

# The Narcotics Trade: A Threat to Security? National and Transnational Implications

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Traditional definitions of security have tended to concentrate on the state and military threats to its sovereignty. However, in the post-Cold War world, it is clear that a much more nuanced perspective is required, also considering a variety of so-called 'soft' security issues such as social, human and environmental threats. Furthermore, this must appreciate the extent to which these varied threats are integrated. The expanding narcotics trade provides an excellent example of the way global crime creates and facilitates this kind of integrated threat. In both production and transit regions, it generates a variety of interconnected threats to political, economic, human and military security. It thus requires solutions which integrate responses to these various threats and also operate at the local, national, regional and global level.

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After the fall of the Soviet Union in 1991 it was widely believed that a new world order based on free trade and democratic institutions would be established around the world. This new world order would inevitably lead to an international community that was less challenged by security threats. While it is true that interstate conflicts have declined considerably, the number of internal conflicts and low-intensity conflicts are still great and even increasing in some cases.<sup>1</sup> This is especially true with regard to so called Grey Area Phenomena (GAP) and

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1. The United Nations Development Program (UNDP) noticed a three times decrease in deaths related to interstate conflicts in the 1990s to 220,000, compared to the 1980s, but there were some 3.6 million deaths related to internal conflicts in the 1990s (United Nations Development Program (2002) *Human Development Report 2002*, Oxford, Oxford University Press, p. 11).

non-conventional threats to, for example, human health.<sup>2</sup> The question is whether these threats are real security threats to states or regions.

There has long been a discussion about security concepts and what constitutes a security challenge to different states. During the Cold War there was a dominant realist school of “hard” security with a focus military security of states, the conflict between the superpowers and the balance of power. This has changed dramatically since 1991 and today there is a move towards a more diverse concept of security that incorporates both traditional “hard” threats and new challenges to the state and people, so-called “soft threats”. These “soft” threats come in many shapes and forms but a characteristic is that they are less tangible than the traditional threats and more difficult to define and deal with. One of the new security threats that has received relatively modest attention is that from organised crime and narcotics trafficking. It has even been argued that these elements do not constitute a security threat.<sup>3</sup> This despite its linkages to terrorism, extremism and the very real threat the United Nations (UN) and several researchers seem to think it poses for national security.<sup>4</sup> The gap between public and academic attention to international narcotics trade in relation to security not only discredits international relations theory but also decreases its importance as a policy instrument. Smith, for example, has pointed out that international relations theory has been slow to adapt to changed realities and the traditional focus on borders, states and military threats is in great need of revitalisation.<sup>5</sup> Similarly, there is a gap between academic research and its operationalisation in policy. Neither the academic world, nor the policy world has been quick to change their traditional perceptions of security, perspectives of the world or the rules of the game. However, it is necessary to include new challenges to security on regional, national as well as the international level, even though they do not follow the old concepts of borders and states but are in fact transnational, non-state and potentially non-military in character.

2. GAP have been defined as threats to the stability of sovereign states by non-state actors and non-governmental processes and organisations. Chalk, P. (2000) ‘Southeast Asian and the Golden Triangle’s Heroin Trade: Threats and Response’, *Studies in Conflict & Terrorism*, vol. 23, p. 2.

3. Charters, D. (2003) *Canadian Foreign Policy, Terrorism, and non-Traditional Security Threats: Temporary Aberration or Permanent Condition*, Toronto, The Canadian Defence & Foreign Affairs Institute.

4. Makarenko, T. (2004) ‘Terrorism and Transnational Organised Crime: the Emerging Nexus’ in *Transnational Violence and Seams of Lawlessness in the Asia-Pacific: Linkages to Global Terrorism*, Hawaii, Asia Pacific Center for Strategic Studies; Thachuk, K. (2001) ‘Transnational Threats: Falling Through the Cracks?’, *Low Intensity Conflict & Law Enforcement*, vol. 10, no. 1; Adamoli, S., et al. (1998) *Organised Crime Around the World*, Helsinki: HEUNI; Galeotti, M. (2002) ‘Transnational Organized Crime: law enforcement as a global battlespace’, *Small Wars & Insurgencies*, vol. 13, no. 2; Harris-White, B. (2002) *Globalisation and Insecurity: Political, Economic and Physical Challenges*, New York, Palgrave; Ivelaw, G. (1993-1994) ‘From Cold War geopolitics to post-Cold War geonarcotics’, *International Journal*, vol. 30, no. 2; Matthew, R. & Shambaugh, G. (1998) ‘Sex, Narcotics, and Heavy Metal: Transnational Threats and National Vulnerabilities’, *Security Dialogue*, vol. 29; Swanström, N. (2004) ‘Organised Crime in Central Asia: its Impact on Europe’, *Jane’s Homeland Security and Resilience Monitor*, vol. 3, no. 3.

5. Smith, S. (2004) ‘Singing Our World into Existence: International Relations Theory and September 11’, *International Studies Quarterly*, vol. 48, no. 3, pp. 504-507.

The increased weight of transnational organised crime (TOC), particularly in connection to the narcotics trade, has become a distinct security threat at the societal, national, regional and international levels. TOC has dramatically increased in size during the last decade, and could pose an increasingly serious threat.<sup>6</sup> International narcotics consumption has increased to some 200 million users of illicit narcotics according to the United Nations Office of Drugs and Crime (UNODC) and the production is increasing rapidly to satisfy this large number of illegal narcotics abusers.<sup>7</sup> The illegal narcotics trade is estimated to be the second largest industry in the world today, preceded only by the weapons industry. The International Monetary Fund (IMF) has estimated that between US\$500 billion and US\$1.5 trillion - equivalent to 1.5-4.5% of the world's gross work product - is washed through the international banking system by money laundering schemes.<sup>8</sup> These growing problems could have serious implications on national, regional and international security. Contrary to these arguments, Charters has for example claimed that TOC, including narcotics trafficking, is no threat to Canadian security and there are several other researchers and advocates that do not view narcotics trafficking as a security threat.<sup>9</sup>

The narcotics trade is strictly organised in different networks, controlling criminal activity in all steps from production to consumer markets.<sup>10</sup> The networks that organise the trade are international but the leaders are primarily based in Europe and Russia, even if they are also represented in the Balkans, the Caucasus, North Korea, and Nigeria. Through these networks Afghanistan, as the primary producer of opium, is directly connected to Europe, Russia, China, Central Asia and Iran; the USA, China and Japan are directly connected to Southeast Asia, as the second largest producer of opium, and the USA to Latin America, as the largest producer of coca. Below the international level, local leaders control their own territory and are often paid in narcotics rather than hard currency. Therefore we can see rapid increases of consumption in the production and transit regions as great quantities of the narcotics

6. United Nations Office on Narcotics and Crime (2006) 2006 World Drug Report, United Nations, New York; *Global Illicit Narcotics Trends 2003*, United Nations, New York; Roston, A. (2002) 'Central Asia's Heroin Problem', *Nation*, 3 March.

7. Since 1998-2000 there has been a 4.7% increase in narcotics users and in 2006 it was estimated that 5% of the global population aged 15-64 use drugs. However, the world population of users has been stagnant between 2005 and 2006, a remarkable development. United Nations Office on Narcotics and Crime (2003, pp. 101-102); United Nations, World Drug Report 2006, United Nations Office of Drugs and Crime (2004, p. 9).

8. Thachuk, K. *op cit* (2001) UNODC, *Global Program Against Money Laundering* (20 October 2005) ([http://www.unodc.org/unodc/en/money\\_laundering.html](http://www.unodc.org/unodc/en/money_laundering.html)). The assessments are incomplete and if the refineries have improved or if the smugglers are more effective than we have estimated, which is highly likely, the value of the narcotics trade will skyrocket (interviews in China, Central Asia and Iran during 2004-2005). However, it has been argued that the estimates are political tools created to stir up the public and more seriously that their methodology is seriously flawed or even absent which makes any calculation of the value of the narcotics trade useless.

9. Charters (2003).

10. After the fall of the Taliban we have seen an increased presence of European, Albanian, Turkish (Kurdish) etc networks in Afghanistan. These networks have increased their presence in the main production state (accounting for 77% of the world's opium) simply to gain a better control over the whole supply chain. Their increased presence may also be a response to increased competition from the different networks and the necessity to defend their markets and production sites.

are sold locally for direct use. This has reached a situation where it is estimated that the narcotics trade in the regions of transit provides the majority of the revenue in some of the countries (for example Tajikistan) or a very significant proportion in others (for examples Burma, Turkmenistan, Laos, and North Korea). Corruption and direct state involvement in the narcotics trade has penetrated most of the transit and production states and it seems that all of these states are severely affected by the narcotics trade. Starr has claimed that there is no difference between political groupings, military or law enforcers in such regions; they all receive their share of the narcotics money.<sup>11</sup> It should be noted that one of the largest emerging problems is the locally-produced amphetamine-type stimulants that is taking over part of the narcotics market with decreased transaction costs and risks as it is produced closer to the market.

