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Audit of the Conventional Wisdom

The Audit of Conventional Wisdom

In this series of essays, MIT's Center for International Studies tours the horizon of conventional wisdoms that animate U.S. foreign policy, and put them to the test of data and history. By subjecting particularly well-accepted ideas to close scrutiny, our aim is to re-engage policy and opinion leaders on topics that are too easily passing such scrutiny. We hope that this will lead to further debate and inquiries, with a result we can all agree on: better foreign policies that lead to a more peaceful and prosperous world. Authors in this series are available to the press and policy community. Contact: Amy Tarr (atarr@mit.edu, 617.253.1965).

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A Better Strategy Against Narcoterrorism

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It is widely recognized that access by belligerent groups to the gains from drug production and trafficking contributes to the intensity and prolongation of military conflict. Also, that such groups—terrorists, insurgents, or warlords—grow stronger when they successfully exploit the drug trade. The United States' response—its antinarcotics policy—emphasizes crop eradication. This strategy is too simplistic and, ultimately, ineffective.

Because anti-government forces can derive large financial resources from the drug economy, Washington has given high priority to eradication in its relations with Afghanistan, Colombia, and Peru, among other countries. The United States also insists that other Western countries and local governments adopt the same approach. This view of the drug-conflict nexus, however, neglects crucial underlying dynamics of the interaction of illicit economies and military conflict. Consequently, it frequently undermines government stabilization, the war on terrorism, and counter-drug efforts themselves.

The view prevailing in the U.S. government assumes that belligerents simply gain financial resources from their access to the illicit economy, which they can convert into greater military capabilities and use to expand the conflict. Consequently, the logic goes, if the government eradicates the illicit drug economy, the belligerents will be significantly weakened if not altogether defeated.¹ This narcoterrorism/narcoguerrilla thesis ignores not only the extreme difficulties in successfully eradicating the illicit drug economy in a particular country, but also the highly unpredictable effects of eradication on the profits of the belligerents. Crucially, it also ignores the important side-effect of strengthening the bond between the belligerents and the local population.

Many terrorist and insurgents groups do in fact exploit a variety of illicit economies, including drugs. Depending on the locale and time period, other illegal or semi-legal commodities include conflict diamonds, special minerals, human beings, weapons, and illicit activities such as extortion, kidnapping, illegal logging, money laundering, and the

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illicit manufacture of passports. Such illicit economies exist in some form virtually everywhere, both within and outside the locales of military conflict.

Inevitably, terrorists, insurgents, and warlords exist in locales of illicit economies and will frequently attempt to exploit them. Examples of belligerent groups profiting from the drug trade include the Taliban and the Northern Alliance in Afghanistan, the FARC (Fuerzas Armadas Revolucionarias de Colombia), the AUC (United Self-Defense Forces of Colombia), the ELN (National Liberation Army) in Colombia, the Shining Path and the MRTA (Tupac Amaru Revolutionary Movement) in Peru, the IRA (Irish Republican Army) in Great Britain, the KLA (Kosovo Liberation Army) in Yugoslavia, the Hezbollah in Lebanon, the PKK (Kurdistan's Workers Party) in Turkey, and the ETA (Basque Fatherland and Liberty) in Spain.

Differences in the groups' characteristics affect their ability to penetrate the international drug trade. Territory-based organizations such as the Taliban can control and tax the cultivation and processing of illicit crops, for example. But it is extraordinarily hard for a loose network without a substantial territorial base—such as al Qaeda today—to profit from cultivation and processing. It is much more likely that groups like al Qaeda will attempt to control some part of the international smuggling routes or some aspect of money laundering. In fact, most of the tangential evidence publicly available regarding al Qaeda and drugs indicates that it could have penetrated the international traffic with drugs beyond the border of Afghanistan.²

