

MGG Public Lecture: Crime and Africa's Uncivil Society

by Prof. Dr. Garth le Pere

21 July 2011

German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), Bonn



BMZ



Im Auftrag des:

Bundesministerium für
wirtschaftliche Zusammenarbeit
und Entwicklung

d·i·e

Deutsches Institut für
Entwicklungspolitik



German Development
Institute

giz

Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Globalization and Uncivil Society: The African Connection

Garth le Pere* and Brendan Vickers**

*Senior Partner, DAJO Associates and Visiting Professor: University of Pretoria

**Chief Director of Research: Department of Trade and Industry and Research
Associate: Institute for Global Dialogue

Abstract

Africa confronts profound security threats as a consequence the changed post-Cold War global environment. These threats intersect with the major drivers of globalization, especially as far as advances in technology, transportation and communications are concerned. In Africa, the manifestations of uncivil society—organized crime, money laundering, piracy, terrorism, the plunder of natural resources, and drug, arms, and human trafficking—are inextricably interwoven with the weakness and vulnerability of the state. This is made more severe by fragile and abrupt political transitions which cause further instability. The institutional bases of the state in Africa are also threatened by corruption, endemic civil conflict, contested sovereignty, and weak territorial control. Political authority has thus become more exposed and subject to capture by those transnational forces that constitute uncivil society. Indeed, it is argued that politics in Africa is closely interconnected with these forces such that the state, de facto, has become criminalized. The paper will examine the broad contours of these factors and the different contexts that have influenced the emergence of uncivil society in Africa. It will further provide perspectives and empirical material to demonstrate the pervasiveness of transnational illegality in the African setting as well as the scope of the challenge to state legitimacy and authority.

Introduction

The post-Cold War era has been one of great turbulence and disorder. Globalization has introduced a range of centrifugal effects that render states and societies more vulnerable, especially in controlling the flows of goods and people across national boundaries. This is compounded and exacerbated by the problem of state legitimacy and authority, resulting in the inability of states to guarantee the provision of public goods where these concern social, political, and economic well-being. There are external systemic pressures such as market deregulation and liberalization that collide with domestic welfare imperatives and development objectives. A state-centric, Westphalian-based international system which functions according to the axioms of traditional geopolitics is thus an anachronism in today's world where geopolitics has been transcended, and in which territory, spatial relationships, and the constraints and privileges of sovereignty are far less compelling.¹ This problem is particularly prominent in countries facing long-term secular trends of democratic transition and where the orthodoxy of free markets has become a powerful principle of economic organization and development planning. A great paradox is that a permissive and highly liberalized international environment, underpinned by advances in technology, transportation and communications, has spawned transnational threats that would have been rather remote during the Cold War and which could not have been anticipated with its demise.

¹ See Yale H Ferguson and Richard W Mansbach, *Remapping Global Politics: History's Revenge and Future Shock*, Cambridge: Cambridge University Press, 2004, 107-42.

The post-Cold War multilateral order is threatened by the intersection of humanitarian, economic and environmental crises; and there are inexorable forces pushing them from bad to worse in an emergent system of structural global vulnerability. The global arena has become an extraordinary space for human development and progress but also one that causes great disruption, instability, and destruction. The sources of these are multiple and cross-cutting: there are borders that are ill defined and people within borders who are either at war with each other or are victims of communal and sectarian violence; there is the proliferation of weapons, ranging from small arms to weapons of mass destruction; deficient energy and water supplies are pitting communities against each other in a Darwinian-type struggle for scarce resources and daily survival; a new generation of transnational problems, such as organised crime, piracy, terrorism, human trafficking, money laundering, HIV/AIDS and trade in narcotics exemplify the magnitude and scope of intractable security problems which governments now have to confront; there is a growing lack of economic opportunities that leave larger swathes of people more impoverished, particularly in developing regions such as Africa; and cleavages of language, religion, and ethnicity have become even more pronounced and persistent.

One threat that has proliferated as a consequence of accelerated global interaction is the spread of transnational criminal organizations and terrorist networks. As Hess notes: "When I look back at the time of the Red Brigades, the Baader-Meinhof Gang, the Weathermen, the whole range of phenomena we studied as terrorism 20 years ago, I tend to become nostalgic... Most terrorism was rather provincial."² Others aver that organized crime today "has reached levels in the post-Cold War world that have surprised even close observers."³ Particularly striking are the structural similarities between terrorism and organized crime. In both cases, states are the targets and hence, collaboration is an increasingly attractive proposition. Their operational code is one of secrecy, and business is conducted in the dark reaches of the underworld; they use similar infrastructures to promote their activities; and have recourse to the same networks for corruption and white collar crime.

Their tactical tools are also similar: cross border smuggling, money laundering, counterfeiting, kidnapping, extortion, and resorting to various forms of violence.⁴ As has been argued: "Joint action between terrorists and criminal enterprises potentially provides more opportunities for profit and political impact than either group enjoys when acting alone."⁵ Hence, both transnational organized crime and terrorism are inextricably linked to the permissive spaces opened up by globalization and both seek to exploit the soft underbelly of contested state legitimacy and authority. It is for this reason, and not simply the need for maintaining law and order, that transnational

² Henner Hess, "Like Zealots and Romans: Terrorism and Empire in the 21st Century," *Crime, Law, and Social Change*, 39:4, 2003, 345.

³ Phil Williams and Roy Godson, "Anticipating organized and transnational crime," *Crime, Law, and Social Change*, 37:4, 2002, 311.

⁴ Robin T Naylor, *Wages of Crime: Black Markets, Illegal Finance, and the Underworld Economy*, Ithaca, New York: Cornell University Press, 2002.

⁵ Lyubov Mincheva and Ted Robert Gurr, "Unholy Alliances: How Trans-state terrorism and International Crime make Common Sense," Paper presented to the International Studies Association, San Diego, California, 24 March 2006, 2.

organized crime and terrorism have become such potent security threats at this juncture of international relations.⁶

The Impact of globalization

Globalization has affected how international economic relationships are organized around the world. As a process in a 'borderless world' it profoundly influences both the social and political spheres of how governments, societies, and ordinary people conduct themselves in their domestic interactions and foreign relations. It is thus characterized by a complex set of interdependencies and interconnectivities, with an increasing number of actors vying to determine the outcomes of relationships across a range of transnational activities. Such actors lay competing claims to resources, markets, and legitimacy and are often engaged in issues that once belonged to the traditional or exclusive domain of the state. In short then, globalization is not only a systemic phenomenon but crucially, it is an overarching international modus operandi that shapes, defines, and determines domestic politics and international dynamics across the globe, drawing virtually every country and society into its gravitational pull.⁷

However, this very same development facilitates a global political economy of illegality: the transportation of drugs, arms, and illegal aliens, the rapid movement of 'dirty money', contract assassins, and all kinds of contraband. Globalization has not only become the essential vector for the emergence of transnational organized crime but has strengthened its operational fabric through the ease of international travel, the liberalization of emigration policies, the expansion of international trade, the spread of high technology communications systems, and the under-regulation of international financial networks. One of the most dramatic impacts of the breakup of the Soviet Union, for example, has been the emergence of 14 newly independent states that were previously inaccessible by air. While business linkages have flourished, these countries have also become hotbeds of organized crime by facilitating the movement of drug traffickers from areas of production to the large consumer markets of Western Europe and the United States, and latterly the nouveau riche in Russia have also been drawn into this consumption web. In turn, Russian criminal organizations, together with networks from their 'near abroad' in Eastern and Central Europe, have been able to forge alliances with their South American and Caribbean counterparts in extending the geographical reach of drug trafficking, money laundering, and arms trafficking. West Africa has now become a major transshipment arc for drugs originating in Latin America and destined for Europe and the United States.⁸ These transregional alliances have provided a base for 'thieves-in-law' collaboration in other criminal enterprises such as prostitution, international trafficking in women, child pornography, usury, extortion, kidnapping, credit card fraud, counterfeiting, and car theft.⁹

⁶ See HG van de Bunt, Dina Siegel, and Damian Zaitch, (eds.), *Global Organized Crime: Trends and Developments*, The Hague: Kluwer Law International, 2003.

