. One component of a counter-network strategy, for example, is to aim for the targeted and selective removal of critical nodes which are crucial to the functioning of the network. In some instances, however, it might be better to monitor key communication nodes rather than degrade or eliminate them. Much depends on an assessment of the enemy's ability to adapt rapidly and effectively to operating without these nodes. If elimination will have a seriously crippling effect on the network, then this is likely to be the preferred option; if it only creates a short-term inconvenience and the network is able to adapt by reconstituting its communications through substitute nodes, however, then monitoring might be more effective. The key to determining this, however, is to map the network, put it under stress, and assess its adaptive mechanisms. In other words, network

damage assessment is crucial to the whole process of devising a counter-network operational strategy. Yet this is also something that is very difficult to do in a comprehensive ways when there is incomplete information about the network and its operations.

Another aspect of Rumsfeld's memo concerns the long term. Implicit in his comments is the expectation that the war on terrorism will be protracted. The implication, however, is that the United States needs to consider how to make the environment less conducive to terrorist recruiting. In fact, as David Kaplan has reported, considerable efforts have been expended in this direction. Although the effort was initially bedevilled by bureaucratic confusion and indecision, a lack of expertise on public diplomacy and propaganda, and the sheer difficulty of conceptualizing an appropriate response to Islamic radicalism, the classified edition of the National Strategy for Combating Terrorism reportedly includes an annex dealing with the war of ideas. This was crystallized into a strategy entitled Muslim World Outreach which recognizes that the United States has a vital interest in the future evolution of Islam and should make all efforts possible to strengthen the moderates within Islam and to create a more favourable image of the United States in both the Arab and the Islamic worlds (Kaplan 2005a). These objectives have been undermined by the United States intervention in Iraq, as well as Washington's support for Israel and for authoritarian regimes such as the Karimov government in Uzbekistan and the Saudi Arabian royal family. Even so, it remains essential to encourage moderate Islam, to isolate the radicals, and to undermine the legitimacy of terrorism as a ways of pursuing a radical Islamic agenda.

In this connection, it is clear that a major factor undermining the Bush administration's war on terrorism, however, has been the military involvement in Iraq. Based on spurious claims about both WMD and the link between Saddam Hussein and 11 September the attack was a profound strategic disaster. Not only did it take away resources from both the campaign in Afghanistan and the Department of Homeland Security, but it also provided what the National Intelligence Council's report described as a new breeding ground for Islamic terrorism (2004: 94). Indeed, the intervention is all too easily portrayed as United States imperialism and quest for domination over energy supplies, and disregard for Islamic societies and values. At the same time, it is very difficult for the United States to withdraw its forces until it has imposed or created a high degree of stability as it cannot readily allow Iraq to become another sanctuary for the global jihad movement.

For all the criticisms of the Bush administration's strategy to combat global terrorism—and these are valid criticisms—the strategy has some clear strengths. The administration has moved towards a holistic response rather than exclusive reliance on the military and law enforcement, has recognized the importance of long-term considerations as well as short-term imperatives, and has enunciated a clear set of goals and objectives. There are those who would put much more emphasis on dealing with the root causes of terrorism. The difficulty with this, however, is that so long as there is poverty and inequality, alienation and marginalization, terrorist organizations will have a ready flow of new recruits. And so long as there are fundamental differences over the shape of the world and the principles on which all or parts of it should be governed there will always be political and religious activists who are willing to resort to violence in an attempt to bring their conceptions to fruition.

KEY POINTS

- The US International Crime Control Strategy developed in 1998 had very little impact.
- The Bush administration's National Strategy for Combating Terrorism launched in 2003 has some strengths but it has also been the subject of serious criticism.
- The difficulty with developing an effective counter-terrorist strategy is that poverty and alienation are perennial features of the world in which we live and provide a fertile ground for recruitment to the terrorist cause.

Conclusions

In many respects, the threats posed to the United States and more broadly to the international community of states by transnational organized crime and terrorism can be understood as an important manifestation of the new phase in world politics in which some of the key interactions are between the state system and what James Rosenau (1990) termed the 'multi-centric system', composed of 'sovereignty-free actors' . In this connection, it is notable that the first serious challenge to United States hegemony in the post-cold war world came not from another state but from a terrorist network. Moreover, both criminals and terrorists have certain advantages over states: they are agile, distributed, highly dynamic organizations with a capacity to morph or transform themselves when under pressure. States in contrast are slow, clumsy, hierarchical, and bureaucratic and, although they have the capacity to bring lots of resources to bear on a problem, can rarely do this with speed and efficiency. As discussed above, in the United States war on terror, the strategy for the war of ideas was very slow to develop, not least because of inter-agency differences. The same has been true in the effort to combat terrorist finances. As the Government Accountability Office (2005) has noted, 'the U.S. government lacks an integrated strategy to coordinate the delivery of counter-terrorism financing training and technical assistance to countries vulnerable to terrorist financing. Specifically, the effort does not have key stakeholder acceptance of roles and procedures, a strategic alignment of resources with needs, or a process to measure performance'. Differences of perspective and approach between the Departments of State and Treasury have also seriously bedevilled the effort to 'enable weak states', one of the keys to the multilateral component of the administration's strategy to combat terrorism.