The visible increase in the volume and profitability of the narcotics trade has been made possible by the existence of weak states and the consequent corruption that has assumed endemic proportions. The narcotics trade has boosted the level of corruption and threatens the internal cohesion of many states as it dominates both trade and politics. The dramatic growth in narcotics addiction and trade impacts societal security negatively through increased epidemics of Hepatitis C, sexually transmitted diseases (STDs) such as HIV/AIDS, petty crime and decreased economic growth.<sup>12</sup> At the national level the international narcotics networks co-opt the weak state institutions through corruption and the economic leverage they have gained through the relative strength of their illegal economic activity as a proportion of the economy at large. The narcotics trade is by nature a transnational activity as the main consumer markets are outside the production regions. In many cases the narcotics trade impacts the states negatively as non-state actors threaten states through armed resistance in the form of ethnic separatism, religious extremism and/or simply a criminal agenda sponsored by international dirty money. Political instability is a great asset for narcotics traders and producers as it hinders effective governmental policies against the criminals and political instability also generates large degrees of corruption that enables the criminal networks to co-opt sections of the state or key individuals. The most prominent examples are maybe Tajikistan and Afghanistan, where organised crime is powerful, and there have been claims that the revolution in Kyrgyzstan in 2005 was financed by criminal gangs lead by the Kyrgyz parliamentarian Bayaman Erkinbayev and the Northern Alliance in Afghanistan but also to lesser degree in other states.<sup>13</sup> International criminal networks criminalise societies all over the world through, for example money laundering schemes and the investment of narcotics money in legal economies. Illegal capital not only competes

11. Starr, F. (2000) *Narcotraficking and the Rise of Independent Militia*, Conference Report, Central Asia and the South Caucasus: Reorientations, Internal Transition, and Strategic Dynamics, October. For more on corruption see Ivelaw, G. (1999) 'Organised Crime in the Western Hemisphere: Context, Consequences and Countermeasures', *Low Intensity Conflict & Law Enforcement*, vol. 8, no. 1.

12. United Nations International Drug Control Program (2003) *Investing in Drug Abuse Treatment*.

13. Dupont, A. (1999) 'Transnational Crime, Drugs and Security in East Asia', *Asian Survey*, vol. 39, no. 3; Gibson, R. and Haseman, J. (2003) 'Prospects for Controlling Narcotics Production and Trafficking in Myanmar', *Contemporary Southeast Asia*, vol. 25 no. 1; Lubin, N. (2003) 'Watching the Watchdogs', *Journal of International Affairs*, vol. 56 no. 2, pp. 43-58; Swanström, N. & Cornell, S. (2005) 'Kyrgyzstan's 'Revolution': Poppies or Tulips?', *Central Asia - Caucasus Analyst*, 18 May.

with and, in many cases, controls parts of the “legal” economies by corrupting politicians and leading institutions - , with obvious examples such as Tajikistan, Afghanistan, Kyrgyzstan, Burma and Laos - but also affects states beyond these to a lesser degree.<sup>14</sup> The financial gains of the narcotics industry also provides financial support for international terrorism.<sup>15</sup> As the state sponsorship or terrorism has declined since the US “War On Terror” terrorist organisations have shifted to organised crime to sponsor their operations. Thachuk notes that:

organised crime groups rarely co-operated with terrorist groups, or engaged in their activities, as their goals were most often at odds... yet, many of today’s terrorist groups have not only lost some of their more comprehensible ideals, but are increasingly turning to smuggling and other criminal activities to fund their operations.<sup>16</sup>

An example of this is the Islamic Movement of Uzbekistan (IMU) that controls some of the transit links in Tajikistan.<sup>17</sup> The Kurdish Workers Party (PKK) was once supported by Syria and the Soviet Union, and the Afghan Mujaheddin received hundreds of millions of US dollars when they were fighting Soviet occupation in the 1980s, but such organisations had to turn to new means of funding when state sponsorship ended. This makes narcotics trafficking a prominent factor of criminalisation and military instability and constitutes both a national and transnational threat. The effects are seen on a transnational level, especially along the trafficking routes, when militant groups supported by narcotics trade operate over borders and HIV/AIDS spreads internationally with worrying speed. National borders offer very little protection against the narcotics trade, and in some cases they hinder effective combating of the narcotics trade, a fact realised and used by criminal networks. Despite this, there seems to be a strong inclination by national states to view TOC and narcotics trade as a national security problem and the operationalisation of the war against drugs is mainly national in character, even if some initiatives has been taken at the international level such as the much-revered UN conventions relating to narcotics control. These conventions have been signed in many states, but in badly affected states such as Tajikistan, Afghanistan, Kyrgyzstan and Burma they are worth little more than the paper they are written on.<sup>18</sup> This is much to the benefit for the

14. Swanström, N. & Cornell, S. (2005); Kairat Osmonaliev, *Developing Counter-Narcotics Policy in Central Asia: Legal and Political Dimensions*, Silk Road Paper, Silk Road Studies Program, January; Swanström, N. (2003) ‘The Southeast Asian and Chinese Connection to Drug Trade in Central Asia’, *Central Asia - Caucasus Analyst*, 27 August; United Nations, Fifty-sixth General Assembly Third Committee 10th Meeting, *With Strong Political Will, Governments Could Develop UN Convention Against Corruption by 2003*, *Third Committee Told*, Press Release GA/SHC/3634 (2001).

15. Johnston, B. & Nedelescu, O. (2005) *The Impact of Terrorism on Financial Markets*, International Monetary Fund, IMF Working Paper, March.

16. Thachuk (2001) p. 51.

17. Cornell, S. (2005) ‘Narcotics, Radicalism and Armed Conflict: The Islamic Movement of Uzbekistan’, *Terrorism and Political Violence*, vol. 17, no. 4.

18. Swanström, N. & Madi, M. (2005) ‘International Cooperation Against Drug Trafficking, in Central Asia,’ in *United Nations: Multilateralism and International Security*, ed. C. Uday Bhaskar, U. Sinha, K. Santhanam & T. Meenai, Institute for Defence Studies and Analyses & SHIPRA Publications, New York; Swanström, N. (2005) ‘Multilateralism and Narcotics control in Central Asia’, *CEF Quarterly*, February; Interviews with senior officials within the police, customs and drug enforcement agencies in Central Asia, Southeast Asia, Iran and China during 2004-2005.

traffickers and producers who have used the discrepancies between national polices for some time. Despite some early pioneers this unfortunate attempt to combat international security threats with national mechanisms has its origin in the slow adaptation to transnational threats by both academics as well as policy makers.<sup>19</sup> There is a need to widen the security discussion both among policy-makers as well as among academics to overcome the failure to revitalise the security concept after the end of the Cold War.

Despite some recent discussions about security and narcotics trade, it is clear the security studies are in need of more analysis of the correlation between the two areas. The definition of security has to include organised crime and the narcotics trade. It has to be realised that “soft” security threats, such as narcotics trade, affect areas such as political stability, economic and societal development.<sup>20</sup> The narcotics trade could in the long run also potentially affect “hard” security by strengthening militant non-state organisations that combat states, or are actively involved in military actions (such as terrorism) to achieve their goals. It could also be states that plan to use, or are using, narcotics as political or economic strategies in the international arena.<sup>21</sup> There have been relatively few studies on this issue and this article is an attempt to see how the narcotics trade has affected national and transnational security.<sup>22</sup> Examples will be given from the production and transit regions with special emphasis on Central Asia (and Afghanistan), China, Russia, and Southeast Asia, which are among the worst affected regions and states. It should be pointed out that the international narcotics trade is not seen as the only security threat, possibly not even the most central, nonetheless it is an increasingly important aspect that needs further attention.

### Security Theories: Too Old, Too Late?

Transnational crime in general, and the international narcotics trade in particular, have previously not been considered a “real” threat by many academics and policy-makers. The security debate has for too long focused on military threats; and the “softer” issues, such as transnational crime, human security, etc, have not been seen

19. Smith (2004), pp. 499-515. Keohane, R. & Nye, J. (eds) (1971) *Transnational Relations and World Politics*, Harvard University Press, Cambridge, MA; Williams, P. & Vlassis, D. (eds) (1998) ‘Combating Transnational Crime’, *Transnational Organised Crime*, vol. 4, no. 3-4.

20. Ivelaw, G. (1993-1994); Matthew, R. & Shambaugh, G. (1998), pp. 163-175. Dziedzic, M. (1989) ‘The transnational narcotics trade and regional security’, *Survival*, November/December; Thachuk (2001), pp. 47-67.

21. There are suspicions that North Korea is, for example, using narcotics money to fund its international and domestic strategies. There is an increasing rate of seizures of narcotics originating in North Korea and it is believed that it could be a part of a strategy to destabilise the western world, as well as making money. Boyd, A. (2003) ‘North Korea: Hand in the cookie jar’, *Asia Times*, 1 September; Perl, R. (2004) ‘State Crime: the North Korean drug trade’, *Global Crime*, vol. 6, no. 1.

