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Peace Operations and Organized Crime

6th Seminar on Peace Operations

Geneva Centre for Security Policy and International Peace Institute*

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Executive Summary

- Peace operations have an important role to play in fighting organized crime for two reasons.
 - First, organized crime can act as a significant peace spoiler undermining peace processes and endangering human security following conflict and in fragile states. The criminalized components of conflict help to sustain the material basis for war-fighting and reduce the incentives for a turn towards peace. Organized crime operating in conflict situations thus creates a more challenging operational environment for peace operations and peace processes.
 - Second, peace operations are a key tool through which the international community deals with areas affected by state fragility and armed conflict, both of which are conducive to transnational organized crime that poses a threat to stability and security further afield.
- Given their limited mandates and resources, peace operations may at best be able to adopt a “spoiler management” approach towards organized crime.
- Peace operations must trade-off the goal of fighting organized crime against other goals, such as war termination, political reconciliation, fostering stability, humanitarian assistance, effective state-building and economic recovery. At present, they receive limited guidance about how to accomplish these trade-offs.
- There are risks involved in an overly-broad application of the term “organized crime.” By portraying complex environments in which the international community intervenes as involving a confrontation between the state and organized criminality, we risk over-reliance on the machinery of law enforcement in developing solutions to conflict and crisis.
- Responses focused narrowly on using legal, security and military tools to eradicate “crime” may neglect political, economic and social tools for managing (and reducing) violence, and may further alienate those involved in the activities we label as “crime.”
- In extreme cases, peace operations’ actions to stem illicit revenues (such as crop eradication efforts) may create a backlash demand for protection from these very peacebuilding efforts, playing into the hands of established criminal networks and armed groups.
- Labels such as “organized crime” may obscure the complex political, social and economic functions that criminal organizations play in conflict-affected and fragile states.
- Responses by peace operations to organized crime thus need to comprehend the functional ties between “crime” and the broader political, strategic and economic processes at the heart of statebuilding and peacebuilding processes. This may

mean that creating alternative livelihoods and alternative legitimacy is as important to the success of peace operations in fighting organized crime as law-enforcement oriented responses.

- While peace operations and organized crime are often in direct competition on the ground, they may in certain circumstances influence – and even reinforce – each other. Peace operations can provide a degree of stability and predictability that makes illicit business profitable. Peace operations personnel may supply – deliberately or otherwise – goods for black markets, or transportation mechanisms for smuggling those goods. In extreme cases, peace operations personnel may increase the demand for black market goods or trafficked women.
- The international sanctions or embargoes associated with many peace operations can also create incentives for smuggling, thus inflating local prices and profits. Sanctions risk rewarding political and military structures with close ties to black marketeers, altering economic opportunity structures in a manner that favors those who are already connected to illicit commerce.
- On the other hand, organized crime may inadvertently contribute to peace operations' objectives by altering the balance of power on the ground through arms smuggling or the sapping of military discipline through corruption. Organized crime may also provide peace operations with potential partners for peace, mobilizing local legitimacy and providing the rudiments of inter-group commercial cooperation.
- Historically, state-building has often involved states co-opting organized crime networks, as a way of taming other (commercial) networks built on religious, ethnic or other more exclusive community solidarities. Peace operations have, to date, given little thought to how they could – within the constraints of international law – replicate such a strategy.
- These insights will have implications for peace operations' mandates, force structures and resourcing, as well as their approach to partnering with local and contributing states.
- Peace operations may face challenges in fighting transnational organized crime because they work within a defined territory, while transnational organized crime straddles borders; and because peace operations work primarily with diplomatic and military tools, rather than criminal intelligence, clandestine policing or economic and financial regulatory tools.
- The variable geometry that peace operations need in order to deal effectively with organized crime may encompass serving as: 1) a direct delivery vehicle (for governmental functions such as border enforcement and crime fighting); 2) a coordination mechanism for other actors (such as bilateral donors, multilateral development institutions, and international policing and analysis bodies such as the United Nations Office on Drugs and Crime or INTERPOL); and 3) a clearinghouse and analytical focal-point (for the development of longer-term capacity building and development strategies by bilateral and multilateral donors).

- What “works” may differ from function to function, and may require different mandates, entry strategies, partnership arrangements, force structures and resourcing from the very beginning of a peace operation.
- Prior to and in the initial phases of the deployment of peace operations, the United Nations Department of Peacekeeping Operations Police Division and the Office on the Rule of Law and Security Institutions, the United Nations Office on Drugs and Crime, UN sanctions committees, and Interpol should work together to provide strategy-setters and operational planners with comprehensive situation analyses. These should incorporate a reading of the nature of local organized crime, its connection to local populations and warring factions, and the risks and opportunities it poses as a potential peace spoiler or peace partner.
- These bodies should also consider establishing a permanent commission to:
 - provide analysis, coordination and training services-on-demand to peace operations in relation to organized crime;
 - serve as a clearing house and analytical focal-point for information shared by Member States, regional organizations and other international bodies (such as UN sanctions bodies, INTERPOL, the Financial Action Task Force, or the International Civil Aviation Organization) relating to organized crime operating in fragile states and conflict-affected areas; and
 - help inform strategic decision-makers, such as the United Nations Security Council, of potential threats from organized crime that may require responses by peace operations or other international interventions.

Introduction

In recent years, organized crime has received increased attention as a threat to international security and stability, and has become a considerable concern for national and international decision makers.¹ Scholars and practitioners have increasingly pointed to the connection between transnational organized crime and state fragility, armed conflict and terrorism, and have highlighted the complex and problematic relationships between trafficking in arms, human beings and drugs, and corruption and state failure.²

However, relatively little attention has been paid to the challenges organized crime poses to international peace efforts. While the peacekeepers' role in responding to (and occasionally implication in) human trafficking has received particular attention,³ there

¹ The High-level Panel Report for instance names transnational organized crime as one of the major threats to international stability: United Nations, “A more secure world: our shared responsibility,” Report of the High-level Panel on Threats, Challenges and Change, UN Doc. A/59/565, 2 December 2004.

² For instance see Barnett R. Rubin and Alexandra Guáqueta, “Fighting Drugs and Building Peace,” in *Dialogue on Globalization*, ed. Friedrich Ebert Stiftung (New York: Friedrich Ebert Stiftung, 2007). or Friedrich Ebert Stiftung, “Fighting Drugs and Building Peace: Promoting Coherence between Counter-Narcotics and Peace-Building Policies” (New York, 14-15 May 2007).

³ See for example Sarah Elizabeth Mendelson, *Barracks and Brothels: Peacekeepers and Human Trafficking in the Balkans* (Washington, D.C.: Center for Strategic and International Studies, 2005).

have been only isolated attempts to think more systematically about the complex implications of the presence of organized crime for peace operations. However, experiences such as those in Kosovo, Iraq, Afghanistan, Haiti and Guinea-Bissau have led to growing recognition that organized crime may serve as a particularly potent peace spoiler undermining the international community's peacemaking, peacekeeping and peacebuilding efforts.

Nevertheless, only limited efforts have been made to bring together academics, policy-makers and practitioners to discuss openly and share their ideas and experiences on the implications of organized crime for international peace operations. The 6th Seminar on Peace Operations sought to fill this gap. On Thursday 29 and Friday 30 November 2007 the International Peace Academy (now the International Peace Institute) and the Geneva Centre for Security Policy brought together 44 scholars, policy-makers and practitioners in Geneva with expertise in different aspects of organized crime, peacekeeping and policing to deliberate on cross-cutting issues. During the five different panels, the seminar addressed the issues of organized crime and peace operations through thematic discussions and specific case studies of Afghanistan, Bosnia, Central America, Haiti, West Africa and the African Great Lakes.

This report presents the four main themes that emerged from these discussions. First, it addresses the question of the conceptual relationship between organized crime and peace operations, outlining a framework for functional analysis focusing on the complex environments in which international interventions take place and the functions that organized crime and peace operations play in those environments. Second, it looks at the causal relationship between peace operations and organized crime. Third, it turns to the strategic conclusions flowing from this analysis, investigating a number of trade-offs involved when peace operations confront organized crime. Last, it presents some of the most salient operational considerations and lessons learnt from the Seminar and the discussion papers prepared for it.

Concepts

Contemporary peace operations are confronted by a range of violent actors and peace spoilers. The different forms of organized violence that peace operations face range from traditional separatist movements and rebel groups to warlords, mafiosi, gangs and traffickers of drugs, arms, other commodities – and even human-traffickers. These groups often co-exist and co-depend on each other – and on the fragility of the state and regional context in which they are operating. They may penetrate local governments, and traditional temporal and spiritual authority structures, even as they operate through transnational networks. They represent complex social structures, often connecting across the ethnic divisions, military frontlines and social cleavages that otherwise seem to structure zones affected by conflict and state fragility. As a result, they can prove particularly hard for outsiders to recognize and decipher. Consequently, peacemakers, peacekeepers and peacebuilders are increasingly recognizing the need for a basic framework of analysis – and a practical mechanism for delivering analysis in real-time – upon which peace operations can draw to understand better the relative importance of different criminal actors and activities in peace processes.

