

### 3.0 The destabilizing influence of drug trafficking on transit countries: The case of cocaine

In the past decade, the United Nations has come to recognize the relationship between political instability and organized crime, particularly drug trafficking. The United Nations Convention against Transnational Organized Crime came into effect in late 2003. In 2004, the High-level Panel on Threats, Challenges and Change argued:

*One of the core activities of organized criminal groups - drug trafficking - has major security implications... In some regions, the huge profits generated through this activity even rivals some countries' GDP, thus threatening State authority, economic development and the rule of law.*<sup>1</sup>

This report was followed by the Secretary-General's report *In Larger Freedom*, which concludes:

*Organized crime contributes to State weakness, impedes economic growth, fuels many civil wars, regularly undermines United Nations peacebuilding efforts and provides financing mechanisms to terrorist groups.*<sup>2</sup>

More recently, in December 2009, the Security Council issued a Presidential Statement on Peace and Security in Africa, which urged the Secretary-General to consider:

*...mainstreaming the issue of drug trafficking as a factor in conflict prevention strategies, conflict analysis, integrated missions' assessment and planning and peacebuilding support.*<sup>3</sup>

Taking up this challenge, Secretary-General Ban Ki-moon, speaking at the African Union summit in January 2010, concluded, "Drug trafficking is ... a rising threat to international peace and security in Africa."<sup>4</sup> And in February 2010, the Security Council noted with concern "the serious threats posed in some cases by drug trafficking and transnational organized crime to international security in different regions of the world."<sup>5</sup>

1 High-level Panel on Threats, Challenges and Change, *A more secure world: Our shared responsibility*. United Nations, 2004, p.53.

2 Report of the Secretary-General, *In larger freedom: towards development, security and human rights for all*. United Nations General Assembly, Fifty-ninth session (A/59/2005), 21 March 2005, p. 27.

3 S/PRST/2009/32.

4 Secretary-General Ban Ki-moon, Remarks to the Summit of the African Union - "An Agenda for Prosperity and Peace," Addis Ababa, 31 January 2010.

5 S/PRST/2010/4.

#### Two types of impact

What is behind these assertions? How, exactly, can drug trafficking pose a threat to stability? There are at least two ways. The first involves countries where insurgents and illegal armed groups draw funds from taxing, or even managing, drug production and trafficking. The second concerns countries that do not face such a situation, but where the drug traffickers become powerful enough to take on the state through violent confrontation, high-level corruption, or (usually) both.

Not every country is equally vulnerable to this threat. Drug trafficking is problematic for any country it touches, but it can become particularly destabilizing where there are pre-existing governance issues. The small size of the local economy relative to the value of the drug flow, as the High-level Panel suggested, is also relevant. The two are often related: governments in countries with small economies may have trouble asserting authority over their sovereign territory or developing remote areas of the country; prolonged instability can also keep economies from growing. This is why the focus has increasingly been on Africa, a continent where there are many poor and unstable countries, but where, for a variety of reasons, the worst effects of drug trafficking have not yet been experienced. When drug routes pass through African soil, like the recent flow of cocaine through West Africa, the international community is rightly concerned.

Of course, drug trafficking is not unique in this respect. The money gained through all forms of organized crime can cause trouble, and smuggling of contraband (such as cigarettes, diamonds, timber or oil) has been a mainstay of rebel financing for decades. But the drug markets are simply worth more money than those of other contraband goods, and since they are illicit, drugs remain unambiguously the domain of organized criminals.

It is also true that certain types of drugs are more relevant than others. Cannabis and synthetic drugs are produced almost everywhere, so there is limited need for trans-regional trafficking. Cannabis has been suggested as a source of funding for rebel movements in regions as diverse as Casamance (Senegal), Aceh (Indonesia) and southern Nepal. Methamphetamine has been key to funding the ethnic militias in Myanmar. But the most lucrative drug flows originate in poor and unstable areas and end in the richest nations on earth. Cocaine and

heroin are strongly associated with specific sources of supply in poor areas and specific rich consumer countries. The value of these flows and the concentration of production and trafficking intensifies the destabilizing effect.

Almost all the world's heroin and the vast bulk of the world's cocaine is produced in countries that have experienced insurgency problems. While both opium poppy and coca bush are optimally productive under particular climatic conditions, they could be grown in a much wider range of countries than is currently the case (and they have been, historically). The production of these drugs is reliant on crops that require large cultivation areas, however, and the international control system has compelled national governments to take strong action against any such cultivation that occurs within their borders. As a result, wide-scale cocaine or heroin production is only possible in countries where there are stretches of rural area that the state is struggling to fully service and control. These conditions also happen to favour the growth of guerrilla armies.

In the absence of the sort of outside funding found during the Cold War, insurgents and illegal armed groups are often compelled to derive their sustenance from the regions they dominate, and these unstable areas are often already enmeshed in drug trafficking. The money associated with organized crime can be so great that militants may forget about their grievances and focus on satisfying their greed. Even where this is not true, drugs pay for bullets and provide a lifestyle to combatants that makes them less likely to come to the negotiating table. It becomes entirely feasible to make a career out of militancy, and this prolongs civil conflict.

The best examples of this phenomenon are the primary cultivation areas for opium poppy, the crop from which heroin is derived: Afghanistan and Myanmar. In both countries, rebel armies are at least partly funded by the drug trade. Large-scale opium poppy cultivation requires large land areas, and is a highly labour-intensive activity. To generate the heroin needed to satisfy global demand, thousands of hectares and hundreds of thousands of workers must be employed without state interference, and the best deterrent for state interference with this process is a rebel army. Without an active conflict, heroin production can be eliminated, as has been done in a series of countries where insurgency was either absent or had less territorial control, including Turkey, the Islamic Republic of Iran, Pakistan, Thailand, the Lao People's Democratic Republic, China and Lebanon.

Today, heroin production is strongly associated with insurgent activity: in 2009, Afghanistan was responsible for 90% of global opium production, and 99% of all opium produced there came from just seven provinces in southern and western Afghanistan, where the rebel groups are strongest. But the insurgents do not control

the trafficking activity. Forces aligned to the Taliban garnered at least an estimated US\$125 million per year through taxation of cultivation, production and trafficking.<sup>6</sup> This is about 7% of the value of the trade in Afghanistan. While the drug trade provides some funds for the conflict, more significant is the cover the conflict provides for the drug trade. Those who profit most from heroin trafficking are professional criminals and their network of corrupt officials.

Conflict zones are not the only places where transnational organized crime can pose a threat to the state, however. There are a number of areas around the world where criminals have become so powerful that, rather than seeking to evade the government, they begin to directly confront it (through violence) or usurp it (through high-level corruption). The ideal case for traffickers is an authoritarian state where the authority is in their pocket. Under these circumstances, there is little violence and the trafficking may remain completely invisible at the national level, only becoming exposed when international evidence is brought to bear. Democracies are typically more challenging, requiring both violence and corruption to achieve the traffickers' objectives.

The violence can assume many forms. Investigators, prosecutors and judges who pursue organized criminals are threatened and killed. Journalists and activists may also be targeted. Portions of the country may effectively drift beyond state control, particularly those that were under-served by the state in the first place. The effect can be very similar to an insurgency, but the two phenomena remain distinct, for reasons discussed below.

Efforts to stop trafficking can temporarily exacerbate this violence, particularly where the groups involved have begun to command trafficking turf and achieved some sort of an institutional identity of their own. Under pressure, groups may inform on one another, using the state enforcement apparatus to achieve their commercial objectives and divert attention from themselves. This typically results in reprisal attacks. Decapitating trafficking groups can trigger succession struggles and the fragmented organizations that result can become prey for rivals. Organized crime becomes disorganized, releasing violence as the structures decompose. This violence can fuel public demands that enforcement be suspended, but this difficult period must be weathered. The smaller groups that result will no longer have the same capacity to challenge the state, and the violence will ultimately decline.

Violence is a visible manifestation of states under stress, but even more damaging is the insidious effect of corruption. Most traffickers seek to pay local officials to

6 It is estimated that the Taliban pocketed around \$350-650 million from the opiate trade between 2005 and 2008 through direct taxation of farmers and traffickers, see *Addiction, crime and insurgency: the transnational threat of Afghan opium*, Vienna: UNODC, 2009, p. 111.

look the other way. Destabilization is only really a threat when the corruption reaches the top, and those charged with stopping the trafficking begin to actively promote it. This can cause the entire law enforcement mechanism to seize up, as authorities become paralysed by mistrust. The effect on public confidence in government can be devastating, and democratic governments that seek to expose the rot may be penalized at the polls. All the incentives are in place for a downward spiral in governance that can be extremely challenging to reverse.