22. Cornell, S. (2004) ‘The Growing Threat of Transnational Crime’, in *The South Caucasus: A Challenge for the EU*, ed. Dov Lynch, Chaillot Papers, EU Institute of Security Studies; Ivelaw, G. (1997) *Narcotics and security in the Caribbean: sovereignty under siege*, University Park, Pennsylvania State University Press.

as potential security threats.<sup>23</sup> One important reason for this is that traditionally security threats could, by definition, only be directed towards “the state, and the state is and should be about security, with the emphasis on military and political security”.<sup>24</sup> Thus an issue or event would only be classified a security threat if the survival of the state as an entity was at risk.<sup>25</sup> Lippman states that security is when “a nation is secure to the extent to which it is not in danger of having to sacrifice core values, if it wishes to avoid war, and is able to, if challenged, to maintain them by victory in such war”.<sup>26</sup> It is apparent that security still is often viewed in military terms and more importantly when there is an enemy that is clearly defined (compared to terrorism, transnational crime and environmental issues) and can be defeated militarily. This security definition has been stagnant since the Westphalian peace treaty in 1648, where today’s concept of nation states was created. However, in the early 1970s, economic security began to attract academic attention, and quickly received political interest. Later, in the 1980s environmental issues began to increase in salience, at least academically.<sup>27</sup> Yet the discussion on alternative security concepts did not gain real momentum until after the dissolution of the USSR and the end of the Cold War in 1991. Then the focus shifted from “hard” military security to “softer” issues, and societal, political, environmental and economic security became more prominent. These changes in the perception of security have created a debate between the academics who wish to see a widened security definition and those wanting to keep it narrow.<sup>28</sup>

23. Deutsch, K. et al. (1957) *Political Community and the North Atlantic Area*, Princeton University Press, Princeton; Wolfers, A. (1962) *Discord and Collaboration: Essays on International Politics*, Johns Hopkins University Press, Baltimore; Waltz, K. (1979) *Theory of International Politics*, Addison-Wesley, Reading, MA.

24. Buzan, B., Waever, O. & Wilde, J. (1998) *Security: A New Framework for Analysis*, Lynne Rienner Publishers, Boulder, p. 37.

25. Security studies have traditionally focused on state or the classical phenomena of security complexes. This has changed as international and regional systems are increasingly important, but also because of the emergence of subunits of the states, such as regions or ethnic groups, as economic and political actors. Swanström, N. (2003) *Regional Cooperation and Conflict Management: Lessons from the Pacific Rim*, Department of Peace and Conflict Research, Uppsala University; Hettne, B., Inotai, A. & Sunkel, O. (eds) (2001) *The New Regionalism and the Future of Security and Development*, Macmillan, Basingstoke, UK.

26. Lippman, W. (1943) *U.S. Foreign Policy: Shield of the Republic*, Little, Brown and Company, Boston, p. 53.

27. Hirsh, F. & Doyle, M. (1977) ‘Politisisation in the World Economy: Necessary Conditions for an International Economic Order’, in *Alternatives to Monetary Disorder*, eds. F. Hirsch, M. Doyle & E. Morse, McGraw-Hill, New York, pp. 11-66; Meadows, D., et al. (1972) *The Limits of Growth: A Report for the Club of Rome’s Project on the Predicament of Mankind*, Potomac Associates, New York; Ruggie, J. (1982) ‘International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order’, *International Organisation*, vol. 35, no. 2. S. Smith has pointed out that despite these attempts we are still trapped in the old concepts of international relations (2004).

28. The arguments to keep it more narrow is that if the security concept was expanded it would include everything and nothing, each single factor could potentially be a security threat. The arguments for widening the security concept is simply that the world is more complicated than the classical definitions allowed for and that there are plenty of security threats out there that are equally or worse security threats to states, individuals and other sub-national entities.

The debate can, in simplified terms, be divided into military versus non-military sources of threat and state versus non-state actors.<sup>29</sup> The political economy and the political sector have however become more closely connected to the military sector and this politico-military focus has been widely used among reformed traditionalists.<sup>30</sup> Despite a slight widening of the analytical focus, the state remains the basic referent object for traditionalists. Individual states are supposed to have very little reason for cooperation as the international system is anarchic and their only goal is survival. If cooperation is initiated, it will crumble as soon as the strategic factors behind it weaken.<sup>31</sup> It is proposed that this has changed with increased globalisation and importance of international trade and greater interaction in international and regional organisations. The interests of states are no longer singular. Furthermore, sub- or trans-national actors, such as large corporations and political parties, have interests that are cross-border and might be against their host state's interest. This is partly due to globalisation and increased interdependence between states, but also to the financial and moral influence of companies, international organisations and NGOs and the increased importance they have in international affairs. The diversification of the interests of the state and its actors and globalisation process have increased the importance of non-military security threats and the need for cooperation as new questions has been brought up by new actors;<sup>32</sup> arguably these threats have been prevalent earlier but it is the end of the Cold War that has made it possible to have a more diversified view on security. The overriding cleavage between the communist and capitalist world crumbled and in the dust we could see security threats that thrived behind the walls between West and East. For example, in the Soviet Union, issues such as environmental degeneration (Aral Sea) and societal security (AIDS, poverty and narcotics abuse) were prevalent before 1991, but they had been overshadowed by the military security and the threat from the West.<sup>33</sup>

29. For a more detailed discussion see: Buzan et al. (1998); Ullman, R. (1993) 'Redefining Security', *International Security*, vol. 8, no. 1, pp. 129-153; Waever, O. (1995) 'Securitisation and Desecuritisation' in *On Security*, ed. R. Lipschutz, Columbia University Press, New York.

30. Ayoob, M. (1995) *The Third World Security Predicament: State Making, Regional Conflict, and the International System*, Lynne Rienner, Boulder; Gilpin, R. (1981) *War and Change in World Politics*, Cambridge University Press, Cambridge, MA; Mansfield, E. (1994) *Power, Trade and War*, Princeton University Press, Princeton.

31. Waltz, K. (1979) *Theory of International Politics*, Addison-Wesley, Boston; Waltz, K. (1986) 'Anarchic Orders and Balances of Power', in *Neorealism and its critics*, ed. R. Keohane, Columbia University Press, New York.

32. Swanström (2002); Josselin, D. & Wallace, W. (eds) (2001) *Non-State Actors in World Politics*, Palgrave, Basingstoke.

33. Both in China and Russia AIDS/HIV, organised crime and the narcotics problem were swept under the carpet for political reasons. It was inconceivable that these 'perfect' political systems could have these problems, which were a result of Western decadence. The result is that high and increasing numbers suffer from these problems in both states.



There are still close and legitimate connections between security and the state as a political unit, but the argument among new security theorists is that security should incorporate more than just the state as the analytical object. This is especially apparent in a world in which international organisations such as the World Trade Organisation and United Nations, regional groupings such as the European Union, the North American Free Trade Agreement and the Shanghai Cooperation Organisation, and sub-national entities are flourishing.<sup>34</sup> Buzan et al has attempted to construct a wider definition of security, without making everything and nothing security.<sup>35</sup> These endeavours are relatively new and criticised by many traditionalists, but nevertheless important as security is a dynamic field which inevitably changes over time. A framework is being developed that will take the newly-emerging challenges and threats into consideration (securitisation) as the traditional approaches based on the military-political sectors are not sufficient to explain “softer” threats and develop solutions. This security concept is therefore broader, including economic, environmental and societal developments. It is also Buzan et al that offers the most interesting and operational definition, where a security issue is presented as posing an existential threat (which is anything that questions the recognition, legitimacy, or governing authority) to a designated referent object (which could but not necessarily has to be a state).<sup>36</sup> This approach provides for wider definitions of security. It incorporates factors such as the failure of a state to fulfil the expectations of its individuals and international actors, as well as its governing capacity. These are factors extremely important in any discussion of the impact of international narcotics trade, as it could potentially affect the lives of its citizens and the states governing capacity through corruption and failed economic performance.

### Internal Weakness and Narcotics Trafficking

Corruption and political cooption is especially apparent in states that suffer from internal weakness; narcotics-related networks can with little effort further destabilise and corrupt a weak country or a region with benefits for production and transit. Therefore, the weaknesses of states are a crucial component in a security discussion. Such insecurity does not only affect the state in itself, but

34. Swanström (2003); Chia, Y. & Yuan, L. 'Subregional economic zones in Southeast Asia', in *Asia Pacific Regionalism: Readings in International Economic Relations*, eds. R. Garnaut & P. Drysdale, HarperEducational Publishers, Pymble; Chen, E. & Kwan, C.H. (eds) (1997) *Asia's Borderless Economy: the emergence of sub-regional zones*, Allen & Unwin, St Leonards.