⁷ James H Mittelman, "The Dynamics of Globalization," in James H Mittelman, (ed.), *Globalization: Critical Reflections*, Boulder, Colorado: Lynne Rienner Publishers, 1996, 1-19.

⁸ Ed Vulliamy, "How a tiny West African country became the world's first narco state," *The Observer*, 9 March 2008 at <http://www.guardian.co.uk/world/2008/mar/09/drugstrade/print>

⁹ See Tom Farer, (ed.), *Transnational Crime in the Americas*, New York: Routledge, 1999.

All this is made possible by the unprecedented mobility of people and changing migratory patterns. There are large numbers of people in poorer regions of the world who are haunted by horsemen of the apocalypse in the form of poverty, famine, disease, violence, repression, and conflict. Those who escape their clutches typically seek better economic opportunities and a better life in the developed countries of Western Europe and the United States by means legal but more often illegal such that the ranks of migrants in both categories have swelled to 191 million in 2006, up from 176 million in 2000.¹⁰ In one estimate, there are about 4 million people per year that cross the borders of developed and newly developing countries illegally, thus overwhelming the already overstretched systems of welfare, service delivery, and law enforcement. Every year, thousands of desperate Africans, mostly male and young, attempt the dangerous crossing of the Mediterranean from points in North Africa. Western and southern Europe has also become the prime destination for immigrants from Asia, Latin America, and the Middle East. The push factor is compounded by the burgeoning global population of 8,4 million refugees and 12,5 million asylum seekers.¹¹

In this changing demographic labyrinth, there are invariably members of criminal organizations who take their criminal skills and knowledge, affiliations and contacts with them. Thus, diasporas and ethnic networks of China, Nigeria, Italy, Russia, Colombia, Venezuela, and parts of Central and Eastern Europe have acquired and integrated significant criminal elements and have provided a foundation for serious criminal activities in their host countries. These diasporas provide cover, recruits, and transnational linkages that lubricate the wheels of criminal activity and have an inbuilt security mechanism because they are not easily penetrated by law enforcement agencies.¹²

International trade and its exponential growth also play an important part in providing a platform for expanding transnational criminal activity. The system of free trade set up as part of the General Agreement on Tariffs and Trade (GATT) after the Second World War has resulted in lowering of tariffs, the creation of free trade arrangements, and the increasing integration of greater numbers of countries into global trade, especially since the establishment of the World Trade Organization (WTO) in 1994.¹³ This has resulted in a vast increase in the import and export of goods and services across and between countries and regions. The growth in international trade, aided by an exponential increase in shipping lanes and routes across international waters, has made it easier to hide illicit transactions, products and movements, and to engage in theft and fraud. This has complicated problems of inspection and monitoring, especially in view of the large global increase in total container volumes which for 2008 stood at 15.2 million 7meter containers, notwithstanding the onset of the global financial crisis.¹⁴ Ease of cross-border trade and communications has been supported by the growth of an international financial infrastructure that links countries, banks

¹⁰ International Organization for Migration, "Migration Facts and Figures," at <http://www.iom.int/jahia/jsp/index.jsp>

¹¹ United Nations High Commission for Refugees, *2005 Global Refugee Trends*, Geneva: UNHCR, 2006, 2-3.

¹² "A Survey of Illegal Drugs: Stumbling in the Dark," *The Economist*, 28 July 2001.

¹³ Bernard Hoekman and Michel Kosteci, *The Political Economy of the World Trading System: From GATT to WTO*, Oxford: Oxford University Press, 1995, 12-35.

¹⁴ The Maritime Executive, "Retail container volume expected to end two years of declines," 22 December 2009.

and financial institutions such as brokerage houses and stock markets, currency and investment portfolios in an exchange mechanism that operates continuously and is not subject to government control.¹⁵ This is part of a process of deregulation that has become synonymous with enhanced competitiveness and has been facilitated by technology and a massive increase in ‘megabyte’ money transactions. A speculative economic regime has eclipsed real investment in driving what Susan Strange has called ‘casino capitalism’.¹⁶ The fluid interstices of this new global financial architecture and its low regulatory base offer a promiscuous environment for criminal activity where profits from illegal transactions can be transferred with speed, ease, and relative impunity. Controls are even more elusive because of a growing diversity of monetary instruments, the increasing number of transaction-based futures and derivatives, the use of representative offices and foreign branches, and the growing use of cyber-money and smart cards. All of this is made possible by anonymous trading, the rapid movement of money, obscuring origin and ownership, and making it more difficult to distinguish between ‘clean’ and ‘dirty’ money.¹⁷

The hard interface of the global financial system is sophisticated computer and information technology. The ability to manipulate and penetrate this central nervous system by breaching security mechanisms and fire walls provides access to critical national and global information which then allows for financial fraud and embezzlement. This is where organized crime intersects with white collar crime in offering novel opportunities for extortion through theft of data and intellectual property. In a highly competitive business environment, companies which risk having their computer systems shut down or disrupted are increasingly vulnerable as targets of ‘cyber-extortion’.¹⁸

In this environment, states and their authority are under threat and they often cannot cope with the exigencies of globalization’s darker side. The growth of informal and parallel economic activity and the rise of grey and black markets are indicative of the inability of states to prevent the flows of illicit products across their borders or stem the tide of illegal migration. There are also growing concerns about theft of intellectual property, the spread of transnational software piracy, and counterfeiting of products and currencies.¹⁹ Regulation and enforcement within and across borders typically have proven to be very difficult and hence, there is every incentive to expand and improve efficiencies in criminal supplier chains and arrangements since windfall profits can be made. Weak states and those in transition, therefore, provide the context in which organized crime can take root and flourish. The weakness of the Italian state in the 19th century was responsible for the rise of the Mafia in Sicily. The weakness of the state in Colombia in the 1970s and 1980s and lack of control over its territory turned the country into a cocaine manufacturing and exporting entrepôt. The collapse of the Soviet Union led to an upsurge in organized crime in the new Russian

¹⁵ John R Wagley, “Transnational Organized Crime: Principal Threats and US Responses,” Library of Congress: Congressional Service Report, 20 March 2006.

¹⁶ Susan Strange, “From Bretton Woods to the Casino Economy,” in Stuart Corbridge, Ron Martin, and Nigel Thrift, (eds.), *Money, Power and Space*, Oxford: Blackwell, 1994, 49-62.

¹⁷ Robert E Grosse, *Drugs and Money: Laundering Latin America’s Cocaine Dollars*, Westport, Connecticut: Praeger, 2001.

¹⁸ Jose Nazario, “Cyber extortion is now a very real threat—is your business at risk?” at www.continuitycentral.com/feature0322.htm

¹⁹ Efem Nkanga, “Waging war against software piracy in Nigeria,” *ThisDay*, 9 August 2007 at <http://allafrica.com/stories/200708090357.html>

state and other former republics within its orbit. In Nigeria's case, unstable government, poor enforcement capacity, corruption, and resource constraints have provided a relatively safe base for the proliferation of criminal gangs which, in turn, has resulted in a lively criminal diaspora that has been able to spread its tentacles across almost 60 countries across the world. In South Africa, its transition to democracy coincided with an increase in local and foreign criminal organizations and syndicates. After decades of relative isolation, South Africa's transition phase saw borders become more open to trade and migration. Consequently, "the region's extensive air, sea, and land infrastructure make it a prime conduit for moving illegal cargoes... Long, porous borders and weak border patrols, including undermanned ports and numerous secondary airports, give drug traffickers and other smugglers nearly unlimited access to transport their goods."²⁰ Moreover, South Africa's large banking and financial sector and lack of controls have made it possible for profits from illegal trade to mix easily with legitimate revenues. The South African case is symptomatic of the extent to which weak states and those struggling with complex political and economic transitions have unique vulnerabilities which can readily and ruthlessly be exploited by criminal organizations. But Africa must rank as the paradigm case of how state weakness has created and fostered an enabling environment for the emergence and growth of criminality and transnational crime.