Organized criminals generally do not seek to topple the state. They mostly want to be left alone to pursue their illicit profits. But they can provoke a reaction that can also threaten long-term prospects for democratic stability. A clear sign that crime has become a national security threat comes when exceptional legal and security measures are taken, including calling on the military to help re-establish the government's authority. It is sometimes necessary for states to, in effect, reacquire territory lost to criminal groups, and, in some countries, the military is both more disciplined and less corrupt than the civilian police. In a world where international conflicts are becoming less common, using the armed forces to promote internal stability may be seen as cost effective.

Such a move may have popular support in countries where people fear for their safety and are frustrated with the appearance of impunity. This must remain an option of last resort, however: the long-term use of regular military forces to police civilian populations presents risks for the rule of law and civil liberties. Particularly in countries where the military has played an important role in past authoritarian regimes, putting soldiers on the streets can be the first phase in a long-term roll-back of democratic values.

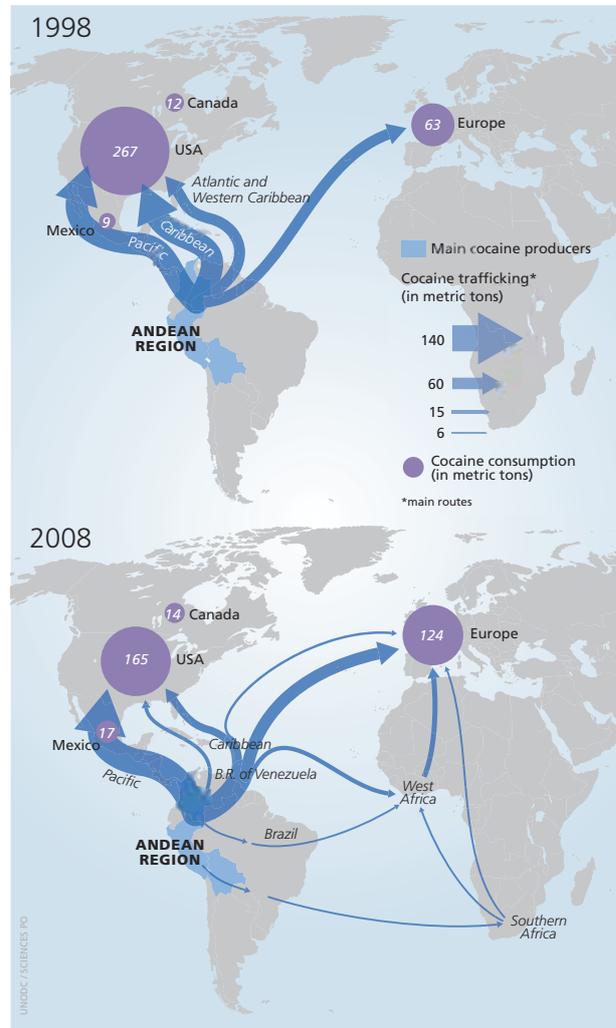
Growing popular discontent with the slow pace of civilian enforcement may also trigger a less formal erosion of civic values and the rule of law. Military and police officials may become frustrated with a corrupt or ineffective criminal justice system and begin to engage in extrajudicial executions. The public may form civilian "self-protection" groups as well, and these groups may even attract state recognition and support.

Civilian patrols are the normal reaction of citizens who feel they cannot rely on the state to protect them, but they can become the basis for something more sinister. Initially, volunteers may receive ad hoc contributions from the people and businesses they protect, but over time these fees may become mandatory. In unstable areas, a neighbourhood watch can become a protection racket, and, once its absolute authority is established, it can even become a predatory gang. Over time, these paramilitary vigilantes can become as big a security challenge as the criminals they were formed to combat.

These effects can be seen, to some extent, in many

**Map 1: Global cocaine flows, 1998 and 2008**

Source: UNODC *World Drug Report*, 2009 and UNODC calculations, informed by US ONDCP, Cocaine Consumption Estimates Methodology, September 2008 (internal paper)



countries where cocaine trafficking is an issue. Of the countries with the highest murder rates in the world today, almost all lie along the key cocaine trafficking routes.

In the past, nearly all of the cocaine produced in the Andean region was consumed in the United States of America, but this has changed. The value of the cocaine market has fallen dramatically in the United States in the last decade, while it has grown remarkably in Europe and the Southern Cone of South America. Today, cocaine flows into three main destination markets: the United States (responsible for about 40% of the cocaine consumed in 2008), Europe (about 25%), and the Southern Cone of South America (10%-20%). Of course, the trafficking routes are also dynamic. Increasingly, transit countries are used, including the Bolivarian Republic of Venezuela and Ecuador. In the 1970s and 1980s, the Caribbean was the primary conduit for South American drugs destined for the United States; today, it

is Central America. Transit routes to Europe have also shifted, recently including West Africa as a conduit.

### 3.1 Transit countries in South America

Traditionally, most of the cocaine departing Colombia left the country directly, by sea or by air, through the Gulf of Mexico or the Pacific. But increased interdiction, combined with changes in market demand, has increased the importance of transit countries, particularly the Bolivarian Republic of Venezuela, Ecuador and Brazil.

The drug trafficking situation in the Bolivarian Republic of Venezuela appears to be deteriorating. In 2008, the Bolivarian Republic of Venezuela was fourth in the world in annual cocaine seizures (34 mt), ahead of Peru and the Plurinational State of Bolivia. According to the new Maritime Analysis Operation Centre (MAOC-N), more than half of all intercepted shipments in the Atlantic (67 incidents between 2006 and 2008) started their journey in the Bolivarian Republic of Venezuela. Direct shipments from Colombia, in contrast, accounted for just 5%.<sup>7</sup> In addition, many undocumented air flights leave the country, and all the clandestine air shipments of cocaine detected in West Africa appear to have originated in the Bolivarian Republic of Venezuela. The country also appears to be the source of cocaine flown to clandestine airstrips in Honduras, with devastating effects there (discussed below).

At the same time, the Bolivarian Republic of Venezuela seems to be experiencing a remarkable upturn in criminal violence. This trend is difficult to track because the Venezuelan Government stopped publishing official crime statistics after 2003, but some institutions continue to monitor the issue.<sup>8</sup>

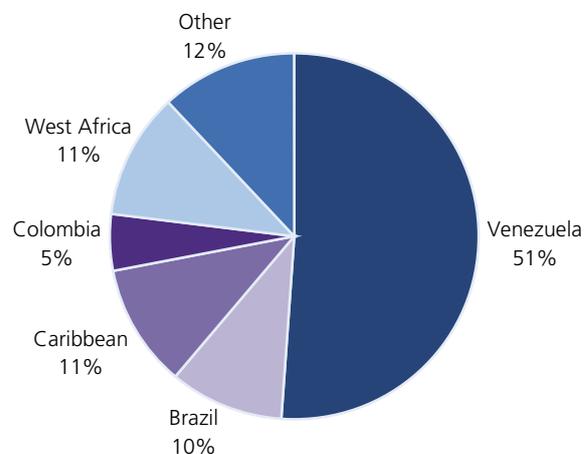
The murder rate in the Bolivarian Republic of Venezuela has increased markedly since the end of the Cold War, but especially since the late 1990s. There may be many reasons for this, but it happens to have occurred just as Colombian illegal armed groups' involvement in the cocaine trade began to pick up. There was a brief drop after 2003, when Colombia began to reduce the size of the illegal armed groups, followed by a resurgence afterwards. Today, there are eight times as many murders as there were two decades ago, and the murder rate per 100,000 population appears to be in the low 60s, among the highest in the world. Kidnappings also appear to have greatly increased, with the areas bordering Colombia being among the worst affected.

7 Maritime Analysis Operation Centre (MAOC(N)), *Statistical Analysis Report*, Lisbon 2009.

8 Such as the Observatorio Venezolano de Violencia at the Universidad Central de Venezuela.

**Fig. 1: Departure locations of identified drug trafficking shipments by sea from South America to Europe, 2006-2008**

Source: Maritime Analysis Operation Centre



There are other reasons to be concerned about the potential impact of cocaine trafficking on Venezuelan stability, including parallels to the Colombian situation. The Bolivarian Republic of Venezuela has had insurgent groups, such as the Bolivarian Liberation Front, which are very similar to the FARC. These groups have effectively been co-opted by the Government, but maintain armed cells, including some along the borders with Colombia, Ecuador and Brazil. The Government has also begun arming and supporting civilian militias (the 'national reserve'). Experience in other countries has shown that such a move can fuel organized crime.