What is 'organized crime'?

There is currently no precise definition of organized crime uniformly accepted by policy-makers or analysts worldwide. The lack of a coherent terminology and commonly accepted taxonomy of organized crime across different contexts was a recurring discussion point throughout the Seminar. Several key points were made.

First, labeling a particular group or activity as “organized crime” involves an implicit normative division of social reality into two spheres – one legitimate and one illegitimate. This process of “labeling” is traditionally carried out by the state, and thus aligns what is legitimate and what is illegitimate with what is legal and what is illegal. Thus, “traditional” definitions of organized crime, such as that provided by the United Nations Convention on Transnational Organized Crime,⁴ rest on the legal/illegal dichotomy necessary in a law enforcement context, and reflect a viewpoint that privileges the state as the authority defining the response to organized crime and other violent actors.

At the same time, in the international setting, no state can impose its own views about what constitutes “organized crime” on any other. States’ perspectives do not always reflect the view or understanding of the people affected by, or participating in, the groups and activities labeled as “organized crime.” This is especially likely to be the case in conflict-affected areas and fragile states, where state authority is contested, weak or corrupted. The “organized crime” label may not capture the complex interpenetration of the legitimate and the illegitimate, the state and crime, that is part of the lived experience of many populations in weak states and conflict-affected areas.

Labeling a phenomenon as “organized crime” consequently risks favoring punitive, exclusive law enforcement responses over political, economic and social responses. The law enforcement approach that has to date dominated state and intergovernmental analyses risks an overly simplistic analysis of these complex environments. Often these situations cannot be reduced to a simple, binary opposition between legitimate state organization and illegitimate criminal organizations. Such analysis is especially problematic where a state exists in name only, is fragile, or engages in behaviors that call its own legitimacy into question at the international or local level. In many cases, it may even be hard to distinguish on the ground between what is legal and what is criminal. Many state-backed criminal law norms will lack popular legitimacy in areas affected by conflict. In some cases, government officials themselves may be involved in conduct that i) local populations perceive as illegitimate, even if it is backed by the state (such as drug crop eradication); or ii) is officially criminalized (such as drug trafficking); or iii) is backed by local populations and the state, but perceived as illegitimate (or even defined as illegal) by the international community (such as drug crop production). And in many conflict-affected situations, governmental entities and criminal organizations come to resemble functionally each other, providing similar services – especially protection – financed by similar rents and taxation arrangements. In these situations, labels such as “organized crime” risk being perceived as arbitrary and alien. International interventions that enforce international criminal norms that lack local legitimacy thus risk alienating local communities, exacerbating conflict.

⁴ United Nations General Assembly, "United Nations Convention against Transnational Organized Crime," (New York: 2001).

Defining what is “legal” and what is “criminal” becomes all the more complex in the context of multilateral peace operations, with each contributing country bringing its own definitions and perceptions, as do other foreign actors, such as NGOs and international organizations. This fragmentation of legal and social authority may in fact contribute to the weakening of local traditions and norms in a way that allows what has traditionally been ‘criminal’ to become normalized.

In the West African context during the early 1990s, for instance, local media and NGOs were well aware of the interconnection between regional criminal networks, political violence and regional destabilization. Official international actors, however, bound by their legal obligations to deal with interlocutors either as officials of sovereign states or as rebel leaders, created an artificial distinction which reflected poorly the nature of regional criminal networks and their influence on the conflicts and peace processes. Even today, constrained by legal typologies and binary definitions that leave little room for the possibility that governmental actors may be moonlighting in criminal roles, the international community struggles to deal with the integrated nature of regional political networks and illicit economies in West Africa. This is particularly clear in the international community’s confused and often inconsistent approach to official corruption.

Second, labels such as ‘organized crime’ may be difficult to apply in the context of the networked joint ventures which appear to be the dominant form of organization of trafficking and illicit activity in conflict-affected zones – and which often structure these conflicts as a whole.⁵ The limited field research currently available suggests that much crime in these contexts is organized through shifting network structures, rather than through the hierarchical structures often found in organized crime in stable states. Conflict brings an absence of the economic and political stability that creates opportunities for the construction of monopoly control of markets and territory, and consequently for the development of institutional hierarchy. Because these networks straddle existing boundaries between government and civil society, between the public and the private, and across belligerent frontlines, it may prove both conceptually difficult and politically problematic to label some parts of these networks as ‘organized crime,’ while leaving other parts of the network free of this label.

The non-hierarchical nature of the violent actors engaging in organized criminal activity in conflict-affected and fragile states is also reflected in the multiple agendas and goals of their members: many participants in organized crime are at the same time patriotic service-members, fanatical ideologues, or faithful clan-members. In a situation of weak and fragile states, organized crime appears to operate relatively free of national laws, creating great fluidity in incentive structures and innovation in the methods organized crime uses to exploit them, according to the fluid conditions on the ground, and subject to few constraints from legal and bureaucratic institutions. One useful approach therefore may be to analyze sources of violent resistance to international interventions in fragile and war-torn states through the lens of ‘illicit power structures,’ encompassing a diverse –

⁵ See Mary Kaldor, *New and Old Wars*, 2nd ed. (Cambridge, [Eng.]; Malden, MA: Polity Press, 2006); Mark R. Duffield, *Global Governance and the New Wars : The Merging of Development and Security* (London; New York: Zed Books 2001).

but definable – set of violent non-state actors, networks of corruption and violent entrepreneurs, including but not limited to ‘organized crime.’⁶

There may in fact be good reasons, in conflict-affected zones, to organize crime through networks straddling frontlines. These temporary borders create profits for traffickers by reducing supply; and cross-frontline supply lines may in fact be more resilient, under conditions of changing territorial control, than those organized wholly behind the lines. In Bosnia, for example, while many of the war leaders who engaged in organized crime both during and after the conflict gathered political support from local populations and ethnic ideologies, their trading operations utilized cross-ethnic connections that pre-dated the conflict. These connections also carried over into the post-conflict settlements, allowing the former conflict leaders, now politically engaged, to use their networks to continue illicit business across the borders of international mandates. For peace operations, these cross-ethnic connections may in fact prove to be a resource for political reconciliation and conflict termination.

Different forms of organized crime

There are risks involved in treating the different actors engaged in organized crime in conflict settings and fragile states all alike. It may be more useful to distinguish on a number of bases between different forms of violent actors and entrepreneurs that peace operations confront, including motivations (economic, political, or religious), and aspirations (simply for profit, or for influence or control of political governance of a territory).

One particularly useful distinction for peace operations might be made on the basis of the group’s approach to existing authority structures, which requires an understanding of its social “function”. Organized crime seems less likely to seek to displace existing sources of political, social and religious authority than some other forms of organized violence, such as warlordism (because, unlike warlords, organized criminals often do not seek to rule territory or have the public responsibilities of government).

The distinction between predatory, parasitic and symbiotic strategies may be particularly helpful when considering different approaches to managing these groups.⁷ Predatory groups prey upon the resources of authority structures, in open conflict with them. Parasitic groups prey upon these resources, but at a level or in a manner that is sustainable. And symbiotic groups coexist with existing authority structures, either through overlaps of membership or through other clandestine arrangements of reciprocity. Each of these groups represents a different kind of threat to peace processes, and requires a different management approach. For instance, predatory organized crime groups are probably less inclined to accept political solutions or to be integrated into existing authority structures than symbiotic or parasitic groups. The latter may be more

⁶ The concept of “illicit power structure” was introduced by the Center for Stabilization and Reconstruction Studies, (paper presented at the conference “Cleaning House: Confronting Illicit Power Structures in the Post-Conflict World” Monterey, California, 2007), while the concept of “violent entrepreneur” is developed in Vadim Volkov, *Violent Entrepreneurs: The Use of Force in the Making of Russian Capitalism* (Ithaca, NY: Cornell University Press, 2003).

⁷ Alfredo Rangel Suárez, “Parasites and Predators: Guerrillas and the Insurrection Economy of Colombia,” *Journal of International Economic Affairs* 53, no. 2 (2000), and A. Peter Lupsha, “Transnational Organized Crime Versus the Nation-State,” *Transnational Organized Crime* 2, no. 1 (1996).

open to political settlements that bring favorable economic payoffs. This will have important implications for the strategic approach that a peace operation ought to take in dealing with these groups, and the types of expertise it ought have on staff.