The anatomy of state-society relations in Africa

What is remarkable about the African state is its comparative weakness and fragmentation, notwithstanding the flourishing of electoral forms of democracy across the continent. The contemporary state in Africa exercises partial and intermittent domination over its society and reflects minimal internal institutional cohesion and functional effectiveness. The longstanding institutional weaknesses and fragility of most states in Africa thus provide fertile ground for flourishing transnational criminal networks. Under the banners of the 'Washington consensus' and neo-liberal market reforms, the African state's penetrative, extractive, and regulatory capacities have been severely eroded.²¹ In the 1980s and 1990s, state authorities often found themselves bereft of financial and institutional resources essential for combating the rise and expansion of transnational criminal activity within their territories. Law enforcement agencies remain woefully inadequate, under-funded, and downright corrupt. Courts and prison systems are outdated, overwhelmed, and dysfunctional. And high-level political corruption has continued apace, despite the neo-liberal credo that liberalization would reduce the range of illicit and concealed profit opportunities. Nearly two decades of IMF and World Bank induced reform and austerity measures render African states even more incapable today of combating transnational organized crime.

In the context of globalization, the scope of autonomous state action in most African countries is significantly constrained and ameliorative policies are often viewed as inefficient, insufficient, and unacceptable. Confronted with the preponderant power of globalized production and international finance, and saddled with onerous debt, African elites have little room but to negotiate from positions of weakness as far as

²⁰ Thomas Callahan, "Transnational Crime strikes South Africa," *Crime and Justice International*, 13:2, March 1997, 9.

²¹ Peter Lewis, "Economic Reform and Political Transition in Africa: The Quest for a Politics of Development," *World Politics*, 49:1, 1996, 92-129.

their progressive integration into the sinews of global capitalism is concerned. As such, government and party elites have rather followed the logic of preserving fundamental structures of power and domination while resisting pressures from below for greater socio-economic equality and democracy.²² The African socio-political environment provides almost ideal conditions for the rapid penetration and spread of transnational crime.

With a population of 800 million in sub-Saharan Africa as of 2007, there are millions of under- and unemployed people in a vast, seething cauldron of poverty and underdevelopment in which criminality and anti-social behaviour find easy incubation and can multiply rapidly. Africa is in the midst of a youth bulge where young adults (aged 15 to 29) make up 40 per cent or more of the total adult population in the majority of countries; in roughly 30 countries they constitute more than half the adult population. Against such a backdrop, "...it is not hard to understand why many African youths might have a highly developed sense of grievance...[S]hocking numbers of young Africans have at some point in their short lives fallen into one or more of the following unhappy categories: combatants, victims of atrocities, refugees, internally displaced persons, forced labourers, or street children."²³ In these highly atomized societies, recourse to criminal activities including forms of organized crime, on the part of these disadvantaged and alienated youth and their adult cohorts often becomes a rational survival strategy in the face of extremely limited and limiting life opportunities.

Weak, often corrupt and frequently illegitimate states have routinely been unable to adequately address the needs of those on the margins of their societies. Leaders struggle to acquire sufficient hegemony over society and therefore rather resort to patronage, nepotism, and corruption to generate support for their rule. Such neo-patrimonial regimes acquire their legitimacy and *raison d'être* more from patron-client networks than any moral authority to govern. These norms of political behaviour thus undermine the very substance and neutrality of public power.²⁴ The essence of patrimonialism was very well captured by Max Weber's historical types of rule:

The patrimonial office lacks above all the bureaucratic separation of the 'private' and the 'official' sphere. For the political administration, too, is treated as a purely personal affair of the ruler, and political power is considered part of his personal property... The office and the exercise of public authority serve the ruler and the official on which the office was bestowed; they do not serve impersonal purposes.²⁵

As the archetype of Weber's terms of reference, the modern African state is reduced to a merely instrumental role, as a compendium of resources that rulers and political elites use to enhance their power and status in society. For example, fiscal revenues are ubiquitously appropriated and used to create networks of political support and allegiance; patronage is promoted through employment in the civil service; public

²² Christopher Clapham, *Africa and the International System: The Politics of State Survival*, Cambridge: Cambridge University Press, 1996.

²³ Michelle Gavin, "Africa's restless youth," *Global Dialogue*, 13:1, March 2008, 27.

²⁴ Goran Hyden, *African Politics in Comparative Perspective*, Cambridge: Cambridge University Press, 2006, 94-115.

²⁵ Max Weber, *Economy and Society: An Outline of Interpretive Sociology*, edited by Guenther Roth and Claus Wittich. Berkeley: University of California Press, 1978, 1028-29.

investments follow a political logic rather than an economic rationale; and trade and price distortions are introduced to generate rents and to promote vested interests. As Chabal and Daloz explain: “The political system functions in the here and now, not for the sake of a hypothetical tomorrow... In other words, its legitimacy rests with its immediate achievements, not with its long-term ambitions.”²⁶ In this formulation, the statist character of development strategy, abuse of public resources, qualitatively inadequate public institutions and lack of public accountability help to explain the poor state of social welfare in much of Africa. Instead, public resources are egregiously squandered on theatrical displays of statehood and sovereignty in the form of white-elephant development projects, imperial coronations, large armed forces and defence expenditures, glamorous presidential palaces, fleets of limousines and so on.

The marginality and disengagement of many economic sectors is mirrored in the symbiosis of state elites and the mainly urban formal sector. The prevalence of rentier activities foster an intimate interdependence among state and private sector elites, thus blurring public-private boundaries and impeding the formation of autonomous means of accumulation not subject to state control. These are the dynamics that have led to the ‘criminalization of the state’.²⁷ Paradoxically, rentier activities lend themselves to criminal enterprises: they rely not only on collaboration with state officials, but also on the evasion of state regulation, taxation, and oversight. Rentiers are dependent on the state yet are also partially disengaged from public authority. This spawns practices where ruling elites are given to resource grabbing whether in the collusive expropriation of land, special concessions for natural resource extraction, corrupt practices in approving state contracts or in the granting permits and licenses.²⁸ In Africa and alongside the ambiguities of rentier groups, there is also an extensive zone of informal economic activity that exists outside the state domain and is internally fragmented. Large parallel economies have placed substantial resources outside the reach of the central state. The austerity codes of the World Bank and IMF’s adjustment programmes have ensured the rapid expansion of the informal sector, and have contributed to a decline in real wages and a rise in joblessness.²⁹

In much of Africa, the rule of law is weakly articulated and subject to erosion. This has been caused by weak administrative capabilities of many states, the personalization of power and authority, and the tendency to subvert constitutions to entrench single party domination. State authority tends to be arbitrary, offering few guarantees to property, civil rights, and free public expression and association. This directly affects the confidence of citizens in the judiciary and deprives them of ready access to justice. It is not surprising that abuses and violations of human rights take place, often with impunity. The impact of poor governance practices, non-delivering state institutions and fragile civil societies have been felt most severely in the economic and social arenas. Africa is characterized by low human development, grinding levels of poverty, extreme inequality and chronic disease, especially the

²⁶ Patrick Chabal and Jean-Pascal Daloz, *Africa Works: Disorder as Political Instrument*, Oxford: James Currey and Bloomington and Indianapolis: Indiana University Press, 1999, 161.