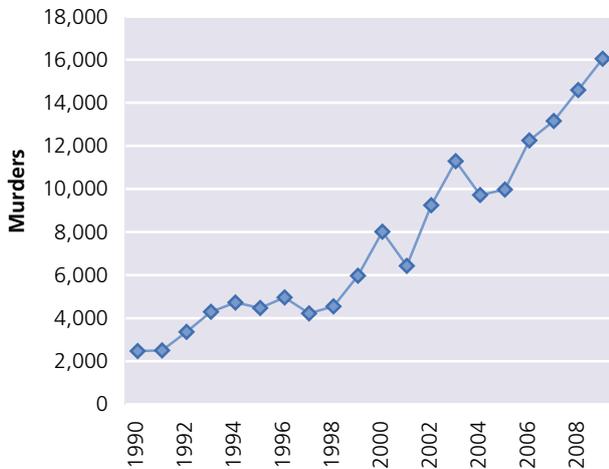
Ecuador has long been used by traffickers as a secondary corridor for cocaine trafficked through the Pacific, and this problem has grown as the importance of the Pacific maritime corridor has grown. The role of the FARC in Colombian trafficking through Ecuador has also increased in importance. The FARC's forty-eighth front, situated along the border with Ecuador, is regarded as being central to the illegal armed groups' cocaine trafficking operations.

Ecuador's murder rate has been rising for a number of years. Ecuador is unusual in that the murder rate in the largest city (Quito) is generally less than the national average. In 1990, the highest provincial murder rate in Ecuador was in Los Rios, a poor province in the centre of the country. By 1995, the highest murder rate was found in Esmeraldas, a richer coastal province bordering Colombia, known for its use by drug traffickers. Esmeraldas is the one province of the country where small

9 Briceño-León, R., "Diez años de Violencia en Venezuela" (and subsequent reports) See: <http://www.alertavenezuela.com/documentos/getbindata.php?docid=137&fieldname=documento> and <http://informe21.com/actualidad/impunidad-corrupcion-16047-homicidios-nuestro-pais-2009-segun-informe>

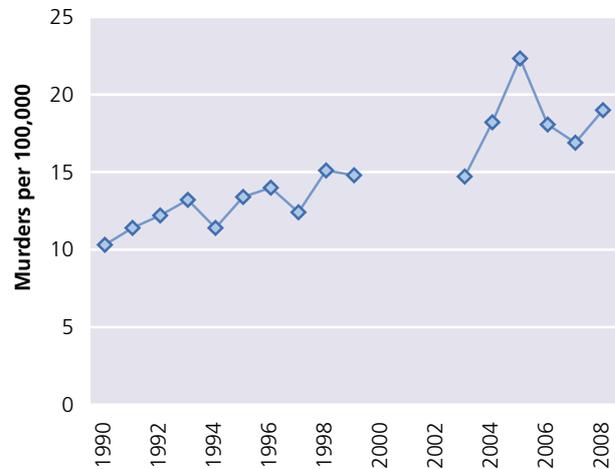
**Fig. 2: Murder count in the Bolivarian Republic of Venezuela, 1990-2009**

Source: Observatorio Venezolano de Violencia<sup>24</sup>



**Fig. 3: Murders per 100,000 citizens in Ecuador, 1990-2008**

Source: IADB, UNODC CTS



scale coca cultivation has been detected. By 1999, the murder rate in Esmeraldas was more than twice the national average, at 34 per 100,000,<sup>10</sup> comparable to Colombia today.

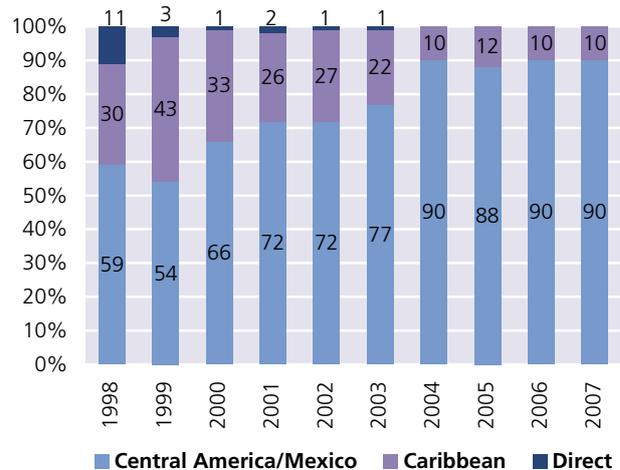
### 3.2 Transit countries in the Caribbean

As a conduit for cocaine imported into the United States, the Caribbean has greatly diminished in importance over the past 15 years. During the early days of the trade, traffickers preferred the Caribbean corridor and it was used preferentially from the late 1970s.<sup>11</sup> In the 1980s, most of the cocaine entering the United States came through the Caribbean into the southern part of the state of Florida.<sup>12</sup> But interdiction successes, tied to the use of radars, caused the traffickers to reassess their routes. As a growing share of cocaine transited the southwest border of the United States, Mexican groups wrested control from their Colombian suppliers, further directing the flow through Central America and Mexico.

Unfortunately, this decline has not necessarily led to increased stability or lowered violence in the transit countries. On the contrary, it seems that once the drug is introduced, instability in the market can drive violence. Jamaica provides a case in point. Estimates of the cocaine flow through Jamaica dropped from 11% of the

**Fig. 4: Distribution of cocaine flows to the US market, 1998-2007**

Source: National Drug Intelligence Center



US supply in 2000<sup>13</sup> to 2% in 2005,<sup>14</sup> and 1% in 2007.<sup>15</sup> This is reflected in declining seizures in Jamaica and declining arrests and convictions of Jamaican drug traffickers in the United States.<sup>16</sup> It is also negatively reflected in the murder rate, which rose from 34 per 100,000 in 2000 to 59 per 100,000 in 2008.

10 Interamerican Development Bank, "Magnitud y Tendencias de la Violencia en Ecuador, 1990-1999" in *Violencia y seguridad ciudadana*. Quito: IADB, 2001.

11 Statement of James Milford, Acting Deputy Administrator, United States Drug Enforcement Administration, before the Senate Subcommittee on National Security, International Affairs, and Criminal Justice, 17 July 1997.

12 Statement of Thomas A. Constantine, head of the United States Drug Enforcement Administration, before the House of Representatives Judiciary Committee, Subcommittee on Crime, 3 April 1997.

13 Statement of the Donnie Marshall, Administrator, US Drug Enforcement Administration before the United States Senate Caucus on International Narcotics Control, 15 May 2001.

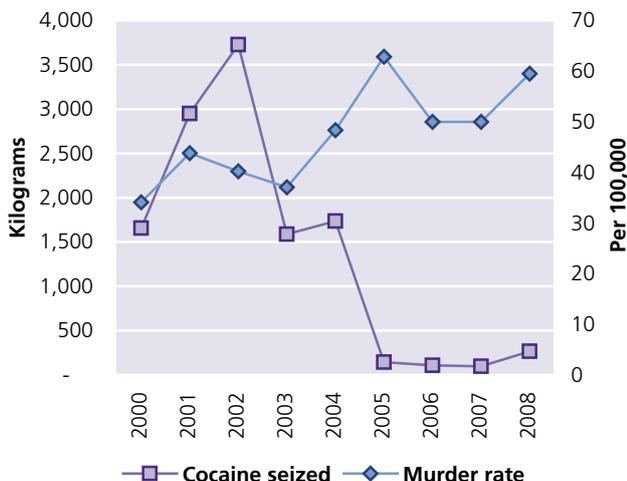
14 National Drug Intelligence Centre, *National Drug Threat Assessment 2006*. Washington, D.C.: Department of Justice, 2006. National Drug Intelligence Centre, *National Drug Threat Assessment 2007*. Washington, D.C.: Department of Justice, 2007.

15 National Drug Intelligence Centre, *National Drug Threat Assessment 2009*. Washington, D.C.: Department of Justice, 2009.

16 In 2000, the US federal authorities convicted 79 Jamaicans for cocaine trafficking. In 2008, they arrested just 35.

**Fig. 5: Cocaine seizures and murder rates in Jamaica, 2000-2008**

Source: UNODC



There are historical reasons for this paradoxical effect. The importance of Jamaica as a transit country in the cocaine trade really rose after the violent 1980 elections in that country. A large number of important crime figures (including some so-called 'area dons' and their enforcers) left Jamaica for New York, where they became key suppliers in the crack cocaine boom. This period of growing criminal opportunities represented a time of relative calm in Jamaica. When this market died out and cocaine flows began to shift westward, these men returned to Jamaica to find a much less well organized crime scene, where 'neighbourhood dons' had turned to more direct means of income generation: violent acquisitive crime, including extortion and robbery. The Jamaican cocaine trade suffered another blow when cooperative efforts between Jamaican law enforcement and the United Kingdom sharply reduced the air courier traffic to Europe around 2002. Street-level competition for diminishing returns has fuelled growing homicide rates; the highest in the Caribbean and among the highest in the world.