This functional analysis might even facilitate anticipation of the changing strategies of armed non-state groups during peace processes. As an example, one can point to the shifting strategy of Charles Taylor in Liberia, which evolved from predatory to parasitic to symbiotic, as his predatory strategy produced strategic and functional benefits (such as the protections of sovereign immunity) that made a symbiotic approach more beneficial.

Finally, this functional approach is not limited to analysis of organized crime behavior towards states, but can also be adapted to explain the approach organized crime takes towards other authority structures – such as peace operations themselves, or local religious and temporal authorities. In areas as disparate as Kosovo and eastern DRC, for example, there is evidence suggesting that local organized crime groups have successfully targeted peace operations for corruption and collaboration, particularly where they control access to valuable assets such as natural resources or service contracts.⁸

Yet there are also risks involved in an overly-broad application of the term “organized crime”.

By portraying all complex environments in which the international community intervenes as involving a confrontation between the state and organized criminality, we risk an over-reliance on the machinery of law enforcement in seeking solutions. Unilateral and multilateral characterizations of violent actors engaged in illegitimate conduct as ‘criminals,’ ‘outlaws,’ ‘rogues’ or sources of ‘evil’ risk producing a response focused narrowly on using legal, security and military tools to eradicate the actor or behavior in question. In the process, political, economic and social tools for managing (and reducing) violence may be neglected – and those involved in the activities we label as ‘crime’ may be further alienated. This is as much the case in managing the sources of violence that confront peace operations – including organized crime – as in non-conflict related contexts.

Consequently, another major conclusion emerging from the discussion was that addressing organized crime through peace operations requires not only a focus on the criminal aspect, but also on the organizational aspects, of the phenomena in question. Responses to “organized crime” will require an understanding of how illicit trade is tied to broader political, strategic and economic questions relating to the management of a sustainable peace process and the creation of a socially viable, responsible state. In this sense, the focus should be on organized crime as a peace spoiler.⁹

⁸ See UN Office of Internal Oversight Services Investigations Division, Investigation into Allegations that United Nations Peacekeepers Engaged in the Exploitation of Natural Resources and the Trafficking of Weapons in the Mongbwalu Region in the Democratic Republic of Congo, Redacted Report of Investigation, ID Case No. 0151/06, 2 July 2007; and see UNMIK Investigation Task Force, Allegation of Possible Bribery at Pristina Airport, Case No., 0218/04, and other documents at http://www.un.int/usa/issues/oios_report_page.php?path=../spec_rep/oversight/UNMIK%20Reports%2004-05&subject=UN%20Interim%20Administration%20Mission%20in%20Kosovo%20Reports%202004-2005

⁹ Stephen John Stedman, "Spoiler Problems in Peace Processes," *International Security* 22, no. 2 (1997), and Edward Newman and Oliver P. Richmond, *Challenges to Peacebuilding: Managing Spoilers During Conflict Resolution* (Tokyo; New York: United Nations University Press, 2006).

Causes

There are contending perspectives on the causal relationship between organized crime and conflict, and organized crime and peace operations. One perspective suggests that there is nothing qualitatively different about crime outside and during conflict, highlighting that activities such as trafficking of human beings, arms and narcotics, illicit markets, hijacking and extortion are typical activities of organized criminal groups both during and in the absence of conflict. A competing perspective, however, claims that the intensity and frequency of occurrence of crime increases during conflict, and that criminal organization takes different forms during peace and conflict. Increased criminal activity, so the argument goes, is largely attributable to the presence of “better conditions” for crime during conflict and post conflict situations, notably the weakness of state and other law enforcement authorities, and the breakdown of other social norms and institutions (such as taboos around violence), particularly in the context of civil war. In this section we examine the causal relationship between crime and conflict, and the related question of what the causal connections between organized crime and peace operations may be.

Crime and conflict: what relationship?

It has become something of an orthodoxy to assume that the development of organized crime, and specifically of transnational organized crime, is closely linked to the fragility of states. Yet the onset of conflict may also lead to some disincentives for organized crime, notably where a war is particularly “hot.”

State fragility is almost always synonymous with a weakening of the power and legitimacy of state institutions, as well as a degeneration of other norms of social control. The growth of *anomie* in such circumstances, and the weakening of norms against the use of violence (and particularly killing) seem to facilitate the emergence of organized crime. It is this climate – where the state no longer provides security – that creates an opportunity space for organized crime, exploiting the situation for rapid and violent forms of capital accumulation and enlargement of influence, with a high degree of impunity. This opportunity space may even involve organized crime stepping into the role of a local warlord, controlling the provision of public goods and services such as access to food and water, humanitarian assistance – or simply serving as a substitute for the state in providing ‘protection.’ Extortion and protection can then quickly become two sides of the same coin.

In the period between 2004 and 2007, the peacekeeping mission in Haiti (MINUSTAH) faced this problem directly. In late 2004, the remnants of some clandestine political organizations backed by Jean-Bertrand Aristide banded together with former members of the Haitian armed forces, suspected of receiving finance from narco-trafficking, in an armed uprising that eventually led to the ouster of the President himself. In the aftermath, with state authority largely ineffective in many of the slums in Haiti’s urban centers, and with the leaders of these political organizations lacking the legitimacy and finance they had received previously from Aristide’s regime, the organizations morphed into local “gangs” operating protection rackets, offering local populations “protection” in exchange for rents. The protection was offered from other predators (both gangs and the *Police Nationale d’Haiti*) and for services such as access to water, health, food and rough justice. This provided the gang members legitimacy and income, while the inhabitants of their “territories” received protection they could not afford to refuse. Gang leaders, possibly supported by outside actors embedded in regional drug-trafficking networks, had

thus capitalized on the weakness of the state to take control of a part of its territory. This control eventually became so threatening to the security of the state and its citizenry that it amounted to something like a low-level conflict, eventually necessitating a military response from the international community.

As a conflict develops, and while traditional criminal enterprises operate, other violent non-state actors may turn to activities normally associated with organized crime – such as extortion or kidnapping for ransom – with the goal of raising funds for the continuation of the conflict. This has become particularly evident in Iraq. Organized crime becomes a set of techniques anyone can adopt – from terrorists and militias to states and individuals. With globalization facilitating access to global market revenues, actors in contemporary conflicts may even have greater incentives to turn to organized crime than did actors in earlier conflicts, where the technological and geographical barriers to accessing such global revenues were arguably much greater. As a result, any clear distinction between organized crime and conflict as a framework of analysis, and between the criminal and political actors that populate those frameworks of analysis, becomes increasingly problematic.

Peace operations: bane or boon for organized crime?

Yet it is not only the conceptual and causal lines between crime and conflict that may become increasingly difficult to identify: even the line between organized crime and peace operations becomes blurry. This is not only because occasionally peace operations personnel may become involved in, or unwittingly feed, organized criminal activity, but also because there is a similarity in the social functions that peace operations and transnational organized crime come to play.

Transnational organized crime and peace operations can both be conceived as globally organized but locally applied forms of violence, and can even find themselves in competition for local control and for offering local “protection.” As peacekeepers and peacebuilders are deployed, they often find themselves facing “adversarial organized violent groups.” The competition between these two adversaries – peacemakers and peace spoilers – which might be violent, economic and/or normative – is centrally about legitimacy. Each side portrays itself as the legitimate “protector” of the local population and the other side as illegitimate or “criminal.” Yet while peace operations and organized crime may vaguely resemble each other at this very abstract conceptual level, the normative distinction for the basis on which each organizes and legitimates violence is crucial, not only at an ethical level, but also operationally: peace operations are justified through and propagate liberal values such as human autonomy and democratic freedom, while organized crime is inherently authoritarian and repressive.

The connections between peace operations and organized crime are not only conceptual, however. There are also important causal connections. While peace operations and organized crime are often in direct competition on the ground, peace operations can in fact unintentionally contribute to criminal conduct during conflict, and crime can likewise positively contribute to achieving the goals of a peace operation.

In some situations peace operations contribute to organized crime. While war can be good for business, too much war can actually drive business out. Thus an external intervention in the form of a peace operation can provide a minimum level of stability and

predictability for local entrepreneurs, making the undertaking of certain kinds of illicit economic activity feasible, and by altering the structure of transaction costs, also profitable. This “structuring effect” of peace operations can create opportunities for criminal profits, for example through trafficking across ceasefire lines. Borderlands, with their licit and illicit ties to extra-territorial actors and their reduced presence of state and law enforcement authorities, consequently become increasingly important in the political and economic life of the community. This, of course, challenges the urban and often metropolitan focus of many peace operations. Also, by restructuring the territorial and financial aspects of a conflict, peace operations may corrode existing arrangements of exchange, disorganizing traditional modes of subsistence, pushing local actors into disorganized “tricks of everyday life,” which sometimes involve or feed into more organized illicit activity.