²⁷ See Jean-François Bayart, Stephen Ellis, and Béatrice Hibou, (eds.), *The Criminalization of the State in Africa*, London: James Currey, 1999.

²⁸ Pierre Englebort, *State Legitimacy and Development in Africa*, Boulder, Colorado: Lynne Rienner Publishers, 2000, 90-105.

²⁹ *Ibid.*, 178-79.

HIV/AIDS pandemic which has cut a swathe of human destruction across countries. Cyclical drought, famine, and food shortages add another layer of human insecurity to an already overburdened continent.³⁰

There is also the question of politicized ethnicity and the role of ethnic entrepreneurs in fuelling ethnic and communal tensions. Most societies in Africa are ethnically heterogeneous and vertically segmented. Primary and corporate group ties have undermined the development of functional and class linkages. Local and ethnic affinities typically cut across or subsume other divisions, and consequently class identities have remained weak and embryonic. The high levels of ethnic diversity have polarizing effects and are material in accounting for conflict, political instability, and violence.³¹ Indeed, the prevalence of invidious communal politics and politicized ethnicities have caused the types of social fragmentation that exclude large groups from an already thin public weal, thus providing an additional impulse for criminality and violent contestation for resources, which often fuel civil wars.³² Economies which are dependent on the extraction of natural resources such as oil and minerals have been particularly vulnerable to disorder and violent competition among different claimants. A classic formulation of the proposition is that of Collier: “Thus, some societies are much more prone to conflict than others, simply because they offer more inviting economic prospects for rebellion... A country with large natural resources, many young men, and little education is very much more at risk of conflict than one with opposite characteristics.”³³ This has given rise to a type of warlord capitalism and ‘Kalashnikov lifestyles’ where increasing levels of crime, lawlessness and banditry have become the order of the day. According to Reno, “...a turn away from conventional state structures, or warlordism, is a rational response to globalization in weak states.”³⁴

In much of Africa then there is a direct correlation between the turbulence in domestic politics caused by state weakness and fragmentation *and* the upsurge of criminal activity and the growth of criminal organizations with a distinctly transnational reach and capacity. The crisis of governance in Africa and the embryonic nature of civil society have been a cause of considerable political upheaval and have impeded the evolution of legitimacy and political authority in a manner that would allow ruling elites to establish hegemony over society and territory.³⁵ The breakdown of authority structures and the atrophy of institutions make for a chaotic and atavistic political environment that provides a congenial breeding ground for criminal activity to develop deep and extensive roots. Organized criminal organizations thus find it relatively easy to take advantage of Africa’s zones of turbulence and in effect, they have a vested interest in perpetuating the cycle of state weakness and fragmentation.

³⁰ Ibid., 137-47.

³¹ Crawford Young, *Ideology and Development in Africa*, New Haven, Ct.: Yale University Press, 1982, 44-55.

³² William Reno, “Shadow States and the Political Economy of Civil Wars,” in Mats Berdal and David M Malone, (eds.), *Greed and Grievance: Economic Agendas in Civil Wars*, Boulder, Colorado: Lynne Rienner Publishers, 2000, 54-64.

³³ Paul Collier, “Doing Well out of War”, Paper prepared for a Conference on Economic Agendas in Civil Wars, London, 26-27 April 1999, 5.

³⁴ William Reno, *Warlord Politics and African States*, Boulder, Colorado: Lynne Rienner Publishers, 1998, 28.

³⁵ Claude Ake, *Democracy and Development in Africa*, Washington DC: Brookings Institution, 1996.

Mapping uncivil society in Africa

Criminal syndicates and networks – whether organized or informal – have been adept at taking advantage of the African state’s crisis of governance and institutional weaknesses in order to ply their trade, amid the widening and deepening of globalization processes. This is illustrated below by examining the main manifestations of uncivil society in West, East and Southern Africa: the plunder of natural resources; terrorism; piracy; the trafficking of drugs, humans and arms; and money laundering.

Case 1: The Conflict-Commodity-Criminal Nexus

The African continent is richly endowed with natural resources and mineral assets – from huge oil, gold, copper, cobalt, coltan, zinc, and diamond deposits, to extensive tropical rainforests with vast timber, hardwood and rubber resources. Rather than being a catalyst for sustained economic growth and development, Africa’s ostensible ‘resource curse’ has evidently become associated with the opposite: state, human, and ecological insecurity. In particular, the income from trade in conflict resources has been used to finance wars, with a direct link to the illicit arms trade, clandestine transport systems, money laundering, and transnational criminal networks.³⁶ These conditions have perpetuated a noxious nexus between the illicit trade in African commodities, the emergence of intractable conflicts alongside human insecurity and underdevelopment, and the rise of organized criminality in the continent, with tacit links to ‘downstream crime’. The international community wields several instruments to obstruct and stem this pernicious exchange; this includes targeted sanctions against persons, products or regimes; certification schemes that identify origin (such as the Kimberley Process Certification Scheme for diamonds); and the creation of Expert Panels to investigate illicit commercial activities in conflict zones. Nonetheless, the incentives for shadow activities and illicit gains remain strong, and still structures many aspects that order state-society relations in the continent.

The Democratic Republic of Congo (DRC) in central Africa typifies this abundance of natural wealth, which has long existed alongside both rentier and ‘war economies’.³⁷ The DRC is home to 80 per cent of the continent’s coltan deposits (mined mostly in Kivu, in the east of the country); it recently became the world’s fourth-largest diamond producer; is relatively rich in gold deposits; and has approximately 1,3 million km² of forest.³⁸ Notwithstanding this wealth, the DRC ranks among the poorest countries in the world and has a history riddled with endemic mismanagement, corruption and conflict. The most recent conflict, which erupted in 1998 and claimed an estimated 3 million lives, has been described as one of the deadliest since the Second World War, drawing in a host of regional conflict agents – inter alia, forces from Rwanda, Uganda, Angola, Chad, Namibia and

³⁶ Ian Bannon and Paul Collier, *Natural Resources and Violent Conflict: Options and Actions*, Washington DC: World Bank, 2003.

³⁷ Mark Duffield, *Global Governance and the New Wars: The Merging of Development and Security*, London: Zed Books, 2001.

³⁸ Gail Wannenburg, *Africa’s Pablos and Political Entrepreneurs. War, the State and Criminal Networks in West and Southern Africa*, Johannesburg: South African Institute of International Affairs, 2006.

Zimbabwe – and transcontinental smuggling networks. Under these conditions, the DRC typified a quintessential failed state.

In this absence of authority and state structure in the DRC, rebels and related entrepreneurs of crime and violence realigned their military-strategic objectives towards the capture of major mineral deposits (particularly gold, diamonds, tantalum, niobium and tin ores, tropical hardwoods, and coffee); secured monopolies in the purchase and export of tantalum ore (subsequently abandoned); concluded mineral contracts with multinationals in return for financial support; exchanged mineral wealth for drugs and guns; and turned from ethnic protection to protection-racketeering and economic exploitation of populations and resources. A collateral impact of the war was a heightening of popular anti-Rwandan, anti-Tutsi and anti-Congolese *rwandophobic* sentiment precisely because of Rwanda's involvement in illegal resource exploitation.³⁹ As Jackson noted in 2003, "The whole DRC is characterized by an institutionalized and consolidated war-based economic exploitation".⁴⁰ This linkage between conflict, criminality and the illegal exploitation of natural resources in the failed DRC state has indeed been systematic, intimate and palpable. In 2000, a UN Panel accordingly acknowledged a 'vicious circle' of war in the country.