35. Buzan et al. (1998), p. 4.

36. Buzan et al. (1998), pp. 21-22.

also surrounding states. Holsti argues that, “the security *between* states in the Third World, among some of the former republics of the Soviet Union, and elsewhere has become increasingly dependent upon security *within* those states.”<sup>37</sup> This is particularly apparent when the potential threats are transnational in character and the problems in particularly weak states spill over to others. States are considered to be strong when their “national security can be viewed primarily in terms of protecting the components of the state from outside threat and interference, and where the idea of state, its institutions and its territory will be clearly defined and stable in their own right”.<sup>38</sup> This would imply that strong states do not view internal issues to be security threats as the political institutions can supposedly deal with any internal problem. The capacity of strong states to withstand internal security issues has too often not included threats that are “soft” and driven by non-traditional purposes such as economic profit.<sup>39</sup> Neither, has it taken into account what happens when a large part of the population in other states succumbs to narcotics use or production, as much of the state apparatus is corrupted, the level of criminality and health costs rise and productivity decreases.

In weak states, loose socio-political cohesion, and internal challenges to the legitimacy of the government lead to endemic political instability and in many cases internal military defiance of the state structure. Thus, weak states are more vulnerable to the internally-generated threats than strong ones and their primary objective is to consolidate their internal stability (and political control), rather than focusing on threats originating from other states. One of the internal threats is TOC, especially the trafficking in illegal narcotics, even though this trade is not always considered to be a threat but more of a cash cow by many governments and local leaders.<sup>40</sup> There are also several cases where TOC actually provides the local society with schools, religious institutions and social security in the absence of state engagement. Corruption, increased levels of petty crime and a deteriorating health of its citizens (and dissatisfaction) will create major concerns for weak governments and could threaten their legitimacy. Ayoob argues that the elites of developing states’ “major concern - indeed, obsession - is with security at the level of both states structures and governing regimes”.<sup>41</sup> The regimes of weak states are to a much higher degree preoccupied with staying in power, in an often undemocratic system, and are willing to go to great lengths to accomplish this. Financial support is one of these means and weak political leaders seek resources

37. Holsti, K. (1996) *The State, the War and the State of War*, Cambridge University Press, Cambridge, MA, p. 15. For a more elaborate discussion of the linkage between narcotics and weak states see: Madi, M. (2003) *Narcotics Trafficking in Weak States*, The Program for Silk Road Studies, Uppsala University, pp. 7-21.

38. Buzan, B. (1991) *People, States and Fear (2 ed.)*, Harvester Wheatsheaf, New York, p. 100.

39. For an interesting discussion of the failure of international relations theory to include ‘new’ issues see: Smith (2004).

40. Madi (2003). International crime is an international phenomenon and it has even been suggested that it is an international unit that could best be described as an empire. Mills, J. (1986) *The Underground Empire*, Doubleday, Garden City, NY.

41. Ayoob, (1995), p. 4.

to hold on to their power. The people behind the Kyrgyz revolution of 2005 have been accused of being supported by narcotics money, as have the Shan movement in Burma, Maoists in Nepal, Uighyrs in China and various groups in the Kashmir, among others.<sup>42</sup> This would, if true, make regimes dependant on narcotics dealers who threaten the internal, as well as the international, legitimacy of their states.

However, the existence of weak states cannot explain all aspects of the international drug trade as the phenomenon is prevalent throughout the modern world and states are threatened by the consequences of narcotics regardless of their political cohesion. It could, however, be argued that the production and transit of narcotics are more prevalent in weak states or regions as there are fewer control mechanisms and the political elite is relatively easy to co-opt (for example the war lords in Afghanistan; North Korean government, Tajik and Turkmen elites and militants in Burma). Another hypothesis, which connects back to weak states, is that the transit routes are primarily drawn through relatively weak states as the corruption and political co-option would decrease the transaction costs for the criminal networks<sup>43</sup>. It certainly seems that many of the states involved in the transit and production phases of the narcotics business are trapped in a negative spiral of weakness, economic stagnation and political usurpation. Many of the weak states also have a colonial past and weak national identity, such as Tajikistan, Burma and Kyrgyzstan.<sup>44</sup> Even if transit routes also go through relatively strong states such as China and Turkey, transaction costs in these countries are higher as a result of the relatively non-corrupt agencies that deal with the narcotics trade.<sup>45</sup>

Corruption, disease, military conflicts and similar problems all seem to follow the drug trade as the narcotics networks create instability, poverty and weak states that are easily destabilised. Specific examples include the increase of HIV/AIDS in Russia and Central Asia and military conflicts in Burma, Afghanistan, Central Asia and the Caucasus but the question will be dealt with in more detail in the coming sections.

### Human Security

The connection between human security and the international narcotics trade is fairly apparent when considering health issues, which is the main issue that will be dealt with in this section. There is a direct link with epidemic diseases and an overall deterioration in health. This impacts the legitimacy of the state and poses a threat to its population base and productivity. It is hard to estimate the level of deterioration and how much of it that is directly due to the narcotics trade.

42. 'Drug money funding Maoist war in Nepal' (2006) *Only Punjab*, 16 May; Piracha, S. (2004) 'China asks Pakistan to investigate Xinjiang terrorists list', *Daily Times*, 17 January; Aita, J. (2005) 'Indicted Burma Drug Syndicate Posed Grave Threat, U.S. Says', *Washington File*, 25 January.

43. Cornell (2004); Madi (2003).

44. Buzan (1991), p. 99; p. 114. Swanström (2005).

45. Interviews with senior officials within the police, customs and drug enforcement agencies in Central Asia, Southeast Asia, Iran and China during 2004-2005.

However, Sexually Transmitted Diseases (STDs), HIV/AIDS and hepatitis C are diseases which have become a part of the narcotics problem as intravenous users contract HIV by sharing needles, and then transmit the virus to their sexual partner, who may or may not be an intravenous user. Numerous prostitutes are also heavy narcotics users and many of these are intravenous users which increases the risk of infections. The statistics from the UN and other health-related organisations show a direct correlation between the highest levels of STDs, HIV/AIDS and the narcotics trafficking routes.<sup>46</sup> Of late we have seen a tremendous increase in HIV/AIDS in Southeast Asia, the Caucasus and Central Asia. According to recent figures the proportion of intravenous users among the HIV/AIDS cases are between 55% in Russia, 72% in China, 74% in Burma, 80% in Thailand and 88% in Central Asia.<sup>47</sup> This should be compared to the more modest prevalence of intravenous users among the HIV/AIDS positive cases in the West, where a third of intravenous users carry the disease. The situation is made worse by the fact that the majority of the addicts are of a sexually active age: in China 79.2% of all addicts are under 35 and in Iran 65% of all HIV positive cases are either married or recently divorced.<sup>48</sup> Thus STDs spread to the non-user groups at a higher speed, especially as the group of users is increasingly large and of a sexually active age. This is a worrying sign since it will damage family structures as HIV/AIDS is often much stigmatised and also threatens non-user groups. The deterioration of health due to narcotics has both a national and a transnational impact due to the relative ease with which diseases spread over borders.

Despite the fact that male narcotics users have traditionally been in the majority, STDs spread to women through sexual relations, and women are also increasingly using drugs. A report from the UNODC and the Iranian government concluded that 6% of the 800,000-1,200,000 narcotics users were women.<sup>49</sup> Women are also increasingly drawn into the narcotics trade as smugglers and it has been found that a great deal of the smuggling in Central Asia is done by women who are forced or paid to do so. It has also become a common strategy to sacrifice female traffickers carrying small amounts of narcotics to get larger shipments through. If women are drawn into the narcotics business, either as users or traffickers, the consequences will be devastating for their family structures and

46. Stachowiak, J. & Beyrer, C. (2003) *HIV Follows Heroin Trafficking Routes*, Presented at the Conference on Health Security in Central Asia: Narcotics use HIV and AIDS, available at: <http://www.eurasianet.org/health.security>; UNFPA, HIV/AIDS and other sexually transmitted infections (2003), available at: [http://www.unfpa.org/europe\\_asia/hiv aids.htm](http://www.unfpa.org/europe_asia/hiv aids.htm). The STDs and HIV/AIDS epidemics are mostly prevalent among the intravenous users of heroin, even if the general health situation is affected by the usage of narcotics.

47. United Nations Office on Narcotics and Crime (2003: 119-123); Lintner, B. (1995) 'The Narcotics Trade in Southeast Asia', *Jane's Intelligence Review Special Report*, No. 5, Jane's, London, pp. 12-13); Chalk (2000: 94); 中国政府白皮书(White Papers of the Chinese Government) (2003: 146).

48. 中国政府白皮书(White Papers of the Chinese Government) (2003: 146); Dr. Mohraz, Infectious Disease Specialist of Tehran University Medical Sciences, available at: [http://www.unodc.org/unodc/newsletter\\_2003-11-30\\_1\\_page005.html#1](http://www.unodc.org/unodc/newsletter_2003-11-30_1_page005.html#1)

49. Ibid. Similar statistics are not available for the Central Asian and the states of the Caucasus, but there are no indications that the situation should be better.

children. Women as a group are increasingly at risk, especially when keeping in mind their already weak position in many of the affected societies.