The so-called “Arizona Market” in Bosnia is a prime example of this structuring effect of peace operations. In the spring of 1996, an open-air black market bazaar developed near Brcko in northern Bosnia, close to some 4,000 peacekeepers and the large brothels that met the demand for commercial sex these peacekeepers created. Bilateral donors funded those involved in the market, hoping it might foster inter-ethnic interaction and even reconciliation. But the Arizona Market quickly became a major black market and smuggling hub for guns, drugs, cars and other consumer goods smuggled into Bosnia, many from far afield in Western Europe.

International interventions can also provide organized crime with both assets and the ability to move them, acting as both a source of supply and a transportation mechanism. The skimming and theft of relief aid and the use of aid convoys as a camouflage for smuggling arms, goods and people is a widespread phenomenon. The improved transport situation resulting from the security that peace operations provide, and the improvements to infrastructure that peace operations generate both provide organized crime with reduced financial and other risks and render illicit activities more attractive. The controllers of the commodities that organized crime seeks (such as cigarettes, fuel, natural resources, or even simply food aid), and of the means of moving them (through access to fuel, vehicles, or road passage), are thus likely to be targeted for corruption (in kind or in cash). Enterprises associated with these goods and mobility – such as hotels and gas stations – likewise often serve as money laundering nodes.

Bosnia again provides a good example. Criminal networks profited significantly from the presence, customs and cooperation of international peacekeepers. For instance, the Sarajevo airlift, providing the besieged population with much needed basic commodities and food, was a major source of supply for the besieging Serb forces. Roughly one-quarter of the aid delivered through the airport was diverted to these besieging Serb forces, directly sustaining the troops and indirectly providing a source of black market revenues through on-sale. The airlift was also used by criminal and conflict networks to smuggle people and money in and out of the city.¹⁰

Bosnia also showed that, once deployed, peace operations may not only serve as a source of supply for organized crime – they may also create a demand for goods supplied through organized crime such as pirated DVDs or smuggled cigarettes, and, notably,

¹⁰ See Peter Andreas, *Blue Helmets and Black Markets: The Business of Survival in Besieged Sarajevo* (Cornell University Press, forthcoming 2008).

commercial sex. Throughout the Balkans, peacekeepers themselves became a major source of demand for the sexual services provided, usually under severe coercion, by trafficked women. This created a major sex trafficking industry in the region which persisted well after the conflict, and provided a basis for criminal organizations that had flourished during the war to move into more legitimate hotel and nightclub operations. Elsewhere, although the UN has adopted a “zero tolerance” policy for sexual exploitation and abuse, by UN Peacekeepers, effective enforcement and accountability remains problematic.¹¹

In extreme cases, peace operations personnel may also become directly involved in organized crime – as bribe-takers, transporters, informants, money couriers, and brokers/intermediaries facilitating commerce (often between warring parties). Examples to date include the alleged role of Ukrainian contingents in trafficking fuel in Bosnia during the 1990s, the alleged involvement of peace operations in the Middle East in trafficking in cigarettes and vehicles, the alleged involvement of contingents in Africa in smuggling diamonds, gold and arms, and the role of peace operations personnel in numerous locations in organized sexual exploitation and abuse.¹²

Finally, peace operations support illicit business more indirectly by injecting hard currency into the local economy through rents for real estate, salaries and payment for services. This foreign currency is often used to buy black market goods for basic household survival. Furthermore, the change in wage structures precipitated by the arrival of international actors can recalibrate economic power within communities. In some cases, this may undermine the long-term aspects of peacebuilding by fuelling a rise of consumerism that rewards organized crime as a fast-track option to material success, creating disincentives for participation in often less lucrative traditional economic arrangements.¹³

The international sanctions or embargoes associated with many peace operations can also give rise to incentives for smuggling, thus inflating local prices and profits. Sanctions risk rewarding political and military structures with close ties to black marketeers, altering economic opportunity structures in a manner that favors those that are already connected to illicit commerce. In extreme cases, the circumvention of sanctions may become associated with discourses of resistance to external pressure and other forms of belligerent rhetoric, as occurred in Iraq and Serbia in the 1990s.

Yet the implementation of sanctions through peace operations and other parts of the international machinery of intervention – such as the sanctions committees of the United Nations Security Council, or through the enforcement machinery of Member States – are often poorly coordinated. This porousness probably facilitates smuggling. The Security Council has done little to ensure adequate implementation by Member States of sanction regimes related to trafficking and other forms of organized crime in contemporary conflicts, despite the reports of many Panels of Experts detailing sophisticated and

¹¹ See United Nations, “A Comprehensive Strategy to Eliminate Future Sexual Exploitation and Abuse in United Nations Peacekeeping Operations,” UN doc. A/59/710, 24 March 2005.

¹² See notes 8, 11 above; and see Adam LeBor, *Complicity with Evil* (New Haven & London: Yale University Press, 2006); reporting in Dagens Nyheter, 25 June 2007, beginning with “Report from Unmikistan, Land of the Future”.

¹³ Compare Michael Carnahan, William Durch, and Scott Gilmore, “Economic Impact of Peacekeeping,” in *UN Peacekeeping Best Practices*, ed. Peace Building Dividend Trust (2006).

extensive involvement of transnational networks in sanctions busting. This stands in marked contrast to the elaborate technical assistance capacities and follow-up mechanisms the Security Council has developed to deal with terrorist networks.¹⁴

Organized crime: threat or opportunity for peace operations?

Just as peace operations influence organized crime, so organized crime can have a direct impact on peace operations. The criminalized components of conflict help to sustain the material basis for war-fighting and reduce the incentives for a turn towards peace. Organized crime operating in conflict situations thus creates a more challenging operational environment for peace operations and peace processes.

In some circumstances, however, illicit activities can contribute positively to the objectives of peace operations. For instance, in situations where international humanitarian aid is inadequate, black markets may compensate for missing aid and may provide essential goods and services. During the war in Bosnia, residents of Bihac could barely meet their basic needs through international humanitarian aid. And although the UN peace operations formally opposed smuggling and black marketeering, some UN peacekeepers reportedly provided escorts for the delivery of goods they were aware had been purchased on the black market.

From a more strategic perspective, the military balance that may be an obstacle to war termination might be altered by the smuggling of arms, breaking a stalemate and creating conditions for a negotiated peace. Extensive corruption and profiteering by military and political leaders may also, in some circumstances, erode the morale of their respective support groups and troops, or even corrode the war-fighting capacity of an armed group, leading in time to a shift in the military balance. Lastly, the new opportunities for organized crime during conflict can create new stakeholders in peace, with an interest in investing into post-conflict reconstruction.

Peace operations thus provide a significant intervening variable that can restructure the relationship between conflict and organized crime in complex ways. Peace operations have a range of intended and unintended consequences in relation to organized criminality in the field. Precisely because of this complexity, any presentation of the “positive” impacts of organized crime during conflict must be undertaken with great caution. Although there might be incidental and very marginal “desirable” effects, illicit economies in conflict undermine economic diversity and stability, hinder currency stability, have significant consequences for the long-term process of state-building – and, above all – foster a political economy based on violence, exclusion and repressive authority. Peace operations’ responses to organized crime in conflict-affected areas thus seem likely to have a significant impact on their success in meeting their broader objectives of violence reduction and promotion of liberal democratic governance.

Organized crime as a potential peace spoiler

Peace operations have begun tentatively to move towards an integrated, managerial approach treating a wide range of violent actors engaged in illicit commercial activities in conflict-affected and fragile states as potential spoilers. But as of yet, decision makers

¹⁴ See generally Peter Andreas, "Criminalizing Consequences of Sanctions: Embargo Busting and Its Legacy," *International Studies Quarterly* 49, no. 2 (2005).

appear only exceptionally to have fully worked through the implications of such an approach for mission-wide strategy, force structures and resourcing needs, and for relations with local, bilateral and multilateral partners in responding to organized crime.

The 2007 Report of the Secretary-General on the United Nations Stabilization Mission in Haiti (MINUSTAH) recognized the need for conceiving organized crime as a potential threat to the peace process.¹⁵ This seminal report represents the behavior of violent gangs, arms traffickers and institutionalized corruption as interconnected threats to the peace process in Haiti. Yet the report has little to say about how MINUSTAH might go about facilitating local, national and regional responses to this complex threat, beyond a general call for capacity building in the areas of policing, justice, customs and border control. A more detailed response will require a more detailed understanding of how these networks operate in and through Haiti, and what kind of ‘spoiling’ effects their activities are likely to produce. Will they pose a direct military threat, or more indirect threats such as corruption of governmental authorities, the undermining of economic growth, or persistent crime, any of which might sap popular support for the government of Haiti and the international community’s efforts? Depending on the answer to this question, different techniques and tools may be necessary for effective management of the risks these criminal networks pose. And the techniques and tools chosen by MINUSTAH will lead directly to different force structure and resourcing preferences, and may call for different roles for bilateral and multilateral partners – as suppliers to multilaterally-led counter-organized crime and counter-corruption efforts, as performers of these tasks in their own right in cooperation with the government of Haiti, or as builders of Haitian capacity to perform these tasks “alone.” Similar concerns about the need for coordination between the local government, bilateral partners and multilateral agencies in planning strategy and meeting resourcing needs are evident in Afghanistan and Guinea-Bissau.