In the DRC and elsewhere in the continent – including Angola, Sierra Leone, Liberia and Ivory Coast – the plunder of natural resources, conflicts over resource allocation, and the illicit trade in commodities are inextricably interwoven with the weakness and vulnerability of the state. This is well illustrated by several examples drawn from the continent's recent history.

The illicit trade in diamonds from Sierra Leone, largely through Liberia and Guinea to the world market, reportedly funded the armed rebellion of the Revolutionary United Front (RUF). With the creation of the certificate of origin scheme under the Kimberley Process, official diamond exports from Sierra Leone have increased. However, criminal networks are still able to smuggle diamonds with the complicity of neighbouring countries and international crime syndicates based in the cutting, polishing or marketing centres for these gems. The illicit extraction and sale of artisanal gold on world markets is also reported in Ghana, Liberia and Ivory Coast, often with the complicity of government-backed militias. In Liberia, former Movement for Democracy (MODEL) fighters are guilty of illicit rubber tapping in the eastern part of the country, which is transported to the Ivory Coast for processing and shipment. In Liberia, the imposition of international sanctions against the country's logging trade has done little to stem these operations. It is reported that timber is being stockpiled for shipment once sanctions are lifted, while logs are also transported to militias operating in the Ivory Coast. Communal violence in oil-producing countries such as Nigeria has also sparked a growth in organized criminal and syndicate activities, ranging from oil 'bunkering' (up to 100 000 barrels of oil are stolen each day in the Niger Delta, for sale on the black market in neighbouring

³⁹ Stephen Jackson, "Fortunes of war: the coltan trade in the Kivus", in Sarah Collinson, (ed.), *Power, livelihoods and conflict: case studies in political economy analysis for humanitarian action*, ODI HPG Report 13, February 2003.

⁴⁰ Stephen Jackson "Fortunes of war: the coltan trade in the Kivus" in *Power, livelihoods and conflict: case studies in political economy analysis for humanitarian action*, ODI HPG Report 13, February 2003 edited by Sarah Collinson.

countries), to piracy, banditry and kidnappings.⁴¹ In the 3 000 riverine waterways of Nigeria, piracy and armed robberies against ships are a common occurrence, as well as in other parts of West Africa. The International Maritime Bureau recorded 55 incidents of piracy in West Africa in 2004, of which 28 took place in Nigeria. The remainder occurred in the Gulf of Guinea and off the coasts of Senegal and Mauritania.⁴²

Organized crime groups are also targeting the fishing industry in West Africa, which is an important source of livelihood, subsistence and foreign exchange. In Senegal, for instance, fishing accounted for 23,6 per cent of foreign exports in 2002 and employed 15 per cent of the population. However, over-fishing by large trawlers from Europe, Asia and Russia – as well as illegal fishing, particularly of tuna – presents a major challenge to sustainability and development in this conflict-ridden part of the continent.⁴³

Case 2: Terrorism and Africa

Terrorism in Africa is best understood in two ways: one is related to the rise in international terrorism; the other is related to the continued reliance upon terror as a characteristic and deliberate strategy of local, national, and regional groups in much of the conflict that has beset the continent (such as with the cases of Algeria, Sudan, Somalia, Uganda, the DRC, Sierra Leone and Liberia).

Sub-national terror and even state terror have been long-standing and endemic features of the African continent's fraught political complex. Rebels and governments alike have been terrifying civilians for years in numerous civil wars, often accompanied by elements of criminality. There are numerous examples. The Liberian conflict unleashed armed groups and criminal gangs which destabilized the entire sub-region. Some 250 000 people – at least half of whom were civilian non-combatants – are believed to have died in war-related circumstances in Liberia since 1989. In Burundi, some 300 000 people were killed over the past decade and fighting between the government and Hutu militias forced about 100 000 to flee their homes every month. In the DRC, an estimated 3 million people had died during the last three years of the conflict, whereas in neighbouring Rwanda, 40 per cent of the population had been killed or displaced since 1994. The civil war in Sudan has claimed the lives of 2 million people and caused the greatest displacement of people in Africa, aggravated today by the humanitarian crisis in Darfur.⁴⁴ The root causes of this violence are complex, but speak to the nature of Africa's social system, characterized by its generalized regime of patrimony, systematic clientelism, and fragile statehood.

In fact, says Cilliers, "... by any objective standard, Africa is the continent most afflicted by terrorism – albeit not yet by international terrorism".⁴⁵ Despite the continent's reported global strategic marginalization, the bombing of two American embassies in Nairobi, Kenya and Dar-es-Salaam, Tanzania on 7 August 1998 catapulted Africa into the midst of international terrorism. The international character

⁴¹ Gail Wannenburg, "Organised Crime in West Africa", *African Security Review*, 14:4, 2005.

⁴² Ibid.

⁴³ Wannenburg, 2006, 131.

⁴⁴ Jakkie Cilliers, "Terrorism and Africa", *African Security Review*, 12:4, 2003, 96-98.

⁴⁵ Ibid., 93.

of this threat was reflected in a retaliatory cruise missile attack by the United States on a purported chemical factory in Khartoum, Sudan on 20 August 1998.

It is evident that international terrorism in Africa is on the rise, although from a very low base. Between 1990 and 2002, only 6 per cent of international terrorist incidents were committed on African soil. However, when measured in terms of human casualties, the reality is far more alarming. During this same period, Africa recorded 6 177 casualties from 296 acts of international terrorism, second only to Asia in terms of continental casualties. The year with the highest number of casualties – 5 379 – was 1998, due to the bombings in Kenya and Tanzania.⁴⁶

The continent may still come to play a central role in international terrorism, since the motivation, means and targets all exist: “Africa presents a proliferation of targets that would, symbolically, hit at the heart of the first world and those international instruments that serve to maintain it”.⁴⁷ There has already been an increase in acts of terrorism directed against opportunity targets, including peacekeepers, aid and humanitarian workers, donor agencies, and international offices. Africa is also replete with potentially much higher value targets, ranging from the massive oil investments (often by United States companies) in the Gulf of Guinea to the burgeoning tourist industry in South Africa.

In summary, the African continent does indeed provide a facilitating environment for international terrorism. Moreover, the same networks that support arms trafficking, mercenaries, drug trafficking, illegal human trafficking and money laundering also provide the means for terrorism. The relationship between international terrorism and transnational crime is so close that UN Security Council resolution 1373 (Article 4) emphasizes the need for increased regional and international cooperation against terrorism and against transnational organized crime. UNSC Resolution 1373 provides states with an incentive to sign the UN Convention against Transnational Organized Crime of 2000 (the Palermo Convention) and an obligation to prevent transnational organized crime to the extent that such crimes assist international terrorism.⁴⁸

Case 3: The Growing Problem of Piracy

The de facto collapse of the Somali state, exacerbated by an arc of fragile states along the coastline, have made it easier to exploit the critical trade route in the Gulf of Aden such that piracy has now become a major transnational criminal undertaking: ransom revenues were over US\$250 million in 2010.⁴⁹ As a measure of how lucrative piracy on the high seas has become, in November 2010, a South Korean crude carrier, *Samho Dream*, fetched a record of US\$9.6 million in ransom. Somali piracy has thus grown to the point where it now threatens the security of the entire western Indian Ocean: in 2010 alone there were 219, including the successful taking of 49 vessels with 1016 crew members held hostage.⁵⁰ Rooted in its byzantine clan system, Somali

⁴⁶ Ibid., 93.

⁴⁷ Ibid., 99.

⁴⁸ Ibid., 101.

⁴⁹ Anna Bowden *et al.*, *The Economic Cost of Maritime Piracy*, One Earth Future Working Paper, December 2010.