Women's role in the narcotics trade is also directly connected to human trafficking in production and transit countries as attempts are made to make the women drug users before they are sold on to the consumer markets, primarily in the West but also to the transit regions. This because addiction among prostitutes is promoted by the narcotics networks in order to exert control over them and to increase the market. As a result, diseases also quickly spread to other regions and states thanks to the increasing levels of human trafficking. Human trafficking not only threatens the security of the individual but also the basic foundations of family structures and the stability of society, as with HIV/AIDS. An annual report on human trafficking issued by the US State Department identifies Georgia, Kazakhstan, Turkey, Burma and Uzbekistan as among the worst nations in the world in preventing human trafficking, forced prostitution and slave labour.<sup>50</sup> These states are also heavily affected by narco-trafficking and the regions affected are already prone to local insurrection and secession, such as in Kurdistan in Turkey and the Shan state in Burma.

The health situation is made worse by the lack of medical care in the regions of drug production and transit due to their low levels of economic development and internal instability.<sup>51</sup> Most citizens in production and transit states live below the poverty line and healthcare systems are so underdeveloped that they can provide little or no assistance.<sup>52</sup> Also, the increased possibility of diseases being transferred between addicts and non-addicts exacerbates the feeling of insecurity among individuals and threatens to eradicate a whole generation if the epidemic takes the proportions that UN has forecast as their worst case scenario. Russia, in which is forecast that almost 10% of the population will be infected by HIV/AIDS by 2010, could be seen as an example.<sup>53</sup>

In the fight against organised crime and specifically the narcotics trade, human security is at times sacrificed on the altar of national security. There are examples where excessive violence and summary trials of alleged traders have been problematic for human security. One could point to the numerous executions of Chinese "narcotics dealers" and the Thai police's actions against narcotics networks, but also has to note that opposition and other "disagreeable" groups can be targeted under the pretext of being traffickers. This seems to have been a frequent strategy in Eurasia for a long period of time and makes it hard to be certain of the true goal of many "anti-narcotics" operations.

50. US Department of State, Victims of Trafficking and Violence Protection Act of 2000: *Trafficking in Persons Report* (2003). For more on the regional polices see: Najibullah, F. (2003) 'Central Asia: Governments Slowly Changing Approach To Human Trafficking', *RFE/RL*, 2 July; 廷长(Ting Chang) (2004) 中国对毒品永远说'不'(China Always Says 'No' to Narcotics), Foreign Languages Press, Beijing.

51. Ivelaw (1993-1994); Olcott, M. (2003) *Unfulfilled Promise in Central Asia*, 26 November, available at: <http://www.ceip.org/files/programs/russia/tenyears/presentation/olcott.htm>.

52. The United Nations estimates that, for example, 70-80% of the populations of Tajikistan and Kyrgyzstan lives below the poverty level.

53. According to the UN Office for the Coordination of Humanitarian affairs ([www.irinnews.org](http://www.irinnews.org)).

### Economic Security

The economic consequences of the international narcotics trade for Southeast Asia, Central Asia and the Caucasus are crucial. It has been estimated in earlier studies that a significant proportion of the economies both in the production and transit countries are controlled by the narcotics trade.<sup>54</sup> Burma is reported to have a narcotics export equal to its legal exports and the weaker economies of Southeast Asia such as Laos are also heavily affected by the trade even if the degree is unclear.<sup>55</sup> Thailand's importance as a producer has decreased but its importance as a transit country in Southeast Asia is still of significance, but as the Thai economy is relatively strong the presence of illegal capital is not felt as much as in the weaker economies. The Central Asian economies are weaker than the Southeast Asia, in general, and it is estimated that 30-70% of the Gross Domestic Product (GDP) of Tajikistan is controlled by narcotics money.<sup>56</sup> In the other states in Central Asia the international narcotics trade has a smaller share in the economy but it is still significant (higher than the 1.5-4.5% which is the global average).

The UN has pointed out that the trade has increased since the 1990s but it should be pointed out that its estimates could be relatively low, a fact that the UN itself has recognised. These estimates are based on national reports and corruption and cooption impacts the reported figures. Therefore it is more likely that it is an underestimate of the narcotics problem although it is impossible to determine by how much due to the secretive nature of organised crime. Turkmenistan and North Korea have amongst the lowest levels of seizures and hardly any official statistics on the problem, but despite this we know that both states are deeply involved in the international narcotics trade due to increasing interceptions of narcotics in neighbouring states.<sup>57</sup> Cornell, Makarenko, Swanström, Olcott & Udalova among others have estimated the actual trafficking to be much higher than the UN estimates (twice or more in some cases).<sup>58</sup>

54. Rubin, B. (2004) *Road to Ruin: Afghanistan's Booming Opium Industry*, Center for American Progress and NYU Center for International Cooperation, Washington, p. 4); Porteous, S. (1998) *Organised Crime Impact Study Highlights*, Public Works and Government Services of Canada, Ottawa, 18.

55. Chalk (2003), p. 92 Lintner, B. (1996) 'Narcopolitics in Burma', *Current History*, p. 605.

56. U.S. Department of State (2005) *2005 International Narcotics Control Strategy Report*, Press Statement, Office of the Spokesman, Washington, DC, 4 March; Interviews with Senior officials within the police, customs, ministry of trade in states in Central Asia, Southeast Asia, China and Iran; Boorman, J. & Ingves, S. (2001) *Financial System Abuse, Financial Crime and Money Laundering*, International Monetary Fund, New York.

57. Wortzel, L. (2003) *North Korea's Connection to International Trade in Drugs, Counterfeiting, and Arms* (Testimony), The Heritage Foundation, May 20; Hwang, B. (2003) *Curtailing North Korea's Illicit Activities*, Backgrounder #1679, The Heritage Foundation, August 25.

58. Cornell, S. (2002) *The Nexus of Narcotics, Conflict and Radical Islamism in Central Asia*, Cornell Caspian Consulting; Cornell (2004); Makarenko, T. (2003) *Crime, Terror, and the Central Asian Narcotics Trade*, available at: [http://www.cornellcaspien.com/briefs/25\\_0207CA\\_Narcotics.pdf](http://www.cornellcaspien.com/briefs/25_0207CA_Narcotics.pdf); Olcott, M. & Udalova, N. (2000) *Narcotics Trafficking on the Great Silk Route: The Security Environment in Central Asia*, Carnegie Endowment for International Peace, Washington, DC; Swanström (2003).

The actual scale of the narcotics trade is naturally hard to estimate, but due to improved production and processing methods there are more narcotics available every year. The international narcotics networks have improved their methods of trafficking in recent years, but the law enforcement agencies are, at best, left with slightly improved budgets and on the whole there seems to be an uphill battle.<sup>59</sup> Part of the problem is that consumer states have not addressed the narcotics problem as a trans-national issue, but still focus on national measures.

Corruption in production and transit states has flourished to unprecedented levels and to a large extent the international narcotics trade seems to be the engine behind this. Transparency International's Corruption Perception Index indicates that all states involved in the narcotics trade are severely affected by corruption and the increased financial weight of international narcotics trade support the negative trend.<sup>60</sup> Tajikistan, Nepal, Afghanistan and Kyrgyzstan have all seen an increase in corruption as well as drug trafficking. The relative stability that has been seen in Iran, China and Thailand has resulted in a more effective fight against the narcotics industry and a decrease in corruption. Traffickers have used the internal weaknesses of many countries to corrupt governmental officials and other, for their business, relevant personnel. It has gone so far that corruption is no longer the relatively "innocent" practice of greasing the wheels of commerce, rigging elections or paying officials to look the other way. This is very apparent in states such as Tajikistan, Kyrgyzstan and Afghanistan where corruption has been used to penetrate the sovereignty of states and to control internal as well as international affairs.<sup>61</sup> This threatens the very function of the state, not to mention the legitimacy of the government structures.<sup>62</sup> The trafficking affects the consumer states in Europe and the US, but even more importantly in states such as Iran and Russia that have become major consumer states as well as transit routes to more lucrative markets in Europe. The effects are more direct in financially weaker states, such as Iran and Russia, where the

59. Gibson, R. & Haeman, J. (2003) 'Prospects for Controlling Narcotics Production and Trafficking in Myanmar', *Contemporary Southeast Asia*; Dziedzic (1989); Steinitz, M. (2002) *The Terrorism and Drug Connection in Latin America's Andean Region*, Center for Strategic and International Studies, Policy Papers on the Americas, Washington, DC, vol. XIII, study 5.

60. Transparency International, *Corruption Perception Index*, <http://www.transparency.org>. The question of cause and effect arises when considering this. Is the corruption an effect of the narcotics trade or is the narcotics trade an effect of the corruption? In most production and transit states there already was a high level of corruption before the narcotics trade established itself, but the trade has increased the magnitude of corruption. It is also clear countries with a relatively low level of corruption, such as the UK or the US are still greatly affected by the drug trade. This would indicate that the drug trade is an independent force, but that corruption makes it easier for the narcotics networks which handle it.