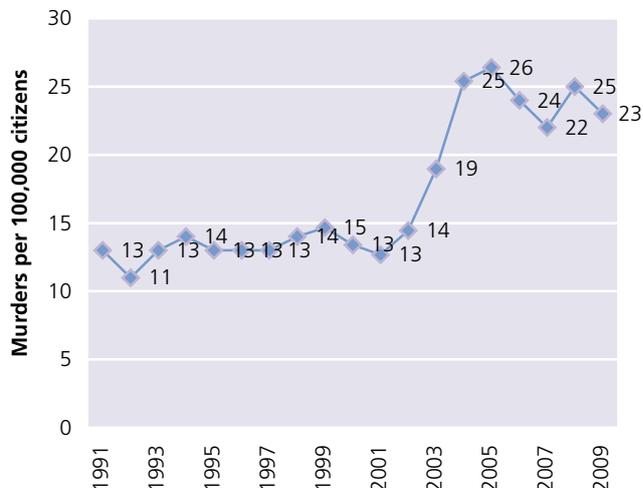
A similar, but more compressed, effect could also have occurred in the Dominican Republic. The share of the US cocaine supply that transited Hispaniola dropped from 8% in 2000<sup>17</sup> to 2% in 2004, before rising again to 4% in 2005 and 9% in 2007.<sup>18</sup> Around this time, the murder rate in the Dominican Republic doubled, from 13 per 100,000 in 2001 to 26 per 100,000 in 2005. It has remained at high levels, and the drug trade in the Dominican Republic is still volatile. Dominican traf-

17 International Crisis Group, *Spoiling security in Haiti*, Latin America/Caribbean Report No 13. Brussels: International Crisis Group, 2005.

18 National Drug Intelligence Centre, *National Drug Threat Assessment 2006*. Washington, D.C.: Department of Justice, 2006. National Drug Intelligence Centre, *National Drug Threat Assessment 2007*. Washington, D.C.: Department of Justice, 2007.

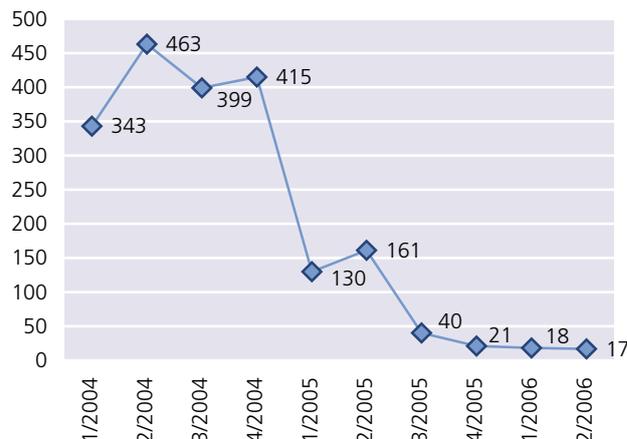
**Fig. 6: Murder rates in the Dominican Republic, 1991-2009**

Source: UNODC International Homicide Database



**Fig. 7: Couriers detected arriving at Schiphol from Curaçao, by quarter, 2004-mid-2006<sup>38</sup>**

Source: Netherlands Ministry of Justice



fickers have grown in importance in Europe since about 2005, and today are second only to the Colombians among foreign cocaine traffickers arrested in Spain, the primary point of entry.

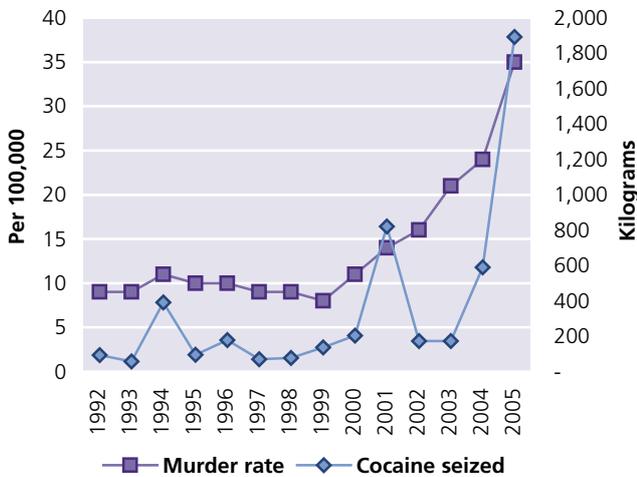
Another shift that may have affected local stability is the reduction in air courier traffic through the Netherlands Antilles. In 2000, 4.3 mt of cocaine were seized at Schiphol airport in the Netherlands,<sup>19</sup> much of it originating from the Bolivarian Republic of Venezuela, via the Netherlands Antilles. A '100% control' strategy was introduced at the end of 2003,<sup>20</sup> targeting the drugs

19 INCB, *Annual Report of the International Narcotics Control Board*, Vienna: INCB, 2001.

20 National Ombudsman, *100%-controles op Schiphol: Over bolletjesslikkers en onschuldige slijkverdachten*. The Hague: Office of the National Ombudsman, 27 June 2006.

**Fig. 8: Murders and cocaine seizures in Trinidad and Tobago, 1992-2005**

Source: UNODC International Homicide Database



rather than the couriers.<sup>21</sup> As a result, this flow was almost entirely eliminated by 2006.

These interventions may have displaced some of the flow coming from the Bolivarian Republic of Venezuela through the Caribbean to Trinidad and Tobago, which saw a remarkable surge in seizures from 2000 to 2005. At the same time, that country's murder rate tripled. Seizures have declined today, but the murder rate has remained high: 40 per 100,000 in 2008.

In addition, a number of other Caribbean countries have very high murder rates that are difficult to explain except in terms of the drug trade, particularly given relatively low rates in neighbouring countries.<sup>23</sup>

### 3.3 Transit countries in Mesoamerica

As Mexican traffickers wrested control of the most valuable portions of the trafficking chain from the Colombians, Mexico itself has become by far the most important conduit for cocaine entering the United States. Today, some 200 mt of cocaine transits Central America and Mexico annually, bringing some US\$6 billion to the regional 'cartels'. As a result, those who control the portions of the Mexican border through which the bulk of the drug passes have gained wealth and power comparable to that commanded by the Colombian cartels in their heyday. These groups command manpower and weaponry sufficient to challenge the state when threatened, including access to military arms and explosives.

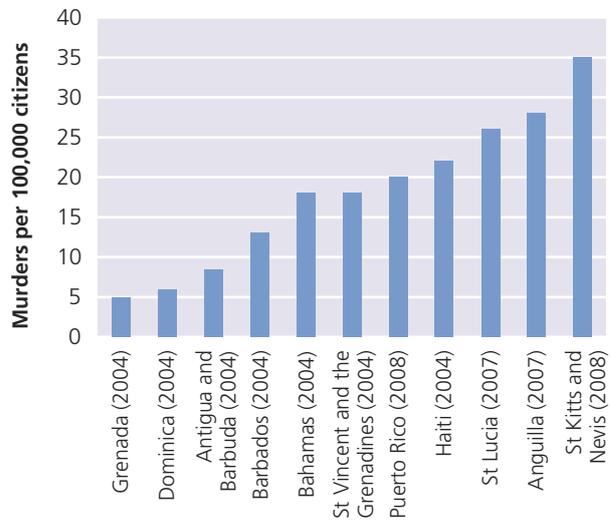
<sup>21</sup> Europol, *European Union Situation Report on Drug Production and Drug Trafficking 2003 – 2004*, The Hague: Europol, 2005, p. 4.

<sup>22</sup> The final quarter (2/2006) is short by two weeks, as current data only extends to week 24 of 2006.

<sup>23</sup> Due to their small population size, murder rates in the smaller islands tend to be highly volatile, so trend data are not presented. Some of these rates were higher in the recent past.

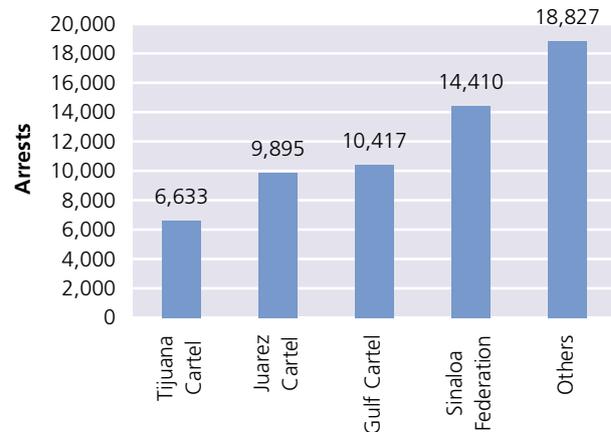
**Fig. 9: Caribbean murder rates (most recent data available)**

Source: UNODC International Homicide Database



**Fig. 10: Cartel members and others arrested for offences against public safety (drug charges) between 1 December 2006 and 15 February 2009**

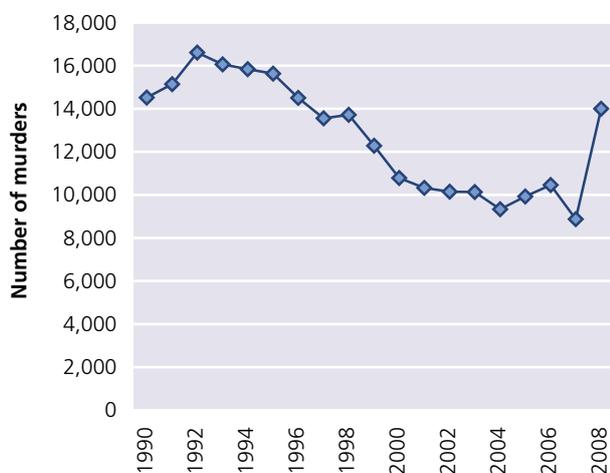
Source: Attorney General of Mexico



They also have the funds to sow widespread and high-level corruption.