Another example of peace operations’ movement towards a more comprehensive “spoiler management” approach relates to recent efforts to manage arms availability in conflict and post-conflict situations. While arms availability, circulation and misuse are important factors in precipitating armed conflict and organized crime, the approach by the international community has recently moved towards a more holistic, integrated approach, tackling arms availability and their use as one element in a larger question of social opportunity and governance. Peace operations have often focused on supply-side restrictions to reduce arms availability through embargoes, sanctions, increased border control, search operations and arms collection. In recent years, however, new approaches have emerged involving community based projects aimed more at influencing demand for arms, and which build up legitimacy and confidence through localized activities. Coordinating security, development and “political” stability goals, peace operations are increasingly looking towards putting guns out of reach (instead of out of circulation), reducing misuse, and reducing violence – whether political or criminal – over all. This may be an example of how the international community is developing an increasingly sophisticated approach to managing the various forms that violent, political and criminal peace spoiling behavior may take.

¹⁵ United Nations Secretary General, "Report of the Secretary-General on the United Nations Stabilization Mission in Haiti," UN Doc. S/2007/503, 15 October 2007, p. 2.

This 'spoiler management' approach has two advantages for peace operations. First, by concentrating attention on managing spoiling behavior and activities, rather than on punishing or excluding certain actors by labelling them as criminal, this approach reduces the risks of social stigmatization, and any accompanying damage to post-conflict reconciliation and peacemaking. Second, it provides clear, delimited parameters and achievable milestones against which peace operations progress in this area can be measured. Rather than peace operations being tasked to fight organized crime *per se*, they would be given the more limited, achievable and measurable objective of managing organized criminality's impact on peace processes. The goal shifts from the endless fight against organized crime to the more immediate and reachable goal of managing organized crime to ensure it does not jeopardize the process of delivering a system of governance based on social legitimacy, responsible regulation of political competition and involving minimum violence.

Strategy

The assumption that certain types of organized crime can help achieve the objectives of peace might be helpful in certain specialized cases. Most of these "positive" effects are short-term, conflict-specific and localized, whereas to establish peace, long-term and comprehensive strategies and objectives must be envisaged. At a strategic level, peace operations are confronted with several trade-offs and dilemmas when addressing the issue of fighting organized crime.

State-building

Organized crime can be conceived as competing with peace operations to shape the post-conflict political economy of a state. Organized criminal groups – highly violent, repressive and authoritarian in nature – are interested in weakening or at least corrupting state law enforcement structures, to ensure a permissive environment for illicit activities. State-building,¹⁶ as an ultimate objective for many international interventions – and an explicit objective for some contemporary peace operations – is consequently vulnerable to corruption by illicit businesses and criminal organizations, often through their influence over local actors.

The early stages of post-conflict state-building create multiple opportunities for organized crime. Criminal organizations may exploit foreign intervention to gain international recognition for their positions of authority in the emerging political and economic life of the country. One classical method is for corrupt political organizations to use the proceeds and networks of organized crime during a conflict to underpin their involvement in post-conflict elections, in essence using the elections as a process of political "laundering" – as we have seen in Guatemala in the last decade. Another classic technique is for armed groups fuelled by the proceeds of organized crime to seek legitimization through internationally-backed peace agreements. In each case, the dilemma for peacemakers and peacebuilders is to choose between the "rule of state" and the "rule of law." The former, while initially more likely to establish stability, might require the inclusion of

¹⁶ Following Charles Call and Vanessa Wyeth, we treat state-building as "actions undertaken by national or international actors to establish, reform, or strengthen the institutions of the state *and their relation to society*" (emphasis added): Charles T. Call with Vanessa Wyeth, *Building States to Build Peace* (Lynne Rienner: Boulder CO, forthcoming 2008). Organized crime can thus corrupt state-building processes not only by corrupting state institutions, but also by corrupting the state's relationships with society.

“criminal” actors, potentially impeding the attainment of the longer-term objective of sustainable peace. The latter, while ensuring respect for international norms may, in the short term, jeopardize peace and stability.

Peacebuilding efforts in Afghanistan since 2001 faced this dilemma early on. When local warlords were incorporated into early state-building efforts – in an attempt to build an inclusive and representative government – they gained enlarged freedom to participate in organized crime, especially narcotics production and trafficking and illicit trade in legal goods. The result is a very significant illicit economy, which undermines human security throughout the country, fosters corruption, decreases state tax revenues, destabilizes the local currency, encourages market speculation and inflation, crowds out investment in the licit economy, and increasingly forces large sections of the population into the illicit economy in a search for access to credit and a reliable income

Similarly, in West African conflicts, organized crime networks emerged as spoilers of long-term peacebuilding efforts as local actors took advantage of the cover offered by participation in peace negotiations. A place at the negotiating table offered an avenue for criminal networks and interests into formal government institutions. In both Sierra Leone and Liberia, this led to later crises when the international community or local authorities overturned this settlement, exposing these actors (the RUF in Sierra Leone, and Charles Taylor and other leaders in Liberia) to criminal prosecution. In many other cases, deals in which powerful leaders were offered formal protection, through election to office, amnesty, or exile, overlooking justice in favor of war termination, remained in place.

An additional complexity derives from the fact that, in some cases, organized crime may actually facilitate intercommunal exchange and transactions, helping to integrate the economic lives of former adversaries. Thus effective management of organized criminality by peace operations may require not only an assessment of the presence and structure of organized crime groups in the operating environment, but also a more strategic assessment of the functional relationship between organized criminal activity and different authority structures populating the operating environment. The role of exclusivist discourses (such as political or communal ideologies) in the organization of crime may thus be of particular importance in assessing the viability of organized crime groups as either partners for peace or potential peace spoilers.

In certain circumstances, the authority of these criminal groups may be so unassailable and the extent of the service-provision function that they play may be so broad that peace operations may be forced to work with them, rather than against them. In these extreme cases, top-down state-building may not be the best path to peace. As one participant at the Seminar noted, “Some states – like Humpty Dumpty – cannot be put back together again.” Facing problems where organized criminal groups threaten stability and security, illicit power structures may be the least bad available form of governance in the short term. State formation has, historically, occurred over a period of generations – a timeline far beyond the contemplation of contemporary peace operations. If anything, contemporary approaches to state-building, with their habitual reliance on the top-down emplacement of foreign political and governmental structures, may even lengthen the timelines involved in state-building, since they will require the absorption and adaptation of foreign structures into the social life of the state in question, rather than the autochthonous development of a state-structured social life from the ground up. And state-building has often involved states co-opting organized crime networks, as a way of

taming other (commercial) networks built on religious, ethnic or other more exclusive community solidarities. Peace operations have, to date, given little thought to how they could – within the constraints of international law – replicate such a strategy.

Legitimacy

In contrast to the top-down approach of much contemporary state-building, governance by organized crime can be characterized as a relatively bottom-up – though violent and repressive – form of social ordering. Organized crime often brings a certain form of coerced stability to local populations, providing them with a ‘system of protection.’ Organized crime may even be perceived by some populations as offering something of a safety net and may come to obtain a certain local legitimacy. In conflict situations, it is often precisely the informal economy that ‘works,’ even if it involves activities that have been labeled as ‘criminal’ by the state or international authorities. In some extreme cases, such as in the eastern Democratic Republic of Congo, it is hard to distinguish between criminals and non-criminals and between state and non-state – realities that problematize Westphalian state-building. Organized crime figures often buttress their “performance” legitimacy with appeals to other forms of legitimacy, such as traditional authority, exhibitions of charismatic authority, or, more simply, greed. Yet, ultimately, we cannot overlook the reality that this local legitimacy of organized crime, as real as it may be, grows from the barrel of a gun.

Peace operations and state-building inherently challenge this grassroots legitimacy and seek to replace it with other sources, or new forms, of legitimate authority. Consequently, they must deal not only with the hardware of organized crime (the assets, personnel and commodities), but also its software (the social institutions through which crime is organized and legitimated). Peace operations are increasingly engaged in direct competition over legitimacy with organized crime actors and other non-state sources of authority. In extreme situations, this competition becomes violent.