61. Thachuk (2001: 56); Swanström, N., Cornell, S. & Tabyshalieva, A. (2005) *A Strategic Conflict Analysis of Central Asia with a Focus on Kyrgyzstan and Tajikistan*, Report to Swedish International Development Cooperation Agency, June, available at: [http://www.silkroadstudies.org/docs/publications/2005/SIDA\\_CA.pdf](http://www.silkroadstudies.org/docs/publications/2005/SIDA_CA.pdf).

62. It is however not correct to say that the drug trade always has entirely negative consequences, as in some cases the narcotics lords provide their communities with money and resources in the form of schools, medical care etc. In regions with desperate conditions and weak infrastructure the trade can be the only income for many families.

narcotics industry is larger relative to the overall economy, but also where the political system and the police, customs and legal authorities have proven to be easier for TOC to penetrate. It should be noted that despite this, Iran is currently engaged in a war against narcotics traffickers at an unprecedented level, however a war that the government is struggling to win.

The narcotics industry's effect on the legal economy is devastating in financially weak states, but affects all states in the world today. Criminal groups wash dirty money through legal organisations to make them appear legal, and it can then be invested in the legal market to earn more capital. This criminalises legal assets and gives the narcotics networks access to the legal economy in a way that is hard to control. The combination of the increased strength of the narcotics trade and the reinvestment of their revenues in the legal market gives the narcotics networks further power to corrupt and co-opt state functions. Money laundering and the financial aspects of the international narcotics trade are considered by many to be grossly underestimated and increasingly difficult to combat.<sup>63</sup> There is an estimated minimum of US\$300-\$500 billion laundered internationally through the international financial system.<sup>64</sup> There is a plethora of legislation and regulations, but this has not worked well and is in many cases not integrated into national legislation and there is far to go before this will be effective.<sup>65</sup> One example of the magnitude and weakness of economic controls is the use of Australia as a money laundering area. The Australian authorities discovered that US\$16.5 million, from a US\$1 billion trade between Thailand and New York, was invested in real estate in Sydney and that at least US\$3 billion was laundered in Australia in a year.<sup>66</sup> This noted case is only the tip of the iceberg, a worrisome issue as Australia is known for its strict economic regulation and seriousness in combating TOC. It also exemplifies the global span of the narcotics trade. In states such as Tajikistan, North Korea, Kyrgyzstan and Afghanistan the legislation is simply disregarded.

The effects for the economic security are staggering. It seems evident that revenues from the narcotics trade are not reinvested in the regions of transport and production, but are transferred to other economies such as those of Australia, the EU and the US. This leaves the regions of production and transport with increasing social, economic, political problems due to the capital flight from the narcotics trade. On the other hand, even though drug money undermines the legal economy, too many controls on international trade will impact legitimate business and economic development negatively, especially in weak economies that are dependent on legitimate investments. However, there is a need to

63. Winer, J. & Roule, T. (2002) 'Fighting Terrorist Finance', *Survival*, vol. 44, no. 3; Winer, J. & Roule, T. (2003) 'Follow the Money: The Finance of Illicit Resource Extraction', in *Natural Resources and Violent Conflict*, eds. I. Bennon and P. Collier, The World Bank, Washington, DC. It has been argued that the very basis of these calculations can be challenged; nevertheless it is evident for the author that the increase is rapid and the size of the industry is extremely large.

64. Thachuk (2001), p. 59 Ivelaw (1993-1994), p. 4. According to the UNODC in 2005, the international trade in Afghan opiates alone generates a total turnover of \$30 billion worldwide.

65. For one example from Central Asia see: Osmonaliev (2005).

66. Chalk (2000), p. 95.



develop new tools to increase transaction costs for criminal networks to decrease the profitability of their operations.<sup>67</sup>

Finally, the effects on productivity, costs for rehabilitation and other economic burdens of the narcotics trade are rapidly increasing. Health costs are on the rise due to increased prevalence of STDs, HIV/AIDS and Hepatitis C, but the larger financial burden is from the depletion of human resources in the legal markets. Productivity in legal markets has been severely affected by the increased narcotics trade as the number of traffickers and users has increased. The workforce has diminished in states such as Russia in part due to the impact of the drug trade through diseases and degradation in human health. The fight against the drug trade also costs each state enormous sums of money. This has forced many states to borrow financial capital from the outside which has greatly increased inflation and the budget deficit. It can be argued that while narcotics operations do not necessarily cause the distortions in socio-economic growth they certainly exacerbate them.<sup>68</sup> In some production and transit states the situation has gone so far that the narcotics trade causes distortions in the socio-political development and is one of the major reasons for certain regions' declining or stagnant economies. This is a threat to national security, but to a high degree the implications are also transnational due to the spread of money laundering and criminalisation of legal assets.

### Political Security

Political security should be seen in close connection to all the abovementioned issues and to the military security to be discussed in the next section. The corruption and state weakness that the international narcotics trade has created (and sustains) creates leverage over the political elite and political institutions. The political corruption makes it difficult, to say the least, for the states in a region to develop in a democratic direction, especially as it is in the interest of the drug traffickers to keep a less democratic and more controllable regime in place, as it is easier for them to conduct their trade and keep a low profile in an unstable and corrupted state. It is a consensus among researchers and policymakers that most political institutions are affected by corruption in the major production and transit states.<sup>69</sup> For example between 1990 - 1993 it was estimated that 25 - 30% of the money gained from criminal activity in Russia was used to corrupt state officials.<sup>70</sup> This criminalisation of the state and its functions has increased the

67. Swanström, N. et al. (2005) *Organised Crime and Narcotics in the Baltic Sea Region: Issues of National and Regional Security*, available at: [www.silkroadstudies.org](http://www.silkroadstudies.org) (accessed on 26 October 2005).

68. Ivelaw (1994), p. 26.

69. Starr (October 2000); Cornell (2004); Pantilova, V. (2003) 'A Romance with Heroin', *Nezavisimaya Gazeta*, 3 March; *The Economist* (US edition), 29 March 2003; Seger, A. (1996) *Narcotics and Development in the Central Asian Republics*, report for Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Bonn.

70. Shelley, L. (2002) 'Crime as the Defining Problem: Voices of Another Criminology', *International Annals of Criminology*, vol. 39, no. 1-2, p. 79.

vulnerability of those states, both internally and externally. The degree of production or trafficking of narcotics shows a negative correlation to the rate of political development: higher levels of trade results in less political development. Sometimes the trade has created the weakness, at others it has thrived on it. There has been a conscious attempt by criminal networks to destabilise states and regions to decrease transaction costs and increase profits and political violence is widespread in most of states with contested political authority.<sup>71</sup> The vulnerability of the states involved in the narcotics trade has increased in most spheres, and the effects on political power is no exception. Political institutions are contested (corrupted) in very apparent ways in states that are involved in the narcotics trade. Pino Arlacchi, formerly at the United Nations, warned that the narcotics trade deriving from Afghanistan before 9/11 had a direct impact on its political stability and this has also proven true in Afghanistan, Tajikistan and at large in Central Asia, Burma and the Caucasus post 9/11.<sup>72</sup>

Separatism, terrorism, political and religious extremism that focus on destroying the current political institutions or to create new political entities are to a greater extent supported by international narcotics trafficking than has traditionally been the case.<sup>73</sup> Twelve of the 28 international terrorist groups listed by the U.S. Department of State are alleged to be involved to some degree in narcotics trafficking.<sup>74</sup> In the Caucasus for example there are allegations from all sides that separatists and separatist-related organisations are involved in the international narcotics trade.<sup>75</sup> However, it has been pointed out by Cornell that these allegations have to be backed up with substantial evidence, which at this point is lacking.<sup>76</sup> There is, however, strong indication that drugs are transferred through the Caucasus in exchange for military equipment but the problem is to identify which groups are involved. Central Asia has a similar problem, but even more acute if possible. The Islamic Movement of Uzbekistan (IMU) is believed to receive most of their resources from the narcotics trade; Bolot Januzakov, ex-Secretary of Security Council of Kyrgyzstan stated that "the IMU's activities have largely focused on transporting illicit opiates from Afghanistan to Tajikistan and Kyrgyzstan, which were ultimately destined for Russia and Europe".<sup>77</sup> This is

71. Seger (1996); Tongeren, P., et al. (2002) *Searching for Peace in Europe and Eurasia*, Lynne Rienner Publishers, London.

72. Osmonaliev (2005); BBC (2000) 'Afghan Drugs Endangering Central Asia', 20 October, available at: <http://news.bbc.co.uk/2/hi/asiapacific/982134.stm>

73. Baldauf, S. (2003) 'Afghan Military Tied to Narcotics Trade', *Christian Science Monitor*, 4 September; Orszag-Land, T. (2000) 'Islamic Terrorists and the Russian Mafia', *Contemporary Review*, pp. 264-267; Chalk (2000), pp. 94-95.