A better al Qaeda strategy

If al Qaeda is in fact profiting from en route trafficking, then eradication is a distinctly ineffective solution. Even if all drugs in Afghanistan were eradicated, in the absence of a large-scale reduction of worldwide demand for opiates, opium poppy cultivation would simply shift into another territory—the so-called balloon effect. The likely candidates for picking up production slack from Afghanistan would be Myanmar, Pakistan, and the former Soviet Republics in Central Asia. In all three cases, al Qaeda would probably be able to maintain control of a part of the international traffic, and if cultivation relocated into Pakistan and Central Asia, might well be able to tax some cultivation as well. Paradoxically, successful eradication in Afghanistan—a pipe dream, currently—might well enable al Qaeda to obtain far greater benefits from the drug trade. If al Qaeda has in fact penetrated some aspect of the international drug traffic, efforts should concentrate precisely on where the nexus between terrorism and drugs lies in this case—en route interdiction—even though interdiction is very difficult. Efforts should also concentrate on another difficult but vital aspect in the fight against narcoterrorism: combating money laundering.

Key misconceptions about narcoterrorism stem from a failure to understand the full scope of the benefits that terrorists, insurgents, and warlords derive from the drug trade. Belligerents make much more than money from the drug trade. They also derive substantial military tactical advantages, and crucially, political benefits from sponsoring the illicit economy.

Financial benefits to belligerent groups are frequently in the hundreds of millions of dollars. Their profits grow as they move from simply taxing the producers (peasants) of the illicit substances, to providing protection and safe airstrips to the traffickers, to taxing precursor agents or the final illegal commodities, to controlling parts of international trafficking routes, to getting involved with money exchange and laundering. These profits are used to improve military capabilities by facilitating procurement, to increase the salaries paid to soldiers, and to improve logistics.

The facilitation of procurement and logistics allows belligerent groups to optimize their tactics and strategies for achieving their larger goals. These groups no longer need to attack military arsenals for procurement and can concentrate on strategic, and visible targets.³ A successful sponsorship of the illicit economy thus speeds up the process by which terrorists and insurgents can transform themselves from a ragtag band of insurgents-in-hiding to a formidable belligerent actor.

Most important, and neglected by the conventional wisdom on narcoterrorism: belligerents derive significant political gains, particularly political legitimacy, from their involvement with the drug

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economy. They do so by protecting the local population's reliable, lucrative, and frequently sole source of livelihood from the efforts of the government to repress the illicit economy. They also frequently protect peasants from brutal and unreliable traffickers, by bargaining with traffickers for better prices on behalf of the peasants, by providing otherwise absent social services such as clinics and infrastructure to the local population, and by claiming nationalist credit if a foreign power threatens the local illicit economy. This political legitimacy is frequently very thin, but nonetheless sufficient to motivate the local population to withhold intelligence on the belligerents from the government if the government attempts to suppress the illicit economy. Obtaining this local human intelligence is one of the key and irreplaceable ingredients for victory against terrorists and insurgents.

These three components of gain also reveal the very uneasy alliance between narcotraffickers and belligerent groups. The belligerent groups provide the traffickers with protection from the government's repressive policies, with a safe transportation system, and make sure that drug producers (peasants) deliver the promised raw materials for the illicit commodities. In return, the drug dealers provide the belligerents with financial benefits and intelligence on the government's military movements. However, the relationship is inevitably complicated by the fact that the belligerents have multiple audiences and interests: they also protect the population from the traffickers and bargain for greater prices on behalf of the population, and they demand great financial payoffs from the traffickers and seek to displace the traffickers from aspects of the illicit economy. Far from having morphed into an identical actor with identical goals, the guerrillas and the traffickers frequently have many competing interests.⁴ Accordingly, government policies should be designed to split the tactical and rather fragile alliance between the two actors, bidding them against each other and allowing them to undermine each other.