At the same time, the process of altering the structure of legitimacy within a social space may also create new opportunities for organized crime. Anti-organized crime efforts by the international community seeking to co-opt parts of the population in fact risk alienating parts of it and turning it against the state and the international community, creating room for exploitation by organized crime groups and other peace spoilers. This may, in time, turn what had begun as economically motivated “crime” into politically motivated “conflict.” In extreme cases, peace operations’ actions to stem illicit revenues (such as crop eradication efforts) may create a backlash demand for protection from these very peacebuilding efforts, playing into the hands of established criminal networks and armed groups and consolidating illicit markets.

This has been the pattern in Afghanistan, where the opium economy is now deeply intertwined in the socio-economic fabric of significant parts of Afghan society. Consequently, actions taken directly to stem this internationally illicit, but locally legitimate, business must be carefully balanced with other strategic priorities. Although the Afghan population has seen several eradication attempts over the last few decades, the attempts by the international presence since 2001 to stop the production of poppy seeds have had several unintended consequences, particularly creating opportunities for political mobilization by the Taliban and other spoilers. Since many Afghans depend on

the trade for income, access to credit and protection from coercive overlords, eradication has met with significant resistance. Eradication efforts have at times alienated local populations from the national government and local leaders. Eradication has also motivated populations to provide intelligence and other operational assistance to the Taliban and undermined the efforts by NATO and the Afghan army to encourage the provision of intelligence on the Taliban. Besides re-strengthening the Taliban, both financially (through profits from illicit opium trade) and physically (through new recruits drawn from young men without livelihoods or future prospects), the eradication programs may also risk undermining long-term efforts to rebuild a functioning government by stimulating corruption within state institutions.

What this may point to, as we explore further in the final section of this report, is the need to take local legitimacy more seriously when designing and executing international operations, particularly by developing a more nuanced understanding of the socio-economic function of illicit economies and organized criminality in conflict-affected and fragile states.

Economic agendas

The examples provided above demonstrate that peace operations must be aware of the underlying socio-economic structures which connect local livelihoods to organized crime. To attract individuals away from organized crime, the international community must put a special premium on quick-impact initiatives designed to create alternative livelihoods, particularly for the young men who leave conflict with few skills beyond the delivery of violence.

The current organization of immediate post-conflict economic recovery strategies seems ill-equipped for this. Coordination between peace operations, bilateral donors, private sources and relevant multilateral agencies is slow and cumbersome at best, and non-existent at worst. The United Nations Peacebuilding Commission may somewhat ameliorate this situation, but it has limited capacity. Guinea-Bissau will prove an important test case for its ability to handle such complex crime-related development issues, not least because that country has not yet had to confront the arguably even more complex problem of the direct connection between crime and armed conflict. But the lessons the Peacebuilding Commission learns in dealing with Guinea-Bissau could prove informative for developing responses to these problems in post-conflict contexts, and for peace operations in a variety of situations.

The strategy that the international community currently takes in dealing with these challenges was also called into question at the Seminar. The emphasis on macroeconomic liberalization, export-led growth and privatization that currently dominate the international community's state-building efforts are not straightforwardly reconcilable with this goal of protecting and promoting individual livelihoods. If anything, the contemporary approach in fact increases the financial risks confronted by individual economic actors in the short-term during the transformation of war economies. State tariffs, protection barriers and welfare mechanisms are shrunk and domestic enterprise is exposed to foreign competition. Jobs are lost. This can lead not only to opportunities for mobilization by peace spoilers around resistance to this transformative agenda, but also to opportunities for them to invest the proceeds of their war-time crime in newly privatized

assets, laundering their dirty money and institutionalizing their ill-gotten power. At the same time, the exposure of domestic industry to foreign competition can reduce state revenues, and even drive local economies to operate clandestinely, further weakening the state. The result may be increased opportunities for corruption, further undermining the presumption upon which the current economic orthodoxy is based – that there is a reliable state partner with whom to undertake economic transformation.

Many participants in the discussion argued that, at least in the short term, the international community ought focus more on the stabilization and provision of alternative livelihoods at the local level, instead of raising expectations through macroeconomic reforms while failing to meet the immediate socio-economic needs of the people. Participants discussed the need to balance the longer-term goals of macroeconomic liberalization pursued by development partners with a more immediate focus by peace operations on short-term economic stabilization, if necessary through state-led stimulation of the economy, and household-led economic growth. This may require a more concerted effort by peace operations planners and leaders to negotiate coordinated but differentiated approaches with the Bretton Woods institutions and bilateral donors, for example through funding for quick-impact, labor-intensive infrastructure projects or greater emphasis on stimulation of traditional economic sectors such as rural agriculture.

At the same time, Quick Impact Projects need to be coupled with training, the extension of services, access to credit and other elements of a comprehensive microeconomic strategy designed to build sustainable livelihoods. Some Seminar participants argued that the increased emphasis on green energy projects such as carbon sequestration and biofuel production might offer an alternative path to economic growth in such situations. Peace operations may, thus, need to coordinate more closely, not only with macroeconomic institutions, but with providers of microeconomic support such as UNDP, microfinance providers and even the International Labour Organization.

Thinking more regionally is necessary, especially when addressing transnational organized crime. Peace operations' response to organized crime in one country risks simply displacing organized criminal activity across the border, into neighbouring countries. And transborder criminal networks can only be effectively tackled through action on both sides of the border, which will require peace operations to work more collaboratively with each other, and with neighboring states. It is to such operational considerations that we now turn.

Tools and techniques

Throughout the conference, academics, policy makers and practitioners queried how peace operations can improve their response to organized crime. At the operational level, the question of whether peace operations are the right instrument to deal with organized crime, and if so, how they should deal with the problem, was a recurring theme. There was an overarching agreement that since organized crime can act as a spoiler to peace processes, peace operations cannot afford to ignore organized crime.

Some participants argued that there is a strong normative case for fighting organized crime through peace operations. First, because it is increasingly clear that organized crime can act as a significant peace spoiler, undermining peace processes, and

endangering human security following conflict and in fragile states. This becomes very apparent when analyzing post-conflict homicide rates, as studies show an average increase of 25% over rates prior to the onset of conflict.¹⁷ Even if this does not lead to a relapse into conflict, it may leave the state permanently weakened, and lives less secure. Second, peace operations are a key tool through which the international community deals with areas affected by state fragility and armed conflict, both of which are conducive in some respects to transnational organized crime that poses a threat to stability and security well beyond those areas.

The question remains, however, of how peace operations can best manage or fight organized crime, given their limited mandates and resources. Even if we agreed that peace operations may at best be able to adopt a “spoiler management” approach, what are the specific tools and techniques at their disposal?

Coordination, force structures and resourcing

How can contemporary peace operations best be organized to implement their mandates and strategies and attain their objectives, despite the threats posed by organized crime?

To begin with, it must be acknowledged that multilateral peace operations face certain inherent limitations in combating organized crime. Where organized crime often operates across borders and through transnational diaspora and commercial networks, peace operations are organized to operate within a specific country. Peace operations are often heavily reliant on military tools, with limited access to the covert policing, criminal intelligence, economic and financial regulation tools and social network analysis resources needed to combat organized crime. States’ reluctance to develop supranational policing capacities – due in part to justifiable concerns around information sharing in the insecure environment of multilateral organizations, and concerns about unchecked international surveillance capacities – means that peace operations will often have to turn to their national hosts or bilateral partners to provide this kind of law enforcement capacity directly. This raises other concerns about multilateralism becoming a mere “veneer of legitimacy” for unilateral intervention against adversaries labeled as “criminals” by foreign states. A more comprehensive multilateral approach to tackling organized crime in fragile states and conflict-affected areas – while problematic – could provide greater legitimacy, as well as coordinated strategies for national action and resource expenditure.

Peace operations will inevitably have to balance the goal of fighting organized crime against other goals, such as war termination, political reconciliation, stability, and humanitarian assistance. The compromises reached will require a trade-off between short- and long-term goals, and between local and international legitimacy. As a result, peace operations will continue to face the problem of playing multiple and potentially conflicting roles: acting as an impartial provider of support to peace and political processes, providing assistance to the performance of governmental functions and the building of state capacity, and acting as enforcers of international norms, such as arms sanctions, prohibitions on narcotics trade, or enforcement of human rights or international criminal law. Reconciling these various goals will involve hard and fundamentally political choices. The task of decision makers within peace operations is not made any easier by

¹⁷ Human Security Centre, "Human Security Report: War and Peace in the 21st Century," (New York, NY: Oxford University Press, 2005), p. 80.

the sometimes contradictory mandates provided by their political masters, without clear strategic guidance on how to resolve these trade-offs.