74. U.S. Office of National Narcotics Control Policy (2002) *2002 National Narcotics Control Strategy*, National Priorities III: Disrupting the Market.

75. Zerkola, 20 July 2002, p. 11; *Media Press News Agency* (4 March 2003). I am indebted to Svante Cornell for his help with Azeri, Armenia and Georgian sources.

76. Cornell (2004).

77. Kyshtobaev, D. (2000) 'Wahhabites are planning to strike: Kyrgyzstan is preparing to reflect new aggression by Islamic fundamentalists', *Nezavisimaya Gazeta*, 29 March; for more on the topic see: Makarenko, T. (2003) *The Changing Dynamics of Central Asian Terrorism*, available at: [http://cornellcaspien.com/briefs/020201\\_CA\\_Terrorism.html](http://cornellcaspien.com/briefs/020201_CA_Terrorism.html).

supported by analysis from Interpol that has stated that military incursions in 1999 and 2000 were designed to distract law enforcement agencies from huge shipments of narcotics orchestrated by IMU.<sup>78</sup> In Southeast Asia, it has been pointed out that there are far reaching cooperation between terrorists and narcotics traffickers, especially in Burma where the traffickers also have a strong link to the Burmese government.<sup>79</sup>

It is not clear how many terrorist or separatist groups are financed by the drug networks, but it seems that the number of groups involved in the trade is increasing. It has its own dark logic as sponsorship from states or other groups is increasingly hard to find due to the international war on terror. Also, and more importantly, the huge resources that are quickly generated through drug trafficking makes this way of gaining revenue appealing. This reliance on narcotics money has made terrorism and separatism increasingly brutal and hard to control. Political instability and corruption are advantageous conditions for the drug networks. It is almost a truism that it is impossible (or difficult) to conduct narcotics trafficking if you do not control a judge or two, but what could be better than to control the whole political development of the state? When terrorists and political separatist are involved in this business there are few, or no, positive effects for the states affected by the narcotics trade. Political instability in one state affects the security of neighbouring states and threatens to extend over borders, such as the way that the IMU, while ostensibly directed at Uzbekistan, also resides in Tajikistan.

### Military Security

Due to the advantages of instability and chaos, narcotics networks have an interest in creating havoc in the states they do not control. We have seen in the political section that drugs are used to fund militant organisations, both separatists as well as terrorist, but also simple criminal gangs that have acquired significant military resources. The narcotics trade has virtually single-handedly supported several groups such as the IMU, Kosovo Liberation Army, Chechen rebels and the Wa State Army.<sup>80</sup> They acquire weapons through an illegal arms trade carried out by the same networks dealing in narcotics. Weapons and narcotics are often traded for each other, as what are called the international *narcotics* networks do not limit themselves to smuggling drugs, but traffic everything that is financially beneficial for them, such as weapons, oil, cigarettes

78. Madi (2003), p. 44.

79. Williams, E. (2001) Burma Drugs, *ABC News*, 20 June, available at: <http://www.abc.net.au/foreign/stories/s316849.htm>; Jamieson, A. (1990) 'Global Narcotics Trafficking', *Conflict Studies*, no. 234; Chalk (2000: 95); *2005 International Narcotics Control Strategy Report*, Washington, DC, 4 March 2005, available at: <http://www.state.gov/p/inl/rls/rm/43006.htm>.

80. Steinitz (2002, vol. XIII, study 5); Keen, D. (1999) *The Economic Functions of Violence in Civil Wars*, Adelphi Paper no. 320, International Institute for Strategic Studies, London; Keen, D. (2000) 'Incentives and Disincentives for Violence', in *Greed and Grievance: Economic Agendas in Civil Wars*, eds. M. Berdal and D. Malone, Lynne Rienner, Boulder, CO, pp. 19-42); Roule, T. 'The Terrorist Financial Network of the PKK', *Jane's Terrorism and Security Monitor*, 17 June.

or humans, as the smuggling routes are already there.<sup>81</sup> The UN and the US estimates that the illegal trade in small arms comprises close to 20% of the global trade.<sup>82</sup> This has contributed to the proliferation of weapons, primarily small-arms, in the regions of production and transit that can, and have, been used against governments. The increased number of people involved in criminality means that there are an increasing number who have a reason to defend the narcotics trade and create safe areas in production and transit states. Direct military operations protect large shipments of narcotics; the borders between Afghanistan, Pakistan, Turkmenistan and Iran as well as the Shan state have witnessed this.<sup>83</sup> Shipments are protected by warlords (drug lords) in Afghanistan who have used their military leverage to breach national and international borders and in the Shan region the Wa movement has traditionally used military means to secure shipments to China, Thailand and other parts of the region. The increased availability of small arms also has a direct impact on general insecurity, as they have become more common than clean water in some regions.<sup>84</sup> Today most people in the production and transit regions have access to weapons in some form. Any attempts to disarm society will create problems, especially in regions where weapons have taken on almost cultural tendencies as in Chechnya and many other minority regions where there is a struggle against the central government.

The seizures of arms are mostly still limited to conventional arms but limited smuggling of chemical and nuclear arms has occurred. It is however apparent that this has increased and up to 2001 we have 14 confirmed seizures totalling 15.3 kg of weapons grade uranium and 368.8 grams of plutonium in Central Asian and the Caucasus, according to Thachuk.<sup>85</sup> Other figures indicate that the situation is worse, that in the period 1993-1996, 104 cases of nuclear smuggling were registered, yet between 1996-2001, the figure was just 72.<sup>86</sup> All these seizures have been along suspected narcotics smuggling routes. If the routes are used to smuggle non-conventional weapons this could be the beginning of a greater problem than anticipated.<sup>87</sup> There is no doubt that the smuggling of military components will affect the military security, as this could potentially arm separatists, extremist organisations and narco-terrorists with more potent weapons than they currently have access to. The former Soviet Union is worst affected by smuggling of nuclear

81. Matthew & Shambaugh (1998).

82. Thachuk (2001), p. 49.

83. Williams (2001, June 20); Fawthrop, T. (2003) Thai-Myanmar ties: Drug lords cash in, *Asia Times*, 17 January; Senate Foreign Relations Committee (2004) *Establishing the rule of law in Afghanistan, Testimony By R. Perito, Special Advisor, Rule of Law Program, United States Institute of Peace*, 12 May.

84. Matveeva, A. (2003) 'Arms and Security in the Caucasus' in *The Caucasus: Armed and Divided*, ed. A Matveeva, Saferworld, London.

85. Thachuk (2001), p. 56.

86. Frantz, D. (2003) 'Nuclear Booty: More Smugglers Use Asian Route', *The New York Times*, 11 September; Cornell (2003).

87. Erlanger, S. (2001) 'Lax Nuclear Security in Russia is Cited as Way for Bin Laden to Get Arms', *New York Times*, 12 November; Washington Post (2002) 'U.N. Seeks Nuclear Devices in Georgia', 1 February; Frantz (2003, September 11).

and biological components due to the high density of these components in combination with a high level of corruption and disintegration.<sup>88</sup>

This arms trafficking should be analysed directly in terms of narco-terrorism and other forms of extremism and separatism as it provides these organisations with weapons. The increased reliance on narcotics trade by these groups is worrying, especially since the value of the trade and the amount of weapons in production and transit regions has escalated (in quality, quantity and modernity) and state sponsors have decreased. This unfortunate development has led to increased military expertise among the traffickers. Terrorists and separatists are strengthened, as the profit from the narcotics trade is progressively more lucrative. This has made the combat against international narcotics trafficking more difficult and bloody, as visible in the war against the drug trade in Iran.

### Integration of Narcotics-related Security Threats

The narcotics trade has a direct effect on human, military, political and economic security. The impact on the different aspects of security varies in different regions and states. The economic impact is greatest in small and weak economies, for example. However, it would be a mistake to ignore any of the aspects covered in this article and it seems evident that different security threats are to be seen at the societal, national and the international levels. However, most states have failed to securitise the narcotics trade and it is dealt with as normal criminality at the national level.<sup>89</sup> These states have also failed to recognise adequately the interconnectedness of the security aspects. Societal effects have been seen as separate problems from, for example, political and economic security. All these levels are however integrated in an "Underground Empire" that is not hindered, but rather strengthened by state sovereignty and weak international legal frameworks. Since there are few legal options to intervene in the business of other states, even where they involve criminal activity, drug traffickers are protected by the legal framework and sovereignty that is supposed to protect the state. The failure of the states to cooperate and abandon sovereignty in certain fields, i.e. transnational criminality, has given the criminal networks advantages that are effectively used. In regard to terrorism in Southeast Asia, we have seen that Philippines have been used for training, Singapore for money laundering, Malaysia for propaganda etc. This is a very similar strategy to that which the criminal networks in the same region have used.<sup>90</sup> The functions of the criminal

88. United States Government Accountability Office (2005) *Testimony Before the Subcommittees on the Prevention of Nuclear and Biological Attack and on Emergency Preparedness, Science, and Technology, Committee on Homeland Security, House of Representatives, Combating Nuclear Smuggling, Statement of G. Aloise, Director Natural Resources and Environment*, 21 June; Orlov, V. 'Illicit Nuclear Trafficking & the new agenda', *IAEA Bulletin*, vol. 46, no. 1.