Fortunately, the Mexican Government has several advantages the Colombian Government did not have, including much greater resources. Further, the violence, while formidable in some areas, comes nowhere close to that experienced in Colombia, even when comparing the two countries today. It is highly likely that law enforcement pressure will have a similar effect in Mexico as in Colombia, and the cartels, however powerful, will be dismantled. And, unlike Colombia, there are no comparable illegal armed groups around to pick up the pieces afterwards.

Over 40,000 drug 'cartel' members have been arrested in Mexico in recent years, including many of the heads of

**Fig. 11: Number of homicides in Mexico (public health data), 1990-2008**Source: Instituto Nacional de Estadística y Geografía<sup>40</sup>

these organizations. In 2009, 107 criminals were extradited from Mexico to the United States, including key cartel figures, a technique that was pivotal in bringing down the big cartels in Colombia. Decapitating the Mexican cartels has spurred intra- and inter-cartel violence, as the survivors jockey for position and try to take advantage of rival weaknesses. The murder count has shot up, but the rate (about 12 per 100,000 in 2008) remains relatively low, and is about the same as in the mid-1990s. Most of the victims appear to be cartel members, and this violence has further reduced the cocaine supply to the United States, creating a downward spiral from which the cartels will have difficulty escaping.

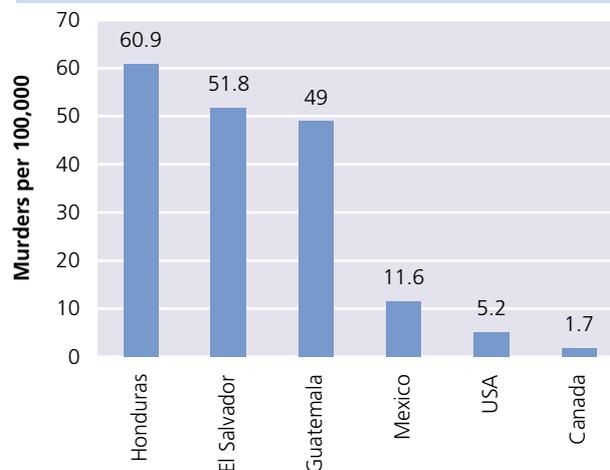
In Mexico, the cocaine trade is now dominated by a number of these cartels who compete to control border crossings and transportation routes. The leadership, turf and structure of these groups has shifted over time as conflicts both within and between the cartels, as well as enforcement efforts, force realignments. As of early 2010, the dominant cartels were the following:

- **The Sinaloa Federation**, led by billionaire, and Mexico's most wanted man, Joaquin "El Chapo" Guzman;
- **The Gulf Cartel**, once the most powerful criminal organization in Mexico, now greatly weakened by the defection of Los Zetas;
- **Los Zetas**, founded when a group of special forces soldiers defected to the Gulf Cartel and now operating as a trafficking organization in its own right;
- **The Juarez Cartel**, also known as the Carrillo Fuentes Organization, which is struggling to maintain control

<sup>24</sup> Online database of the Mexican National Institute of Statistics and Geography (see: <http://www.inegi.org.mx/est/contenidos/espanol/proyectos/continuas/vitales/bd/mortalidad/MortalidadGeneral.asp?s=est&c=11144>).

**Fig. 12: Comparative regional murder rates in 2008, selected countries in the Americas**

Source: UNODC International Homicide Statistics



over its plaza (smuggling turf) in Ciudad Juárez, the city most affected by cartel violence;

- **The Tijuana Cartel**, also known as the Arellano Felix Organization, which is similarly struggling to maintain control over the Tijuana plaza;
- **The Beltran Leyva Organization**, a breakaway from the Sinaloa cartel, now weakened by the recent arrests or killings of three of the five Beltran Leyva brothers; and
- **La Familia Michoacana**, a Zetas breakaway based in Michoacan but expanding, renowned for its penchant for beheadings, quasi-religious ideology and domination of methamphetamine production.

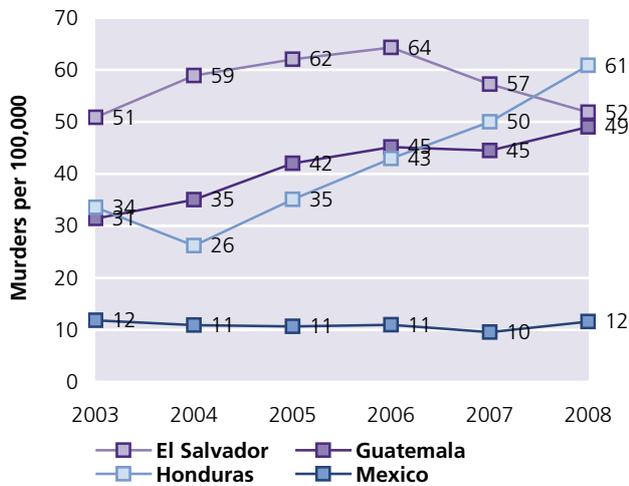
Perhaps due to the recent slump in the cocaine trade, these groups are progressively engaging in a number of other organized crime activities, including migrant smuggling, kidnapping and extortion – all crimes that were prevalent in Mexico before cartel involvement. La Familia, which espouses a bizarre ideology combining aspects of evangelical Christianity with revolutionary populism, provides the most extreme example, 'taxing' businesses in the areas they control and engaging in very public displays of violence to soften resistance.

The most violent city in Mexico has been the plaza of Juárez, where murder rates are among the highest in the region. As in Jamaica, murders in Juárez increased when the enhanced security presence stopped the flow of cocaine through the city. Street gang members who had been stringing for the cartels found themselves without an income, and resorted to violent acquisitive crime.

Mexico's struggle has attracted a lot of attention, with much less falling on an area far more threatened: Central America. As maritime interdiction has increased and Mexico itself has become far more contested, a growing

**Fig. 13: Murder rate trends in Mesoamerica (per 100,000 inhabitants), 2003-2008**

Source: UNODC International Homicide Statistics



share of cocaine headed northward is passing through northern Central America, including El Salvador, Honduras, Guatemala and Belize. The murder rates in these four countries are three to five times higher than in Mexico, and both the economy and the state are far less robust and resilient.

The Northern Triangle of Central America is still reeling from the brutal civil wars in Guatemala (1960-1996) and El Salvador (1980-1992). The region suffers from having one of the most unequal distributions of income in the world, comparable only to southern Africa or the Andean countries. Small elites working with strong militaries have long dominated countries in this region, exporting agricultural commodities, as well as engaging in other labour-intensive enterprises. The threat of renewed instability and conflict remains. Guatemala has long had a problem with vigilante justice; a response to a lack of police presence in much of the country. Honduras experienced a coup d'état in 2009, when the serving president attempted to attain public support for an extended term of office.

As a result of this legacy of violence, instability and inequality, the Northern Triangle of Central America has the highest murder rate of any region in the world, and very high rates of other forms of violent crime. It has also experienced political violence, and at times the distinction between criminal and political violence can be difficult to discern. The southern countries in Central America do not appear to be as affected by drug trafficking as those in the north, and do not have comparable murder rates, despite a history of political violence in countries like Nicaragua.<sup>25</sup>

<sup>25</sup> There are exceptions in areas highly affected by drug trafficking. For example, the murder rate in Panama in 2006 was only 11 per 100,000, but the rate in Panama City was 30 per 100,000.

Contrary to what would be expected, in none of these countries is the highest murder rate found in the largest cities. Rather, it is found in provinces that have strategic value to rival drug traffickers. For example, Guatemala's Petén province is rural and largely indigenous, two variables that negatively correlate with violence elsewhere in the country. But it is also a major drug trafficking zone, where jungle landing strips provide easy access to the Mexican border. It may also be a contested area, where Los Zetas and the Sinaloa Federation both have an interest. These are likely the reasons it has the highest murder rates in the country.