Similar problems have been evident in efforts to combat organized crime and drug trafficking. A striking example is the counter-drug intelligence architecture for the United States which has the Crime and Narcotics Center at CIA looking at the international dimension of drug trafficking, the National Drug Intelligence Center responsible for domestic aspects of the problem, the Treasury's Financial Crimes Enforcement Network focusing on money laundering, and the El Paso Intelligence Center responsible for tactical intelligence. Although this architecture provides clear roles and responsibilities, it also creates bureaucratic seams in the effort to understand and assess what is clearly a

seamless process of drug trafficking and money laundering across borders. Although good information exchanges can ease this problem, the architecture is far from optimal.

Yet another problem is that governments have many objectives, whereas criminal and terrorist organizations have a much narrower focus. The result is that governments have to make many trade-offs, some of which are highly controversial. The Bush administration, for example, has chosen to emphasize surveillance at the expense of the privacy of its citizens, an approach that has provoked considerable protest from those who emphasize civil liberties, and generated unease even among many who do not. Yet, it is also clear that, prior to 11September 2001, possible indicators of an impending attack were missed because of legal inhibitions on information-sharing and certain kinds of investigation. Getting the balance right between security and privacy is an inherently difficult and controversial task.

The bottom line on all this is that, even though the United States has developed clear strategies for combating both organized crime and terrorism, the implementation of these strategies is clearly hindered by the dominance of governmental structures that were well-suited to the cold war against a slow, bureaucratic, ponderous adversary but are singularly ill-suited to combating agile transnational adversaries. In the final analysis, fighting terrorism and transnational organized crime is not only about strategy, it is also about appropriate organizational structures to implement strategy. And in that respect, terrorists and criminals have the advantage. The result is that the efforts of the United States and the international community to combat both crime and terrorism are unlikely to meet with unqualified success.

? QUESTIONS

1. What is the connection between globalization and the growth of organized crime and terrorism?
2. Can criminal and terrorist organizations truly be described as Clausewitzian?
3. What are the major similarities and differences between criminal and terrorist organizations?
4. Why do criminals and terrorist rely so heavily on network forms of organization?
5. Why was the US approach to the war on terror so slow to develop?
6. To what extent has Al-Qaeda established effective links with organized crime?
7. What are the major weaknesses in the United States strategies to combat organized crime and terrorism?
8. Can these weaknesses be overcome or are they inherent in the United States approach to strategy?
9. Can governments develop effective international strategies to combat organized crime and terrorism in a globalized world?
10. To what extent has the link between crime and terrorism brought a new phase in world politics?

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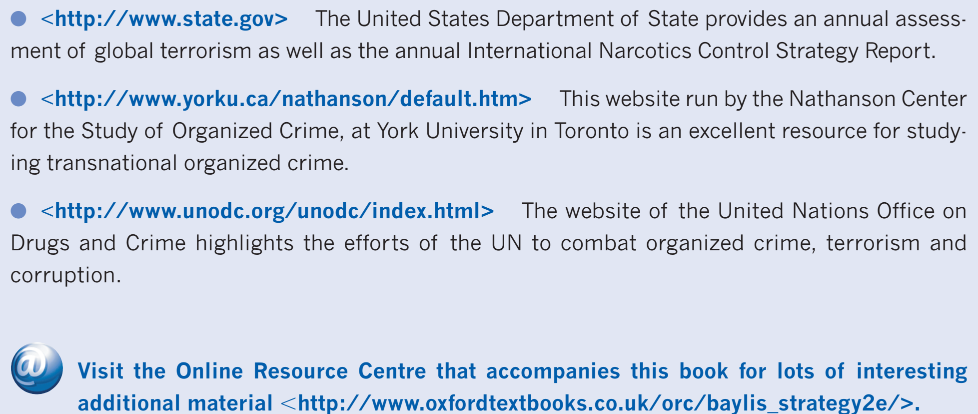
FURTHER READING

- **J. Arquilla and D. Ronfeldt (eds.), *Networks and Netwars* (Santa Monica: RAND, 2001).** An important set of readings on terrorist and criminal networks. The editors emphasize that it takes a network to defeat a network.
- **D. Benjamin and S. Simon, *The Next Attack* (New York: Times Books, 2005).** This book offers an important critique of the Bush administration's strategy to fight terrorism and a series of recommendations for significantly strengthening the strategy.
- **M. Berdal and M. Serrano (eds.), *Transnational Organized Crime and International Security* (Boulder, Colo: Lynne Rienner, 2002).** This book is one of the few which explicitly discusses organized crime as a challenge to security.
- **B. Hoffman, *Inside Terrorism* (New York: Columbia University Press, 1998).** This remains one of the most illuminating studies of contemporary trends in terrorism.
- **M. Naim, *Illicit: How Smugglers, Traffickers, and Copycats are Hijacking the Global Economy* (New York: Doubleday, 2005).** This important study provides a very good overview of organized crime and illicit trade and its impact on the global economy.
- **J. N. Rosenau, *Turbulence in World Politics* (Princeton: Princeton University Press, 1990).** Although written at the end of the cold war, this book offers an illuminating understanding of the dynamics of contemporary world politics.

WEB LINKS



- **<http://www.state.gov>** The United States Department of State provides an annual assessment of global terrorism as well as the annual International Narcotics Control Strategy Report.
- **<http://www.yorku.ca/nathanson/default.htm>** This website run by the Nathanson Center for the Study of Organized Crime, at York University in Toronto is an excellent resource for studying transnational organized crime.
- **<http://www.unodc.org/unodc/index.html>** The website of the United Nations Office on Drugs and Crime highlights the efforts of the UN to combat organized crime, terrorism and corruption.

Visit the Online Resource Centre that accompanies this book for lots of interesting additional material <http://www.oxfordtextbooks.co.uk/orc/baylis_strategy2e/>.