⁵⁰ Lauren Ploch, Christopher M Blanchard, *et al.*, *Piracy off the Horn of Africa*, Congressional Research Service Report, R40528, 27 April 2011, 1.

pirate networks have become more sophisticated. They have arms, including AK-47 rifles and rocket-propelled grenades, and better skiffs powered by large outboard motors as well as mother ships which are larger fishing vessels that have been commandeered through acts of piracy. This, together with the use of satellite technology to monitor ship movements, allows them to venture more than 1600km out to sea in search of vulnerable vessels. Somali pirates now operate as far east as the Maldives, and as far south as the Mozambique Channel.

The annual cost of piracy to the global economy is estimated at between US\$7 and US\$12 billion.⁵¹ Besides ransom payments, there are other economic costs which result from this transnational criminal activity such as damage to ships and cargoes, delays in delivery, and increased maritime insurance; costs which are often passed onto the consumer. London-based ocean marine insurers have raised the premium rates for ships going sailing through the Gulf of Aden and the Suez Canal. War risk insurance premiums have also vastly increased for merchant vessels sailing in this piracy danger zone from US\$500 to US\$150 000 per voyage.⁵²

The UN Security Council has offered a range of resolutions since 2008 to promote a more aggressive response, coordinated by a multilateral Contact Group. These resolutions, among others, authorize a multinational force of 30 naval vessels to combat piracy and to compliment mariners' self-protection efforts. The US Navy conducts counter-piracy operations through the Combined Task Force 151 and is supported by NATO's Operation Ocean Shield. The EU and NATO have also extended their counter-piracy missions until the end of 2012, while China and Russia have assisted EU forces by escorting humanitarian aid.⁵³ Increased patrols and proactive interventions have reduced attacks in the Gulf of Aden where there is a concentration of merchant ships (estimated at 33 000 per year).⁵⁴ However, a culture of impunity has taken hold among pirates and their financiers on the mainland: nine out of ten Somali pirates who are apprehended by naval patrols are released because no jurisdiction is prepared to prosecute them. Jurisdictional issues are further complicated by the location of pirate attacks and international naval interventions, the nationalities of crew members, and the countries of registry or ownership of seized vessels.⁵⁵ These setbacks have occurred against the backdrop of several existing UN instruments such as the Convention on the High Seas, the Convention on the Law of the Sea, and the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation. Then there is UN Resolution 1918 (April 2010) which requires the Secretary-General to report on "possible options to further the aim of prosecuting and imprisoning persons responsible for acts of piracy and armed robbery at sea off the coast of Somalia."⁵⁶

Piracy will remain a transnational and a global security threat. This form of criminal activity has taken root because of a large coastal area that is difficult to police, the high levels of commercial activity, poor counter-piracy coordination, and a weak

⁵¹ Anna Bowden *et al.*, *op. cit.* 4.

⁵² Financial Express, "Piracy pushes up Insurance Premiums for Ship Owners," 14 March 2011

⁵³ Lauren Ploch, Christopher M Blanchard, *et al.*, *op. cit.*, 3.

⁵⁴ *Ibid.*, 10.

⁵⁵ *Ibid.*, 34.

⁵⁶ UNSC, *Report of the Special Adviser to the Secretary-General on Legal Issues Related to Piracy Off the Coast of Somalia*, S/2011/30, 24 January 2011.

prosecutorial and jurisdictional regime. These deficits have also facilitated other maritime security threats such as terrorism, weapons and narcotics trafficking, illegal fishing, and human smuggling operations. Until there is a comprehensive approach to establishing peace and stability with economic opportunities in Somalia, it is unlikely that the piracy will ever be eradicated.

Case 4: The Transnational Narcotics Trade

An arc of weak, failed or fragile post-conflict societies in West Africa have recently also emerged as key transit hubs for the shipment of narcotics to North America and Europe. The case of Guinea-Bissau in West Africa – the world's first ostensible 'narco-state' – is a sobering example of how transnational criminal elements, originating from South America, have effectively taken advantage of state failure and weak governance to ply their trade. In this case, the intersection of government instability following civil war in 1999, corruption and scant surveillance by authorities, and socioeconomic decline have combined to open a propitious space for Colombian drug cartels to capture the state and its institutions. This has resulted in poor coordination between different centres of authority in Guinea-Bissau, including the police, the border patrol, the customs and the army. Drug cartels have exploited the weaknesses of the law enforcement and criminal justice systems, integrating this coastal country into their global narcotics supply-chain, chiefly for cocaine shipment. This represents a peculiar paradox: while this impoverished West African country is increasingly 'globalized' into world exchange, the shape and form of this integration is essentially odious.

Today, Guinea-Bissau is a major transit hub for the shipment of cocaine from South America into Europe (principally Britain, Spain and Portugal), as well as the trafficking of heroin and hashish by African and Asian cartels to the United States. It is estimated that one tonne of pure Colombian cocaine leaves the country each day, most of it destined for Europe.⁵⁷ With an indigent population of 1,5 million people (ranked fifth from bottom in recent human development indicators), dysfunctional state structures and a coastal labyrinth of navigable islands and inlets, it is unsurprising that Guinea-Bissau has been ripe for picking off by the criminal underworld:

The seizure of West Africa by Colombian and other drug cartels has happened with lightning speed. Since 2003, 99 per cent of all drugs seized in Africa have been found in West Africa. Between 1998 and 2003, the total quantity of cocaine seized each year in Africa was around 600kg. But by 2006, the figure had risen five-fold and during the first nine months of last year [i.e. 2007] had already reached 5.6 tonnes.⁵⁸

Several other West African coastal countries such as Guinea, Senegal, Nigeria, Togo and Ghana have also drawn attention as potential transit points, with cocaine from sunken vessels literally washing up on their shores. However, the cultivation and consumption of narcotics – notably cannabis and mandrax (methaqualone) – and its links to organized crime are also rife within the continent. As is now well documented, this illicit trade previously armed, financed and sustained rebellions in West Africa, particularly in the Ivory Coast, Liberia and Senegal. In the Southern

⁵⁷ Vulliamy, 2008.

⁵⁸ Ibid.

African region, Zimbabwe, Mozambique, South Africa and Angola have historically been key centres for the production or trade in drugs, particularly cannabis. The latter countries have recently also emerged as important transit hubs to service the sharp rise in demand for cocaine, crack cocaine and mandrax. In fact, South Africa has become the largest drug market in the region.⁵⁹ Given the vast sums generated by the narcotics trade, drug trafficking is readily associated with money laundering throughout the East and Southern African regions. The drug industry is also known to influence trends in ‘downstream’ crimes, notably motor vehicle theft, housebreaking and armed robbery.⁶⁰

Controlling the trafficking and abuse of illicit drugs is a well-established priority on the African Union’s (AU) agenda. The first Plan of Action on Drug Control was adopted in 1996 by the AU’s predecessor, the Organization of African Unity (OAU). In 2007, the AU adopted the Revised AU Plan of Action on Drug Control and Crime Prevention (2007-2012), which recognizes the multifaceted dimension of drug control in Africa. The continental body also aims to harmonize drug control and crime prevention programmes and activities, in pursuit of continental and global sustainable social and economic development and peace. However, without the appropriate enforcement mechanisms and large investments in improving policing, surveillance and detection, these initiatives are bound to prove ineffective.

Case 5: Illicit Migration and Human Trafficking

As globalization processes widely transmit, spread and disperse discourses on fundamental political, socioeconomic and human rights, it is incredulous that the trafficking and trade in human life continues to exist as a form of modern-day slavery in the 21st century. Organized criminal syndicates and networks are estimated to recruit, transport, transfer, smuggle and trade approximately 700 000 women, children and undocumented persons across porous international borders every year. Many of the victims of these crimes are unwittingly peddled into conditions of forced labour, servitude, slavery or sexual exploitation, often with the commission of families and relatives. Poor intelligence on the numbers of people trafficked and the inherently clandestine nature of the activity mean the traffickers usually ply their trade of human cargo without fear of repercussion. Trafficking in human beings is outlawed under the UN Protocol Against Trafficking in Persons, which has been in effect since December 2003. However, scores of African countries have yet to sign up to this deal in the context of a lack the legislative instruments, capacity and means to afford the victims of trafficking adequate protection.