The choices made will affect the force structures needed to allow peace operations effectively to deal with organized crime and other, related violent actors. Peace operations may i) serve as delivery vehicles (for governmental functions such as border control and fighting organized crime), ii) serve as a coordination mechanism between other actors (such as bilateral donors, multilateral development institutions, and international policing and analysis bodies such as the United Nations Office on Drugs and Crime or INTERPOL), or iii) more simply act as a clearinghouse and analytical focal-point (for the development of longer term capacity building and development strategies by bilateral and multilateral donors).

The preferred approach may differ across different services or governmental functions, not least because peace operations may be able to organize a variable geometry in cooperating with national partners, regional organizations and private sector actors in different functional areas. Peace operations may not be well-suited to mounting covert policing operations (though EUFOR has done so with some success in Bosnia-Herzegovina); but they may be better suited to mounting other law enforcement operations relevant to countering organized crime, such as military patrols of borders. National partners may be reticent to share sensitive criminal intelligence with multilateral analysts embedded in peace operations; yet multilateral analysts may, as INTERPOL and UNODC have both at times demonstrated, offer highly credible analysis precisely because of their independence from national interest and their access to multiple sources of information. And where trafficking activities do not simply involve cross-border smuggling, but are embedded in larger regional criminal networks – as is often the case with narcotrafficking – the close involvement of regional partners in setting priorities and executing operations may become particularly important, leaving multilateral peace operations in more of a coordination role. Thus what “works” may differ from function to function, and may require different mandates, entry strategies, partnership arrangements, force structures and resourcing from the very beginning of a peace operation.

The current absence of over-arching strategic coherence in the approach peace operations take to organized crime is reflected not only in the fact that force structures are rarely tailored to meet the strategic threat that organized crime poses, but also in the absence of strategic and operational guidance discussing the threats posed by organized crime. The international mandates given to peacekeepers and peacebuilders have only very recently begun to include consideration of the fight against organized crime (with the Security Council’s recent approach to Haiti and Guinea-Bissau standing out). Guidance for leaders in the field on how to translate these mandates into reality is also scarce; even the contemporary ‘Capstone’ project in the United Nations Department of Peacekeeping Operations, designed to develop doctrine for UN peace operations, pays only oblique reference at present to the fight against organized crime, treating it primarily as a question relevant in building domestic rule of law capacity. This appears to lead to confusion on the part of peace operations’ leadership as to how they should prioritize the fight against organized crime in their own management of limited resources, as well as an *ad hoc* approach to cooperation with sanctions committees, INTERPOL and other relevant external actors such as international criminal tribunals.

Even where peace operations are clear in their approach, they often lack the necessary capacity (particularly in the area of information gathering and analysis, and knowledge of the microeconomic incentives at play in an illicit or conflict economy) effectively to implement these plans. Many participants claimed that the problems peace operations face in this field are not so much related to overstretch of peace operations as a failure adequately to manage and staff them.

Most participants at the seminar argued in favour of sequencing: establishing security in a conflict or post-conflict context should be the most important priority for a peace operation, and may even require adjusting economic and counter-organized crime strategy to that end. Physical security contributes heavily towards the main objective of peace operations. It is only minimal security that provides the operational space for other tasks to be carried out and upon which the basis for peacebuilding can be laid.

Again, this has been made clear by experiences in Afghanistan. Some participants argued that counter-narcotics makes little sense while the conflict is ongoing. Poppy eradication has arguably not only increased the grievances of the local population, but also run counter to the objectives of the international presence by strengthening the Taliban's legitimacy and smuggling revenues, by fostering corruption, and by regionalizing the problem. Participants suggested that poppy eradication and wholesale abandonment of the opium economy might only become a politically viable option after peace has first been made, or is at least credibly on the table.

Since the initial steps in making peace often fall primarily to military components, it may be quite natural for military elements to dominate the force structure of peace operations, and for a military culture to permeate much of the organization. However, other aspects of security – such as the fight against organized crime – might not best be dealt with by the military, and may require the inclusion of *gendarmerie* forces trained in covert policing but skilled in interfacing with military forces (as has occurred in EUFOR in Bosnia-Herzegovina), or of policing and intelligence operatives experienced in working with criminal and clandestine networks. The presence of policing components even prior to the deployment of peace operations will thus be central to the success of efforts to tackle organized crime. Within the UN, this should be facilitated by the establishment of the Standing Police Capacity Unit. But other international organizations engaged in peace operations – such as the EU and AU – may also need to consider how their own planning and force structure arrangements will address such strategic priorities.

Contemporary peace operations and peacebuilding activities offer some potential for experimentation in these areas. In Haiti, MINUSTAH's campaign against the gangs in 2006-2007 relied on networks of paid informants organized through MINUSTAH's Joint Mission Analysis Cell. In 2008, the Peace Building Commission will be developing ideas for responses to the threat posed by drug trafficking in Guinea-Bissau, drawing heavily on analysis developed by the UNODC. UN sanctions committees and Panels of Experts, appointed by the UN Security Council, also offer possibilities here: their monitoring of the effectiveness of international sanctions and embargos often serve to identify linkages between criminal networks and the continuation of conflict or the impediment of peace processes. But without coherent guidance from the Department of Peacekeeping Operations, and in particular its Office on the Rule of Law and Security Institutions, efforts within peace operations will remain very *ad hoc*.

Information gathering, analysis and guidance

Peace operations are too often deployed with an inadequate understanding of the nature of local organized crime, its intertwined relationship with local populations or warring factions, and the way it functions across conflict divides and conflict borders.

One of the key challenges to improving peace operations' understanding of, and responses to, organized crime is the dual difficulty for researchers of accessing information about organized crime, and about peace operations. Although rudimentary frameworks for analyzing organized crime exist – one of which is partly outlined above – the typology, definitions and terminology are still inconclusive, lacking as they do at this point comprehensive testing against empirical realities. The need for coherent and empirically-grounded typologies for analysis, together with a thorough assessment of the nature and threat of criminal organizations, is crucial for measuring the success of peace operations in dealing with organized crime. Although at the conceptual level some work has been done to study the inter-linkages between organized crime, state-building and war economies, there remains a large gap in empirical evidence sustaining these theories. While there is a lot of potential for further open and frank exchanges between academics, policy makers and practitioners through workshops such as this one held in Geneva, there is a strong call for field-based data gathering and research to test these frameworks.

This need for a better understanding of how organized crime functions in specific conflict networks is by no means limited to academics. On the contrary, the knowledge gap is especially striking *within* international peace operations. Since it may not be efficient to develop such an analytical or mapping capacity anew for every peace operation, OROLSI, the DPKO Best Practices Section or the Standing Police Capacity Unit , UNODC, Interpol and other parties should work to develop a capacity to draw together criminological, policing, anthropological, economic and area expertise. These parties could provide tailored situation analysis forming the backbone of efforts early on in any given peace operation to understand the criminalized conflict networks that the operation will confront.

This capacity should provide strategy-setters and operational planners with comprehensive situation analyses, providing a reading of the nature of local organized crime, its connection to local populations and warring factions, and the risks and opportunities it poses as a potential peace spoiler or peace partner.

These bodies should also consider establishing a Permanent International Commission to: provide analysis, coordination and training services-on-demand to peace operations and other international bodies in relation to organized crime; serve as a clearing house and analytical focal-point for information shared by Member States, regional organizations and other international bodies (such as UN sanctions bodies, INTERPOL, the Financial Action Task Force, or the International Civil Aviation Organization) relating to organized crime operating in fragile states and conflict-affected areas; and help inform strategic decision-makers, such as the United Nations Security Council, of potential threats from organized crime that may require responses by peace operations or other international interventions.

Senior officials of international policing units also highlighted the crucial importance of good collaboration, despite cultural differences, not only between international organizations themselves, but also between these organizations and local policing and judicial structures. Furthermore, the presence of significant organized crime during any period of executive law enforcement by an international presence or transitional administration may bring its own specific challenges, such as the need for criminal code provisions tailored to tackling organized crime (for example, allowing for judicially-monitored covert surveillance, mass trials, or the plea bargaining arrangements that may be necessary to roll up criminal networks by fostering informant networks). A Permanent International Commission as envisaged above could be tasked with preparing tools for use in such situations.

Lastly, it is crucial to understand that any international peace operation must work with the local population to ensure that its efforts are perceived as legitimate. Fighting organized crime is an especially delicate task in the context of international interventions, since people's livelihoods in weak states and conflict-affected zones will often depend on illicit market structures. Realizing that the reconstruction of licit economies is a very long-term process, which must be underpinned by a comprehensive effort to manage organized crime as a potential peace spoiler, will be crucial to any effort by peace operations to confront and manage organized crime.