Other provinces have the misfortune of containing key ports for traffickers, such as the provinces of Atlántida in Honduras, Sonsonate in El Salvador, Escuintla in Guatemala and Michoacán in Mexico. The death count has risen over time as a growing share of cocaine trafficking is conducted through this region. It also appears that Mexican cartels are settling their differences further up the trafficking chain, employing local killers to disrupt the operations of their rivals.

Honduras has the unfortunate distinction of having the fastest-growing murder rate in the region, which may be associated with increased use of the country as a landing site for cocaine-laden aircraft from Colombia and the Bolivarian Republic of Venezuela. It also hosts the province with the highest murder rate in the region: Atlántida, where one out of every 1,000 people was murdered last year. The capital of Atlántida is La Ceiba, a port well known for its use by cocaine traffickers, and the site of clandestine landing strips.<sup>26</sup> In December 2009, General Aristides Gonzalez, director general of the national office for combating drug trafficking, was murdered. The General had embarked on a campaign against the unauthorized airports found across the country, some of which are said to be linked to the Sinaloa Federation. Just before his murder, he had seized a major strip, and threatened to take action against all property owners on whose land the strips were found.

The groups involved in this region are less well-defined than in Mexico. For most forms of crime in the region, the blame often falls on two street gang confederations founded by deportees from the USA: Mara Salvatrucha (MS13) and Calle 18 (M18). But there is little evidence that these groups, comprised of street youth intensely focused on neighbourhood issues, are widely engaged in large-scale transnational drug trafficking. Most are based in inland cities, far from the maritime routes along which most cocaine flows before arriving in Mexico. They are certainly culpable in street sales in the areas they control, but their capacity to engage in bulk trans-

<sup>26</sup> La Ceiba was regarded as a major drug trafficking port by the US Drug Enforcement Administration as early as 2001. (See: [http://www.hawaii.edu/hivandaids/Honduras\\_Country\\_Brief\\_Drug\\_Situation\\_Report.pdf](http://www.hawaii.edu/hivandaids/Honduras_Country_Brief_Drug_Situation_Report.pdf)).

**Map 2: Murder rates in Mesoamerica, 2009**

Source: Official sources



national smuggling is questionable. Some may be recruited as hit men by the Mexican organizations. They frequently tattoo their faces as a sign of their commitment to the gang, however, so they are ill-suited for any operation involving possible contact with the public or the authorities. The maras have engaged in demonstrative violence in the past, including the random killing of civilians, but there is little to indicate they have any kind of political agenda, aside from avoiding police interference with their affairs.

The repeated arrests of high-level officials in the police and the military, in contrast, suggest that the main traffickers in Central America are far more sophisticated than street gangsters, and are tied to some members of the ruling elites, rather than the underclass. There is also growing evidence of Mexican cartel penetration into Central America, particularly regarding Los Zetas in Guatemala and the Sinaloa Federation in Honduras.

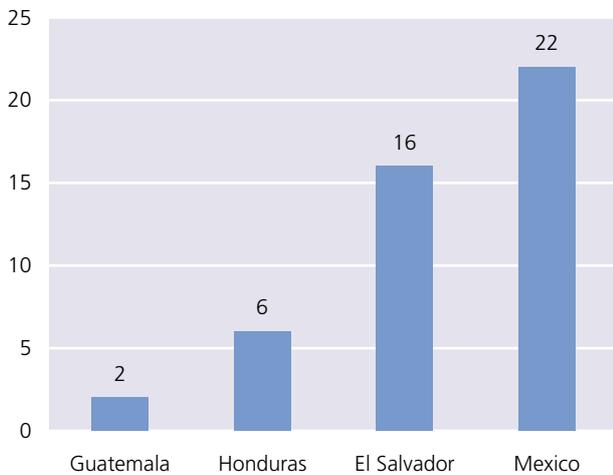
In both Mexico and Central America, trafficking groups have gone on the offensive, murdering a number of

prominent law enforcement officials who dared to oppose them. For example, in December 2009, the head of the Honduran anti-drug agency was murdered, as was Mexico's federal police chief in 2008. Organized criminals also target rank-and-file police officers for retaliatory killings. In June 2009, 12 federal police agents were tortured and killed, and their bodies dumped, when the Mexican police arrested a high ranking member of La Familia Michoacana. Civilians have also been targeted for demonstrative attacks, such as the 2008 Independence Day grenade attacks in Morelia.

In all of these countries, cocaine-related corruption at the highest levels, on occasion including the national heads of police and drug enforcement agencies, has been detected. For example, the Guatemalan police have been through a long series of purges and reformations. In August 2009, President Colom fired the director general of the national police, his deputy, his operations head and his investigations head after large amounts of cocaine and cash went missing. Before this, in 2005, the country suffered the indignity of having its top drug officials

**Fig. 14: Drug trafficking arrests per 100,000 citizens, 2008**

Source: UNODC DELTA



arrested by a foreign government: the head of the drug enforcement agency, his deputy and another top drugs official were arrested for drug trafficking after being lured to the United States on pretence of training. The drug enforcement branch they commanded was itself a reworking of a previous agency, which had been disbanded following arrests of members for similar diversions. The agency was reworked yet again in 2009.

The United Nations Commission against Impunity in Guatemala (CICIG) assisted in investigations in which the national director of the civilian police, his deputy director, the attorney general, the chief prosecutor, the head of the public defence institute, and three supreme court justices were removed from office. It also assisted in the indictment of the former President (Antonio Portillo), the former minister of defence (Eduardo Arévalo Lacs), the former finance minister (Manuel Maza Castellanos), two acting directors of police, the director of the Anti-Narcotics Investigation and Analysis Department and a major general (Enrique Ríos Sosa, son of the former dictator Efraín Ríos Montt).

Similarly, in August 2008, the Mexican Government launched 'Operation Cleanup', aimed at purging the top ranks of the police of drug cartel corruption. The operation resulted in the jailing of both the interim commissioner of the Federal Police and the acting head of the counternarcotics division, among others. The same month, El Salvador's chief of police resigned when two top aides were accused of drug links. The corruption extends outside the police, and has implicated other criminal justice officials, legislators and members of state and local government.

But this situation is complicated: accusations of drug complicity can be used to take out opponents, and some of those assassinated by traffickers may have been erst-

while collaborators. The fact that high-level corruption continues to be detected and the officials removed shows that the struggle is very much alive and that progress is being made.

Some have argued that the violence in Mexico is tied to the Government's efforts to stop the drug trade, not the drug trade itself. While it is true that enforcement can create instability in drug markets that can lead to violence, enforcement in countries like Guatemala is much weaker and the murder rate is at least four times higher. In addition, most of the deaths in the 'cartel wars' are of cartel members themselves, fighting over trafficking routes. These groups have shown their willingness to diversify into other areas of crime, and recent losses in cocaine revenues seems only to have intensified the violence. A policy of appeasement is impractical: these people, and corrupt officials who support them, cannot be allowed to remain in place. The treatment is painful, but the alternative is to lose the patient itself.

This may sound like an exaggeration, but many who have worked closely with law enforcement in the region concur. In December 2008, the head of UN CICIG said, "If the Guatemalan authorities are unable to stop the infiltration of Mexican drug cartels, in two years they could take over Guatemala City."<sup>27</sup> President Colom has issued a series of 'state of prevention' orders in response to the violence in which constitutional liberties are restricted for a period of time in certain parts of the country. Moreover, there have been a series of attacks against labour union leaders, environmentalists and human rights defenders.<sup>28</sup> While Guatemala appears to be the most affected, its problems are not unique, and the stability of all countries in this region requires that transnational organized crime be controlled.

To do this, the countries need support in strengthening local law enforcement and governance. But even more importantly, they need the assistance of the international community in addressing the transnational flows affecting their countries. The drug wars they face are fuelled by a cocaine trade that runs the length of the region. Mexico's killers are armed largely by weapons trafficked from the north, but potentially also from the south. Dealing with these threats requires both national institution-building and a global strategy to address the relevant trafficking flows.

27 Painter, J., "Guatemala fears Mexico drug spillover". *BBC News*, 17 December 2008: <http://news.bbc.co.uk/2/hi/7786392.stm>

28 International Federation for Human Rights, Observatory for the Protection of Human Rights Defenders, *Annual Report 2009 - Guatemala*, 18 June 2009, available at: <http://www.unhcr.org/refworld/docid/4a5f301521.html>

### 3.4 Transit countries in West Africa

West Africa is one of the poorest and least stable regions on earth. All but three of the 16 countries in this region<sup>29</sup> are on the United Nations list of 'least developed countries', including the five countries with the very lowest levels of human development. West Africa has experienced at least 58 coups and attempted coups, including some in just the last year. There remain many active rebel groups in the region.