Human trafficking remains an intractable problem in many African countries, particularly in West and Central Africa. In this particular region, the major trafficking routes extend to Benin, the Ivory Coast, Gabon, Ghana, Mali, Nigeria, Togo, Cameroon, Burkina Faso, Guinea, Niger and Sierra Leone. This heinous crime finds fertile ground and fortune in many of the structural and contingent weaknesses, fragilities and realities of the post-colonial African state: civil wars, poor governance and legislation, refugees, internal displacement, the recruitment of child soldiers into rebel ranks and deteriorating economic conditions, particularly poverty. The ongoing

⁵⁹ Wannenburg, 2006, 319-323.

⁶⁰ Charles Goredema, “Money laundering in East and Southern Africa: An overview of the threat”, *Institute for Security Studies Paper*, 69, April 2003.

dominance of patriarchal power relations, coupled with a dearth of equal representation and opportunity for women, further compounds the plight of those groups most vulnerable to human trafficking:

... the lack of rights afforded to women serves as the primary causative factor at the root of both women's migration and trafficking in women. The failure of existing economic, political and social structures to provide equal and just opportunities for women to work has contributed to the feminisation of poverty, which in turn has led to the feminisation of migration, as women leave their homes in search of viable economic options. Further, political instability, militarism, civil unrest, internal armed conflict and natural disasters also exacerbate women's vulnerabilities and may result in an increase in trafficking.⁶¹

In West Africa, an estimated 200 000 to 300 000 children are smuggled and trafficked each year for forced labour and sexual exploitation. Trafficking victims are frequently from rural areas near the highways between the Ivory Coast, Togo, Benin and Nigeria; and in the region between Nigeria and Chad, traditional nomads are reported to enslave young women. The trade is lucrative and returns five to twenty times the amount initially paid. Depending on the country trafficked to and the purpose they will serve, these merchants may receive US\$10 000-US\$20 000 for a child and US\$12 000-US\$50 000 for a woman.⁶² In Nigeria, women and children are particularly vulnerable to this crime, with states such as Edo, Delta, Imo and Kano more seriously affected by child trafficking networks than others. Women and girls from the south-west of the country are usually trafficked to Europe (notably the Schengen states: Italy, Spain, Germany and the Netherlands) and the United States for prostitution. In one estimate, 60 per cent of women trafficking victims for commercial sex in Italy are Nigerians.⁶³ By contrast, in eastern Nigeria, boys are mainly trafficked into agricultural, domestic, trading and apprenticeship jobs.⁶⁴ To stem this criminality, in June 2005, 26 member countries of the Economic Community of West African States (ECOWAS) and the Economic Community of Central African States (ECCAS) launched a joint regional initiative to enhance cooperation and coordination in this area.

In the East and Southern Africa region, concerns have also been expressed about an upswing in human trafficking. Nigerian groups, which dominate organized trafficking networks, appear to have expanded their operations into South Africa. With the economic meltdown in Zimbabwe, there are also concerns about the growing number of vulnerable children who have crossed undocumented into South Africa. (An estimated 3 million Zimbabweans have left their homeland.) Lack of anti-trafficking legislation in the region has allowed these merchants of life to either escape prosecution or only to be convicted of such crimes as rape, abduction or fraud; but beyond this there are few national or regional mechanisms that afford the victims of this trade any protection.⁶⁵

⁶¹ Thanh-Dam Truong, *Poverty, Gender and Human Trafficking in Sub-Saharan Africa: Rethinking Best Practices in Migration Management*, UNESCO, 2006, 27.

⁶² Wannenburg, *op. cit.*, 2006, 122-3.

⁶³ Adeze Ojukwu, "Nigeria/West Africa: Human trafficking," *Daily Champion*, 21 September 2006 at <http://www.stopdemand.com/afawcs0112878/ID=180/newsdetails.html=PrintLayout...>

⁶⁴ *Ibid.*

⁶⁵ IRIN, "Southern Africa: Human trafficking on the upswing", IRIN, 23 April 2008 at <http://irinnews.org/printReport.aspx?ReportID=77888>

Case 6: Small Arms and Light Weapons Trafficking

The African continent (particularly West, Central and Southern Africa) is awash with light weapons, a pernicious legacy of decades of protracted conflicts, civil wars and political strife. There are an estimated 100 million small arms and light weapons presently in circulation in Africa.⁶⁶ The regional dynamics of the West African conflicts – notably Sierra Leone and Liberia, with their contiguous and porous borders – have contributed to the widespread ownership and recycling of both legal and illegal weaponry. In Liberia, for instance, it is estimated that there are between 80 000 and 100 000 firearms circulating. There are also allegations that ECOWAS peacekeepers are responsible for selling some of their weapons to criminal elements or regional belligerents. Conflicts in Nigeria, Cape Verde and Guinea-Bissau also led to a glut of weapons; however, it is fortuitous that these did not circulate widely in the region to perpetuate further cycles of violence and zones of instability. More disconcerting are recent reports that the Chinese are peddling arms to some West African countries, in exchange for trade and commercial agreements that are not subject to restrictive conditions around governance.⁶⁷

Several West African countries – notably Senegal, Ghana, Guinea and Nigeria – also possess weapons manufacturing capacity, which could be sold to their conflict-prone peers in the region. With weak or corrupt arms export controls (for example, false end-user certificates), many of these supplier countries have allegedly breached key UN-sanctioned arms embargoes on Liberia and Sierra Leone, or assisted with the trans-shipment of weapons.

State-sponsored support for rebellions and militias is widely documented in the West African region. By contrast, the extent and scale of organized criminal groups in arms trafficking is still unclear. Nonetheless, small arms continue to circulate widely in the continent, in regions prone to political, socioeconomic and ecological instability. This includes the Sahel region, where pastoral societies experience extreme environmental stress and conflicts related to food security; the Niger Delta, where communal and sectarian violence, piracy and other crimes remain rife; and a regional arc of instability between Mali and the Ivory Coast, particularly the territory held by the *Forces Nouvelles* rebels. Here, Kalashnikov assault rifles go on sale for as little as US\$70.⁶⁸

Case 7: Money and Asset Laundering

The final illustrative case of uncivil society in Africa relates to money laundering. In West, East and Southern Africa, asset or money laundering is occurring on a substantial scale. This is both a manifestation of organized criminal activity within and beyond the continent, and a catalyst of it. Indeed, in the countries which comprise the East and Southern African Anti-Money Laundering Group (ESAAMLG)—that is, Botswana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, the Seychelles, South Africa, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe – organized economic crime of one form or another exists. Specific forms of organized crime in the ESAAMLG countries that have been linked to money laundering include

⁶⁶ Cilliers, op. cit., 100.

⁶⁷ Wannenburg, op. cit., 2006, 136-140.

⁶⁸ Ibid.

drug trafficking, armed robbery, tax evasion or customs fraud, exchange control evasion, and motor vehicle theft. However, given the clandestine nature of money laundering, there is a dearth of accurate or available statistics on its exact scale and frequency. In one estimate, in 1998, a total of US\$22 billion was laundered through the financial systems of Southern Africa. Of this figure, US\$15 billion was generated within the region, whereas US\$7 billion was infused from outside the region.⁶⁹ In West Africa, crime groups typically use international money transfers – such as Western Union – to repatriate the proceeds of crime from abroad.