Getting access to drugs vastly increases the staying capacity of belligerents. Yet weaning terrorist groups and insurgents from the drug trade by eradication is extraordinarily difficult. Contrary to the conventional wisdom, eradication may not reduce the financial benefits of the belligerents; rather, it might just as well increase the international market price for the drug to such an extent that the final revenues for the belligerents may be even greater. In fact, it was the desire to boost farmgate prices for opium that motivated the Taliban to undertake extensive (even if temporary) eradication in 1999–2000.⁵

Moreover, the extent of the financial losses to the terrorists and insurgents also depends on the adaptability of the belligerents, traffickers, and peasants: their ability to store drugs, replant after eradication, increase number of plants per acre, shift production to areas that are not being eradicated, use genetically-altered high-yield, high-resistance crops, or switch to other illicit economies. The FARC in Colombia, for example, makes only 50 percent of its income from drugs. The rest comes from extortion, kidnapping, and other activities. In Myanmar, after production of opiates shifted to Afghanistan, many warlords and insurgents changed to the production of synthetic drugs and easily maintained their income.

There has not been one case in which eradication bankrupted the belligerent group to such a point that it eliminated it. The

desired impact of eradication to decrease the financial resources of the belligerent group is far from certain and is likely to take place only under the most favorable circumstances. Eradication increases the political benefits to belligerent groups. Local populations are all the more likely to support such groups and to deprive governments of intelligence about them. Without viable alternative livelihoods for vulnerable populations, eradication loses hearts and minds and at the same time fails to significantly weaken belligerent groups.

Defeat the Belligerents First

If the United States is concerned about the stability of a government struggling with narcoterrorism and the defeat of terrorists/insurgents, it should refrain from insisting on crop eradication until belligerents are defeated. Drug eradication should only be undertaken once a local government has full and firm control over its territory. The need to control the drug problem in the United States is better served by a combination of interdiction at U.S. borders and demand reduction by law enforcement and treatment of addicts. Although an interdiction policy at U.S. borders would not stop the supply of illicit substances to the American market—because of the inherent difficulties of effectively patrolling such a long border—it would eliminate the host of counterproductive effects associated with source country eradication, and the money spent would double as money invested in homeland defense against terrorism.

To get at insurgent/terrorist financial resources, the United States should focus on combating international as well as source-country money laundering, on interdicting the financial flows to the insurgents, and on beefing up its international interdiction capabilities. In so far as a local government can prevent insurgents or terrorist groups from penetrating a drug-producing region, it should of course do so, such as by establishing a cordon sanitaire around drug-producing regions.

To the extent that source-country counternarcotics policies are promoted by the United States, they should focus on alternative development and interdiction. Comprehensive alternative development that goes substantially beyond crop substitution will not in the short run defeat the belligerent movement, but can in the long run increase the chances for stability once the insurgents have been defeated as well as eliminate some of the causes of the conflict. A sequential approach, which first attempts to defeat the terrorists and insurgents and only then focuses on the elimination of the drug cultivation, has a much greater chance of success than simultaneously fighting both evils.

article footnotes

¹ See, for example, Press Conference with Under Secretary for Political Affairs, Department of State, Marc Grossman, Bogota, Colombia, March 5, 2003, <http://www.scoops.co.nz/mason/stories/WO0303/S00095.htm>; Barry R. McCaffrey, *The Drug Scourge as a Hemispheric Problem*, Strategic Studies Institute, U.S. Army War College, August 2001.

² Julia Preston, "Afghan Arrested in New York Said to be a Heroin King," *New York Times*, April 26, 2005; and Tim McGirk, "Terrorism's Harvest," *Time*, August 9, 2004, p. 41.

³ For the case of the Shining Path in Peru, see, for example, Cynthia McClintock, *Revolutionary Movements in Latin America: El Salvador's FMLN & Peru's Shining Path* (Washington, DC: United States Institute of Peace Press, 1998).

⁴ For a discussion of the increasing merger of the two kinds of actors, see, for example, Louise I. Shelley, "The Nexus of Organized International Criminals and Terrorism," *International Annals of Criminology*, Vol. 1, No. 2, 2002, pp. 85–93.

⁵ Vanda Felbab-Brown, "Afghanistan: When Counternarcotics Undermine Counterterrorism," *Washington Quarterly*, Fall 2005, pp. 55–72.



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