At present, of the 15 nations of the Economic Community of West African States (ECOWAS), about half are experiencing some form of instability. Long-standing insurgencies are found in Côte d'Ivoire, Senegal, Mali, Niger and, arguably, Nigeria. Both Sierra Leone and Liberia are recovering from brutal civil wars. According to one recent rating of the 25 countries with the highest risks of instability globally, nine were in West Africa: Niger, Mali, Sierra Leone, Liberia, Mauritania, Guinea-Bissau, Côte d'Ivoire and Benin.<sup>30</sup>

Large-scale cocaine trafficking through West Africa was first detected around 2004, symptomatic of a shift in the centre of gravity of the global market from the United States to Europe. West African traffickers had long been active in small-scale import and marketing of cocaine in Europe, as they have been in many other parts of the world. But around this time, individuals based in West Africa began to provide logistic assistance to South American traffickers in organizing their maritime shipments to Europe from at least two hubs: one centred on Guinea-Bissau and Guinea in the north, and one centred on the Bight of Benin in the south; both involving Nigerian traffickers.

Mother ships from South America could unload cargoes to smaller craft from the coast, and the cocaine could be stored, repackaged and redirected to European buyers from this vantage. In exchange for their services, it is believed that the West Africans were paid in kind: they were allowed to retain up to one third of the shipment to traffic on their own behalf, which they did mainly via commercial air couriers.

By 2008, the situation began to change. Heightened international awareness of the threat made trafficking via West Africa more difficult. In addition, a series of events shifted the political terrain in the northern hub:

- In August 2008, the head of the navy of Guinea-Bissau fled the country under allegations that he was orchestrating a coup d'état.

<sup>29</sup> For the purposes of this discussion, ECOWAS plus Mauritania, a former ECOWAS member.

<sup>30</sup> Hewitt, J., J. Wilkenfeld and T. Gurr, *Peace and Conflict 2010*. Center for International Development and Conflict Management, University of Maryland, 2010.

- In December 2008, the man who had ruled Guinea for 24 years died, and a military cabal took control, later arresting two of his sons and several prominent officials for their involvement in drug trafficking.
- In March 2009, the head of the army of Guinea-Bissau was murdered, and, shortly afterward, in an apparent reprisal attack, so was the president.

Whatever the cause, both maritime seizures and airport seizures on flights originating in West Africa virtually disappeared at the end of 2008. Some trans-Atlantic traffic may have shifted to private aircraft, however. In November 2009, a Boeing 727 jet was found alight in Central Mali. It is believed that the plane departed from the Bolivarian Republic of Venezuela and that it was carrying cocaine. Some may be trafficked by means as yet undiscovered. The cocaine trade through West Africa continues, but apparently at a reduced rate of perhaps 25 tons per year, with a retail market value of US\$6.8 billion at destination in 2008. However, there is anecdotal information from law enforcement circles that cocaine trafficking via West Africa may have started to increase again in late 2009.

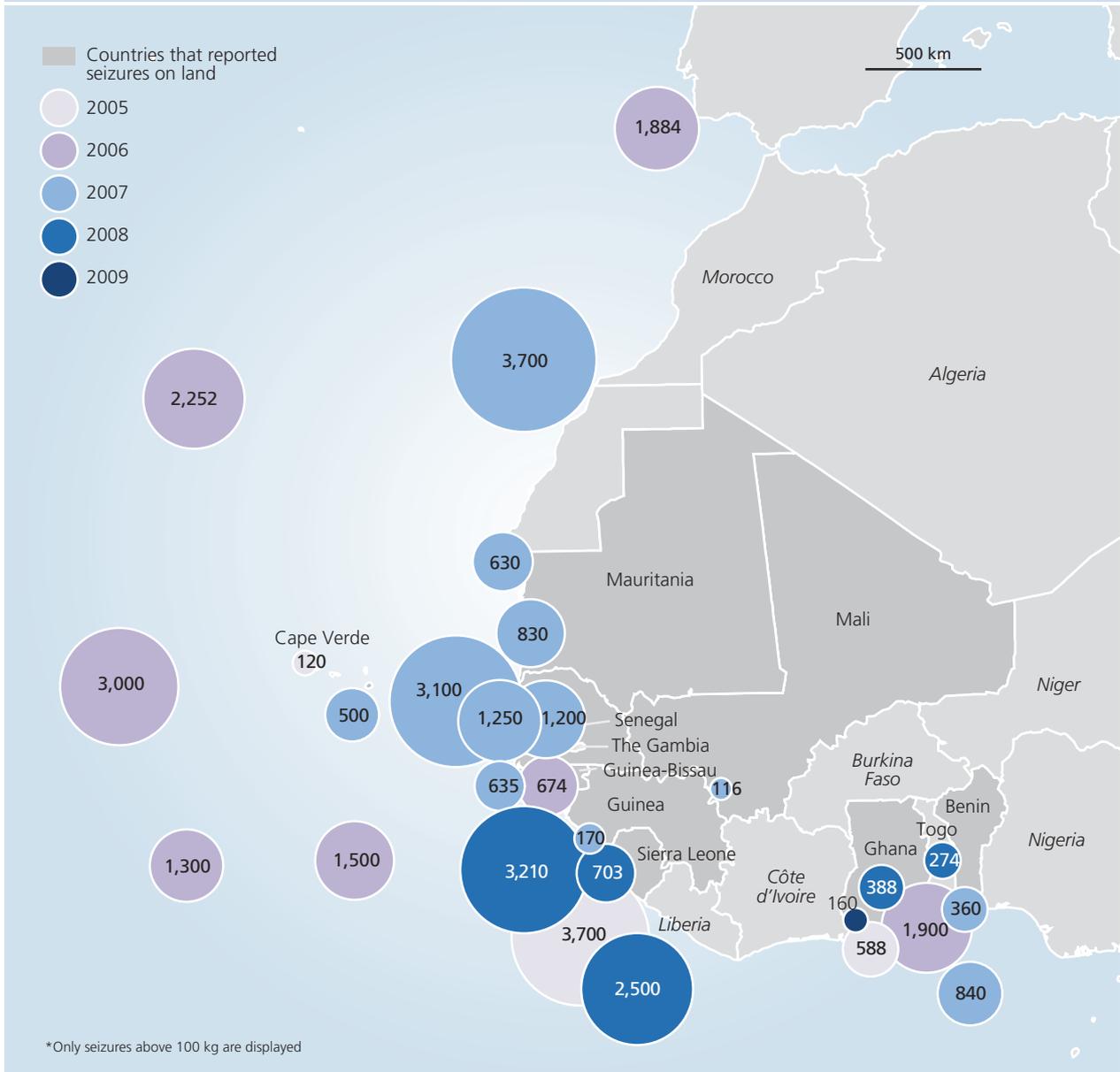
The greatest danger posed by cocaine is its enormous value compared to that of local economies. This allows traffickers to penetrate to the very highest levels of government and the military. Law enforcement officials can be offered more than they could earn in a lifetime simply to look the other way. This extreme leverage has allowed traffickers to operate with very little resistance from the state, and therefore, there is little need to resort to violence. There appears to have been some violence in elite circles as rivals compete for access to these profits, however.

Guinea-Bissau provides an example. The country was one of the first to be affected by the cocaine trade in the region, and, due to the small size of its economy (its GDP was US\$400 million in 2008), one of the worst affected. The drug trade seemed to be quickly monopolized by the military, controlled by top-ranking military officials. These officials have threatened all who dare to discuss their involvement.

From 2007 onwards, high-level officials have accused the military of running the drug trade, including the Interior Minister and the head of the Judicial Police. Drugs have been detected arriving on military air strips, military officers have been arrested in possession of hundreds of kilograms of cocaine, and there have been several armed stand-offs between police and military forces concerning drug shipments. Drugs seized by the police have been confiscated by the military and have subsequently disappeared. Accused soldiers, as well as foreign traffickers, have been simply released from custody. In July 2008, both the Attorney General and the Minister of Justice said they had received death threats related to

**Map 3: Place of cocaine seizures (quantity in kg\*)**

Source: UNODC



investigations into a cocaine seizure.<sup>31</sup> Several journalists and activists have had to flee the country or go into hiding after they received death threats for reporting on military involvement in drug trafficking. Both the (then) head of the army (Batista Tagme na Wai) and the head of the navy (José Bubo Na Tchuto) appear to have been involved in making these threats.<sup>32</sup>

Tagme na Wai is now dead, killed in March 2009 by an attack that his men blamed on the serving president, João Vieira. In retaliation, they attacked the presidential palace