There are thus three broad dimensions to this illicit activity in Africa: *internal money laundering*, characterized by the laundering of proceeds of domestic crime or assets to be used in committing these crimes; *incoming money laundering*, in which the assets laundered are derived from crime committed abroad; and *outgoing money laundering*, in which the proceeds of crime committed within the country are exported for laundering.⁷⁰

Money laundering in the Southern African region stems from a range of illicit activities: drug trafficking, armed robbery, currency speculation, commercial crime and fraud, and the evasion of tax and of customs duty. Drug trafficking (particularly the sale of cocaine, heroin, ecstasy, cannabis, and mandrax) is the most cash-intensive, which makes money laundering an attractive – but also necessary – option. The lack of developed and deep financial institutions in many Southern African countries, which encourages a cash-based economy, provides a propitious environment for laundering the local proceeds of crime. In addition, the advent of hyperinflation in Zimbabwe (estimated to be over 2 million per cent) has exacerbated the vulnerability of commerce to money laundering. This is unsurprising: retailers involved in evading tax are unlikely to report retail transactions involving tainted funds.

The common avenues for laundering illicit funds thus involve retail cash transactions, often with no receipts of sale; investment in motor vehicles, usually trucks, minibuses and pickups; employing family members' or third parties legitimate bank accounts; or the establishment of business entities, whether as shell or front companies. Shell companies are distinct from front companies in that they do not do trade, but they can be used to open and operate accounts with financial institutions, such as banks and insurance houses. This is a particularly attractive option, since it costs little to establish such a venture. In South Africa, the initial financial outlay may be as little as R450 (US\$60). By contrast, front companies are identifiable trading concerns, used as a medium through which to infuse criminal proceeds into the financial system. These regularly take the form of cash-based outlets such as 'shebeens', restaurants, butcheries, dry cleaning, cash loan businesses and cell-phone shops. In Namibia, South Africa, Zambia and Kenya, commuter transportation fleets (popularly called the 'matatu' business in Kenya) are commonly used as vehicles to launder the proceeds of crime.

Currency speculation has also become a major source of income in parts of the region, particularly those afflicted by foreign exchange shortages. While this practice

⁶⁹ Goredema, *op. cit.*, 15.

⁷⁰ *Ibid.*, 3.

is evident in Malawi and Kenya on a small scale, Zimbabwe represents a classic example, where speculating in foreign currency has become one of the most lucrative enterprises in the country. Participants in this trade range from street traders, cross-border traders and senior public officials, to *bureaux de change* and commercial banks. As Goredema writes: “Regulatory authorities estimate that since 2000, at least 70% of foreign exchange transactions in Zimbabwe have taken place on the streets or in *bureaux de change*”.⁷¹

Another common problem in the region is the evasion of tax and customs duty as well as transfer pricing, which is symptomatic of capacity weaknesses within regional state structures for effective surveillance. These activities, which are also strongly correlated with corruption, are particularly prevalent in Uganda, Malawi, Kenya and South Africa. To illustrate the scale of this activity, corruption cost the Kenyan government US\$1,693 billion in the period 1990-1995. In the 1996-1997 financial year alone, the loss amounted to over US\$160 million, or one in every six schillings allocated by the Kenyan parliament.⁷² Corruption and bribery remain endemic problems in Southern Africa.

In significant ways, the deepening and widening of globalization processes, including the globalization of financial markets and trade has directly encouraged the growth of this particular form of uncivil society. For instance, the development of offshore financial centres and free trade zones – with major economic benefits to the local population – is also susceptible to incoming money laundering and manipulation. This represents a rather cruel twist, since transnational criminality feeds off the genuine efforts of African countries to attract scarce investment capital and to be perceived as investor-friendly, in line with globalization imperatives:

Within the region, Mauritius and the Seychelles, which have been classified by many experts as financial ‘tax’ havens, have generally been regarded as particularly vulnerable. The Seychelles virtually singled itself out as a prospective laundering haven by its decision, in the mid 1990s, to offer citizenship to any investor with at least US\$10 million, regardless of the source. The offer, which had been enshrined in legislation, was rescinded, following international objections.⁷³

To ensure that incoming funds are not laundered criminal proceeds requires the strengthening of the regulatory and surveillance capacity and functions of the state. Various initiatives are underway in West and Southern Africa to contain and outlaw criminal and terrorist financing, and money laundering. The creation of anti-money laundering institutions, such as the Financial Intelligence Centres, is well underway. Under the auspices of ECOWAS, West African countries have established the Group for Inter-Governmental Action against Money Laundering, with support from Interpol, the African Development Bank and other international institutions.

Combating money laundering confronts African authorities with both capacity and resource challenges at the national level. In Africa, this is a real challenge in that there are competing demands with regards to the procurement and utilization of scarce resources. Resource scarcity is most critical in the law enforcement spheres.

⁷¹ Ibid., 7.

⁷² Ibid., 9.

⁷³ Ibid., 15.

Innovative thinking may also be necessary in some respects, since the majority of the African economy is cash-based. This may entail the setting of entirely home-grown standards.⁷⁴

Conclusion

Since the end of the Cold War, transnational crime and terrorism have emerged as part of a spectrum of new, non-military threats, and as such, they traverse the divide between internal and external security. Rather than simply being epiphenomenal aberrations of our age, transnational criminality and terrorist activity have become inextricably interwoven in the fabric of globalization. Indeed, in adopting its wide-ranging anti-terrorism resolution 1373, the UN Security Council noted “the close connection between international terrorism and transnational organized crime, illicit drugs, money-laundering, illegal arms-trafficking, and illegal movement of nuclear, chemical, biological and other potentially deadly materials.” Most insidious is that transnational criminal gangs and terrorist networks threaten the stability and effectiveness of states. They do so by targeting their functional and institutional underpinnings and by adapting the infrastructure of globalization, especially advances in technology, transportation, communication, and financial systems. This promotes a political economy of illegality which is violently competitive, highly malleable, adaptable and resilient, and depends on large measures of invisibility and secrecy for its efficacy.

Probably more so than other regions, the manifestations of uncivil society have found fertile ground in the African continent and have developed a deep taproot. This is primarily due to the intersection of the globalization of criminality and criminal activity *and* state weakness and fragmentation. These effects are particularly pronounced in the African context and help to explain a range of pathologies in governance. These include territorial vulnerability and weak border controls; functional holes in regulatory frameworks and the criminal justice system; underdeveloped institutions of social control and corrupt neo-patrimonial practices; and contested and tenuous state legitimacy. States face further threats from political entrepreneurs and rebel militias who have developed new economic formations or what have been referred to as ‘shadow’ or ‘surrogate’ states by wresting partial territorial control in an often violent bid to seize power. This facilitates establishing transnational criminal networks which engage in trafficking in drugs and arms, piracy, money laundering, smuggling of and trafficking in people, and trading and plunder of natural resources. This amounts to what Ignatieff has called ‘opportunistic nihilism’, motivated by greed, power, and profit.⁷⁵

The scale and complexity of the problem of uncivil society in Africa will ultimately undermine the normative and ontological bases of the state system and its security. Functional cooperation arrangements and international instruments are obviously important in combating the growth of transnational criminal and terrorist networks but civil society proper must reassert and reinvigorate itself as an important bulwark against the erosion of the state caused by its illegal antinomy. Hence, “only when

⁷⁴ Tom K Alweendo, “Crime and Money Laundering”, Address by the Governor of the Bank of Namibia to the African Banking Congress, Johannesburg, 8-10 March 2005.

⁷⁵ Michael Ignatieff, *The Lesser Evil: Political Ethics in an Age of Terror*, Princeton, New Jersey: Princeton University Press, 2004.

ordinary African men and women have cause to reject the logic of personalized politics, seriously to question the legitimacy of the present instrumentalization of disorder and to struggle for new forms of political accountability, will meaningful change occur.”⁷⁶

⁷⁶ Chabal and Daloz, *op. cit.*, 162.