89. Swanström, N., et al. (2005) *Organised Crime and Narcotics in the Baltic Sea Region: Issues of National and Regional Security*, available at: [www.silkroadstudies.org](http://www.silkroadstudies.org) (accessed on 26 October 2005); Interviews with drug enforcement, legal and customs personnel in Europe, Asia and the US, 2004-2005.

90. Swanström, N. & Björnehed, E. (2004) 'Conflict resolution of terrorist conflicts in Southeast Asia?', *Journal of Terrorism and Political Violence*, vol. 16, no. 2.

networks are spread internationally and if some links are destroyed they can easily be replaced at little or virtually no cost. The states in Central Asia, for example, have failed to cooperate regionally and despite some international efforts there are very few measures that curb the transit of drugs through them, despite their signing UN conventions and a verbal support for narcotic enforcement actions.<sup>91</sup> The criminal networks have shown a high degree of flexibility in their choice of production states and transit routes, and they rely on the lack of political and military cohesion and state incapability. For example, when production moved to Afghanistan due to its instability and good environment for growing opium, transit routes changed from Iran and Pakistan towards Central Asia due to its instability and Iran's war against the narcotics trade. These changes happen at a relatively quick pace to which national agencies have problems adapting. Also, when measures are invoked against the narcotics trade it is usually on a national level.

This article has pointed to the importance of a "widened" approach to security threats when looking at the narcotics trade and its consequences. A pattern of both "soft" as well as "hard" security issues originating from the drug trade has emerged. To solely focus on the narcotics-related consequences on military or political security would be a mistake as the consequences on the "softer" issues are at least as threatening for the security of the state, but also for regions and individuals. The impact of the security problems analysed in this article has been devastating in many countries and may over time threaten the survival of some states. This is most apparent in Tajikistan, Kyrgyzstan, Burma and Afghanistan. The threats seem to be mostly directed against state functionality, through corruption, political cooption, threats to the human base, and militants armed with the help of narcotics money.

To understand the impact narcotics have on security it is crucial to understand how the different threats cannot be viewed as separate from each other: security issues ranging from environmental to military threats are linked and affect each other to a high degree. For example economic security is closely linked to political as well as environmental security. Although traditional definitions of security separate its different aspects from each other, the case of narcotics-related security threats seem to integrate, in many cases strengthening and reinforcing each other. The international drug trade is different from many other security threats in the sense that it is focused on economic profit rather than ideological or cultural ambitions. The drug trade is transnational in character and its impact as well as its security consequences cannot be viewed as a national problem, but transnationally. Sadly, this is unfortunately not the approach usually taken, and international efforts are stalemated by national policies and hidden agendas.

State weakness seems to be one of the more important reasons behind the increase in the successful transit and production of narcotics. It acts as an exacerbating factor that increases the risk of political co-option, corruption, health-related problems and ultimately state disintegration. Without the weak

91. Swanström & Madi (2004)

states in Central Asia and Southeast Asia it would be much harder to move the drugs to their markets and produce them at a low cost. That said, it is still difficult to prevent the transport of drugs to markets regardless of the strength of the state. The effects of corruption related to the trade are apparent even in the strongest states. The actors in production states are even more dependent than transit regions on the co-option of the state or control of crucial regions as it relies on a "stable" environment until the narcotic crops can be harvested. In the case of Thailand, where the state took harsh measures against narcotics production, it decreased. Today Thailand is more of a transit route than a production site even though production still remains in some parts of the country. In Burma the fight against narcotics production has been secondary to the resolution of the military conflict and in the cease-fire agreements signed between the national government and the rebels there are only token references to combating trafficking. The United Wa State Army and the Myanmar National Democratic Alliance Army are virtually unrestricted in their respective regions and free to engage in the narcotics trade.<sup>92</sup> The UWSA has as a result positioned itself as the largest drug-producing and trafficking group in Southeast Asia, producing both heroin and methamphetamine. Despite this, Burma is decreasing in importance as a narcotics producer; its heroin and opium production decreased with 24% between 2002 and 2003, even if methamphetamine usage seems to have increased significantly.<sup>93</sup> Afghanistan has also emerged as a sanctuary for opium cultivation and heroin production where the Northern Alliance has been given *carte blanche* to produce opium and refine it to heroin for its role as allies to the West in combating the Taliban. It seems evident that any effective measure against the narcotics trade has to rest on the structure of stable states and non-corrupt law enforcement agencies. International treaties have little effect if the national governments are directly involved in the narcotics trade.

Despite the lack of adequate data at UNODC, and the strong increase of opium and heroin transit through Afghanistan, it seems that synthetic narcotics could become more problematic as they are easier to produce. This would potentially decrease the injection problems (HIV/AIDS and Hepatitis) since a large proportion of synthetic drugs are non-injective, such as ecstasy. The tendency is also to move more towards chemical-based narcotics in regions where the state has taken the problem seriously, such as Thailand, as it is harder to monitor laboratories than opium fields and great profits can be generated with small production facilities. Overall, synthetic narcotics are gaining in strength and since it is relatively easy to produce these substances this will increase the prevalence of narcotics in all

92. Most of the leaders of separatist organisations in Burma has been tied to narco-trafficking at some time, these include, but are not excluded to, Peng Jiasheng and Liu Goushi of the MNDAA; Pao Yuqiang, Li Zuru, and Wei Xuekang of the UWSA; Mahtu Naw of the Kachin Defense Army (KDA); and Yawd Serk of the Shan State Army South (SSA South), U Sai Lin (Lin Mingxian) of the Eastern Shan State Army (ESSA). U Sai Lins territory is most likely the most used trafficking route because of its strategic location along the border with China. <http://www.globalsecurity.org/military/world/para/wa.htm>

93. United Nations (2004), p. 59; pp. 165-166.

states; we have seen evidence of this trend in Holland, China and Russia where numbers of users have increased significantly.

In terms of social security, local populations are threatened by diminishing health as a result of narcotics usage, reliance on the narcotics economy, a lack of political development and military conflicts between narcotics dealers and the governments. Human security in the form of health issues is however one of the issues too often forgotten in international relations as it has been seen as an internal issue. Yet today this is far from the truth when for example Hepatitis C and HIV/AIDS spread with epidemic speed without attention to national borders. Globalisation has increased contacts and travel, opening up national borders with all its following positive and negative consequences.

In several instances it is clear that the narcotics trade is directly related to terrorism and separatism since these organisations are supported to an increasing extent by drugs as government support has decreased. Separatism and terrorism affects not only national security (political, economic, social, etc), but as separatism and terrorism are often, but not always, linked over national borders it has become an international as well as regional problem that needs to be dealt with at all those levels. Also, the connections to economic security and terrorism are growing, exemplified by the money laundering of drug money by terrorist networks or criminal organisations across the world.

Despite the apparent problems caused by the narcotics trade there are few states that have securitised the narcotics trade and its consequences. Internationally it is mainly Iran and the US that have securitised the issues, even if states such as Thailand and China have taken the problem very seriously recently. The problem is very apparent in states that are dependent on the narcotics trade as a form of revenue, as in Burma, North Korea, Kyrgyzstan, and Tajikistan. These states have not acted in a very convincing way when combating international drug trafficking. Securitisation of the problem at the national as well as the regional level is necessary if the struggle against the trade is to be effective. There is therefore a great need to offer states and individuals which benefit from the trade sustainable alternatives, and currently there are no alternatives for many of the producers and traders. It will be necessary to increase the social, political and economic alternatives, and security for states directly involved in the trade, before the drug trade can effectively be fought.

With regard to the traditional separation of different security threats, this would not only be an error of analysis, it would most definitely be a failure policy-wise. The problem can only be met by an integrated perspective where all the different security dilemmas are dealt with simultaneously. It is both practically and theoretically problematic to treat them as separate issues as they reinforce and strengthen each other and each solution has to be based on an integrated approach. This also requires a solution where there is national, regional and international cooperation. It would be a mistake only to focus on the production and transit regions when many of the problems are to be found in the consumer markets. These have unfortunately diversified and today involve huge markets that were fairly unaffected up until the 1970s, such as China and Russia. These



markets have been the destination of much of the increase in narcotics production and smuggling over the last 30 years, even if the US and EU still seems to be the primary destination for narcotics. The complexity of the problem is increased by corruption and part of the solution is to create social infrastructure, non-corrupt legal institutions and economic development. The reality is, however, grim and many of the states that are involved in the trade are “hooked” on narcotics and little cooperation can be expected from them. It would take a great deal of effort, resources and time to create governmental structures in all the production, transit and consumer states in order effectively to combat the narcotics trade. However difficult it may be, the international community needs to take an integrated approach to the problem with all security aspects in mind at the societal, national, regional and international levels.

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