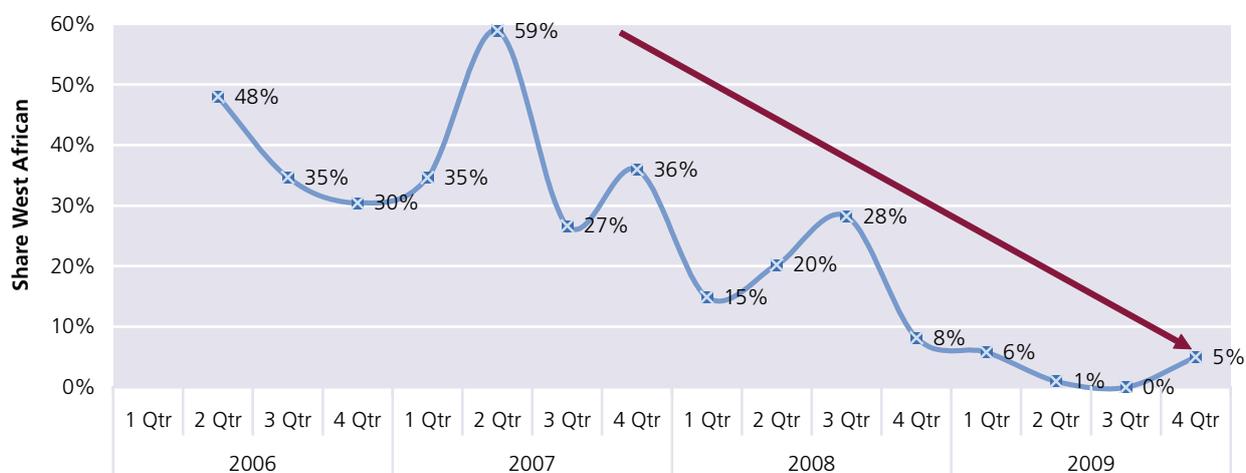
and killed the president. Tagme na Wai had accused Vieira of involvement in drug trafficking prior to the 2008 elections, but the attacks appear to be the product of a long-standing rivalry between the two men.

Bubo Na Tchuto had to flee the country in August 2008, after being accused of involvement in a coup to overthrow Vieira. He took refuge in the Gambia, where he was accused of being involved in illegal activities. Upon return to Guinea-Bissau in December 2009, he took refuge in the United Nations compound. On 1 April 2010, soldiers loyal to Bubo Na Tchuto, including the deputy head of the military (Antonio Ndjai), took the Prime Minister hostage and ousted the head of the military, replacing him with Ndjai. This allowed the

31 BBC News, *Fear after Bissau death threats*. 1 August 2008.  
 32 Vincent, L. *Guinea-Bissau: Cocaine and coups haunt gagged nation*. Paris: Reporters without Borders, November 2007.

**Map 4: Share of cocaine couriers detected at selected European airports originating in West Africa, by quarters, 2006-2009**

Source: IDEAS database



former navy head to emerge from the UN compound and assume the role of Ndjai's deputy.

On 8 April 2010, the United States Treasury designated Bubo Na Tchuto a drug kingpin, freezing his US-controlled assets and prohibiting any US citizens from having any economic transaction with him. The present Air Force chief of staff, Ibraima Papa Camara, was similarly designated a drug kingpin. In other words, as of April 2010, the armed forces of Guinea-Bissau are controlled by people designated as drug traffickers and their associates by the US Government. If these accusations are true, it is highly likely that the northern hub of cocaine trafficking will be revitalized again.

Guinea-Bissau is not unique in this respect. In Guinea, the presidential guard, commanded by one of the president's sons, appears to have been involved in drug trafficking, alongside a number of high-ranking public security officials, making use of diplomatic pouches and passports to move drugs. Another of his sons has also been accused of involvement: both were arrested when their father died in late 2009. The leader of the coup, Moussa Dadis Camara, was later shot by his aide-de-camp, Lieutenant Aboubacar (Toumba) Diakete.

After the disruptions in Guinea-Bissau and Guinea, it appears this hub relocated to the Gambia, the country where Bubo Na Tchuto fled. In the Gambia in March 2010, the president ordered the arrest of 11 top-level law enforcement officials in the country in connection with drug trafficking, including the Director of the National Drug Enforcement Agency, his deputy and his head of operations, the National Police Chief and his deputy, the chief of the navy, the deputy chief of the army, and the Minister of Fisheries. In Sierra Leone, the Minister of Transportation resigned after his brother was implicated in the country's largest cocaine seizure.

Aside from a few high-level killings, it is difficult to measure the impact of the drug trade on local violence levels, because reliable current data on homicide in West Africa is hard to come by. Given that the drug trade is known to have penetrated to the very highest levels of government, however, it is unlikely that there is widespread conflict over the cocaine markets, because few would dare challenge the reigning authorities. Rather, the violence is likely to be episodic, in response to power shifts within the structures responsible. There is no need for violence when corruption will do.

Similarly, with state authorities dominating the trade in some countries, it is perhaps not surprising that there is little evidence of insurgents dealing in the drug. There have been allegations that rebels in the north of Mali and Niger, as well as political militants in Algeria, have been involved in trans-Saharan trafficking, but little evidence is currently available on this flow. There remains a risk that some of the dormant militant groups in West Africa will somehow be revived by the trade, but again, there is little evidence of this at present.

The countries of West Africa need help in strengthening their capacity to resist transnational organized crime. Recent efforts against the cocaine trade, with the support of the international community, have shown promising results. But, rich or poor, there is no region in the world that can be entirely shielded against transnational organized crime. West Africa remains particularly exposed, and the region will continue to face serious potential threats to governance and stability as long as transnational contraband markets are not addressed.



### 3.5 Conclusion

This chapter has illustrated the ways that drug trafficking can be both a symptom of, and a factor in, instability in transit regions around the world. Both drug trafficking and conflict undermine the rule of law and, in combination, they can have long-term impact on the prospects for peace and prosperity. The violence associated with the cocaine trade can be tantamount to civil war in the worst affected areas. Left unaddressed, drug-derived riches can buy the arms and the influence to affect the course of political events, particularly in poorer regions.

The precise effect cocaine trafficking has on an area depends on the circumstances of that area, however. In Colombia, powerful traffickers posed a direct threat to the state, and once defeated, drug-fuelled illegal armed groups continued the attack. Dedicated enforcement and international cooperation appear to have completely turned the tide, but the struggle is far from over. Mexico appears to be engaged in an earlier stage of the same struggle, but without the illegal armed groups to worry about.

The growth of drug money flows can generate violence, as has been the case in Guatemala, but so can their withdrawal, as appears to have been the case in Jamaica. Any sudden change, whether it be in volumes or players, seems to have the potential to set off a violent competition for opportunity. A far more insidious effect is seen in West Africa, where the drug trade appears to be controlled by national figures so powerful that little opposition is possible, but where disputes over markets can lead to the toppling of governments.

One area where immediate progress can be made is to fully integrate crime prevention into United Nations peace operations. A large number of UN peace missions are operating in regions affected by drug trafficking, including West Africa (UNOCI in Côte d'Ivoire, UNMIL in Liberia, UNOGBIS in Guinea-Bissau, UNIPSIL in Sierra Leone and UNOWA for West Africa as a whole), South-West and Central Asia (UNAMA in Afghanistan and UNRCCA in Central Asia) and South-East Europe (UNMIK in Kosovo). The United Nations Police would be in a good position to coordinate the international actors engaged in promoting peace to ensure that crime prevention measures are built into development planning.

Drug money flows can have devastating local effects, but their dynamics are almost always international. Targeting these international linkages can provide a point of insertion for those interested in reducing the potential for conflict. Strategies aimed at addressing drug flows, executed in areas with stronger governance, could play a pivotal role in addressing civil conflict, by removing the profit motive that keeps many antagonists armed and in

the field. Put simply, reducing drug trafficking can help foster peace.

The problem is that most efforts against drugs are national, or, at best, bilateral, when the scale of the trafficking is global. Without a strategy scaled to fit the size of the problem, successful national efforts run the risk of simply displacing contraband flows. When opposed, the drug markets have consistently adapted, finding new cultivation areas, transit zones and consumer markets. In many cases, they have settled in the areas of least resistance, which are precisely the areas least equipped to deal with the challenge. And it is here that organized crime can escalate to the level of being a threat to stability.

The world does have a framework for dealing with these drugs internationally, in the form of the Single Convention on Narcotic Drugs of 1961 (as amended by the 1972 Protocol); the Convention on Psychotropic Substances of 1971; the Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988; the Convention against Transnational Organized Crime of 2000 (and the protocols thereto) and the Convention against Corruption. A great deal of successful collaboration has occurred under this aegis, but more could be done. Too often, work under the Conventions has been limited to law enforcement, while transnational organized crime cannot be reduced to a criminal justice issue. The Conventions provide a bedrock, but they do not constitute a global strategy.

To deal comprehensively with these intractable and interlinked issues, there can be no substitute for coordinated international action. The United Nations is well suited to provide the coordination needed to address these global issues at the level required.