ANNEX I – Programme of the Seminar

“Peace Operations and Organized Crime”

6th Seminar on Peace Operations

PROGRAMME OF THE SEMINAR

- 9 h 00 – 9 h 15** **Welcome and Introduction**
Dr. Peter Foot, Academic Dean, Geneva Centre for Security Policy (GCSP)
Mr. James Cockayne, Associate, International Peace Academy (IPA)
- 9 h 15 – 10 h 45** **Panel One: FRAMING THE ISSUES**
Chair: Dr. W. Pal Sidhu, Director of the NISC, GCSP
Analysts: Mr. James COCKAYNE, IPA
State fragility, organized crime and peace operations: towards an agenda
Dr. Phil WILLIAMS, University of Pittsburgh
Peace Operations and Other Responses to Organized Crime: Responding to Complexity
Ms. Victoria HOLT, Stimson Center
Framing the Issue: UN Responses to Corruption and Criminal Networks in Post-Conflict Settings
- 11 h 00 – 12 h 30** **Panel Two: CASE STUDIES**
Chair: Mr. Andrew Carpenter, Chief of the Strategic Policy and Development Section, Police Division, UN DPKO
- Afghanistan**
Analyst: Dr. Vanda FELBAB-BROWN, Georgetown University; Brookings
Peacekeepers Among Poppies: Afghanistan, Illicit Economies, and Intervention
Practitioner: Dr. Sandeep CHAWLA, UNODC
- The Balkans**
Analyst: Dr. Peter ANDREAS, Brown University
Peace Operations and Criminalized Conflict in the Balkans: The Case of Bosnia
Practitioners: Mr. Ari SARJANEN, European Union Police Mission
Col. Pasquale AGLIECO, formerly Integrated Police Unit, EUFOR
- 14 h 00 – 15 h 30** **Panel Three: CASE STUDIES**
Chair: Dr. Gustav Lindstrom, Faculty Member, GCSP
- Central America**
Analyst: Dr. Patrick GAVIGAN, formerly MINUGUA
Peace Operations and Organized Crime in Central America: The Case of Guatemala
Practitioner: Mr. Bernard LEROY, UNODC
Haiti
Analyst: Mr. James COCKAYNE, IPA
Peace Operations and Organized Crime in Haiti: Competing Systems of Protection
Practitioner: Mr. Robert MUGGAH, Small Arms Survey
Dr. Patrick GAVIGAN, formerly MINUGUA

15 h 45 – 17 h 15

Panel Four: CASE STUDIES

Chair: Brig. Gen. Francis Agyemfra (Retd), Former Chief of Staff of Ghana Armed Forces
West Africa

Analyst: Dr. William RENO, Northwestern University
Understanding Criminality in West African Conflicts

Practitioner: Mr. Antonio MAZZITELLI, UNODC

Great Lakes

Analyst: Dr. François GRIGNON, International Crisis Group
MONUC's failure to address arms and mineral trafficking in the DRC

Practitioner: Brig. (Retd) Yogesh SAKSENA, formerly UNAVEM and UNMEE

9 h 00 – 10 h 30

Panel Five: THE ROLES OF PEACE OPERATIONS

Chair: Mr. Francesco Mancini, Associate, IPA

Speakers: Mr. Robert MUGGAH, Small Arms Survey
Arms trafficking, armed conflict and state fragility: what role for peace operations
Maj. Irv MARUCELJ, HQ, Canadian Expeditionary Forces Command
Peace Operations as Facilitators of Organized Crime
Ms. Julia VIEDMA, INTERPOL
Police co-operation, armed conflict and state fragility: what relationship with peace operations?

10 h 45 – 12 h 00

Conclusions and Next Steps

Chairs: Dr. W. Pal Sidhu, GCSP and James Cockayne, IPA

Speakers: Mr. Andrew CARPENTER, DPKO
Dr. Sandeep CHAWLA, UNODC
Dr. Michael PUGH, University of Bradford

ANNEX II – List of Participants

“Peace Operations and Organized Crime”

6th Seminar on Peace Operations

LIST OF PARTICIPANTS

1. **Col. Pasquale AGLIECO**, Formerly Integrated Police Unit in Bosnia and Herzegovina, EUFOR
2. **Brig. Gen. Francis A. AGYEMFRA (Retd.)**, Former Chief of Staff of Ghana Armed Forces
3. **Dr. Peter ANDREAS**, Associate Professor of Political Science and International Studies Director, Brown University
4. **Mr. Tony ANDERSON**, Manager, Global Peace Operations Programme, Department of Foreign Affairs Canada
5. **Ms. Anna BRACH**, Course Coordinator, New Issues in Security Course and PSO Seminar, GCSP
6. **Prof. Thomas J. BIERSTEKER**, Curt Gasteyger Chair in International Security and Conflict Studies, Graduate Institute of International Studies
7. **Mr. Ivan BRISCOE**, Senior Reasercher, Fundación para la Relaciones Internacionales y el Diálogo Exterior
8. **Ms. Tatiana CARAYANNIS**, Associate Director, Conflict Prevention and Peace Forum
9. **Mr. Andrew CARPENTER**, Chief of the Strategic Policy and Development Section, Police Division, UN DPKO
10. **Dr. Sandeep CHAWLA**, Chief, Policy Analysis and Research Branch, UNODC
11. **Mr. James COCKAYNE**, Associate, International Peace Academy
12. **Dr. Vanda FELBAB-BROWN**, Assistant Professor, Georgetown University and Non-resident Fellow, Brookings Institution
13. **Mr. Marc FINAUD**, Faculty Member, GCSP
14. **Dr. Peter FOOT**, Academic Dean, GCSP
15. **Ms. Miriam FUGFUGOSH**, Course Coordinator, Euopean Training Course and Peacebuilding at EMP, Mali, GCSP
16. **Dr. Patrick GAVIGAN**, Human Rights Lawyer, formerly MINUGUA
17. **Dr. François GRIGNON**, Director of the Africa Program, International Crisis Group
18. **Mr. Wayne HAYDE**, Chief of the Conduct and Discipline Unit, UN DPKO
19. **Ms. Victoria HOLT**, Senior Associate, Henry L. Stimson Center
20. **Cdr. Will JAMIESON**, Formerly Commander of the Participating Police Force (PPF), Regional Assistance Mission to the Solomon Islands (RAMSI)

21. **Mr. Michael JORSBACK**, Deputy Commissioner, Swedish National Criminal Police
22. **Mr. Benno LAGNER**, Head of the UN Coordination Unit, Federal Department of Foreign Affairs, Swiss Foreign Ministry
23. **Mr. Bernard LEROY**, Senior Legal Advisor, UNODC
24. **Dr. Gustav LINDSTROM**, Faculty Member, GCSP
25. **Dr. Adam LUPEL**, Editor/Publications Officer, IPA
26. **Mr. Frank G. MADSEN**, Research Fellow, Centre d'Etudes Diplomatiques et Stratégiques
27. **Mr. Francesco MANCINI**, Associate, IPA
28. **Maj. Irv MARUCELJ**, Operational Planner for Afghanistan, Headquarters, Canadian Expeditionary Forces Command
29. **Mr. Antonio L. MAZZITELLI**, Head of the Regional Office for Central and West Africa, UNODC Senegal
30. **Mr. Robert MUGGAH**, Senior Researcher and Projects Coordinator, Small Arms Survey
31. **Dr. Funmi OLONISAKIN**, Director, Conflict, Security and Development Group, International Policy Institute, King's College London
32. **Mr. Mario PANIZZON**, Chief, Federal and International Operations Intelligence Support, Criminal Intelligence Programme, Royal Canadian Mounted Police
33. **Mr. Daniel PFISTER**, Assistant to the Academic Dean and Project Coordinator, GCSP
34. **Dr. Michael PUGH**, Professor of Peace & Conflict Studies, Dept. of Peace Studies, University of Bradford; and Editor, *International Peacekeeping*
35. **Mr. Raj RANA**, Consultant, Project on International Geneva Peacebuilding, GCSP
36. **Ms. Madeleine REES**, Head of Women's Rights and Gender Unit, United Nations High Commissioner for Human Rights
37. **Dr. William RENO**, Associate Professor & Director of Graduate Studies, Department of Political Science, Northwestern University
38. **Brig. Yogesh K. SAKSENA (Retd.)**, Indian Army, formerly UNAVEM and UNMEE
39. **Mr. Ari SARJANEN**, Deputy Head of Mission, European Union Police Mission in Bosnia and Herzegovina
40. **Dr. W. Pal SIDHU**, Course Director, New Issues in Security Course, GCSP
41. **Amb. Fred TANNER**, Director, GCSP
42. **Ms. Julia VIEDMA**, Director of INTERPOL's National Central Bureaus Services and I-24/7 Development Directorate, INTERPOL
43. **Ms. Lisa WATANABE**, Project Assistant, Research Programme on Geopolitical Implications of Globalisation, GCSP
44. **Dr. Phil WILLIAMS**, Professor of Public and International Affairs, University of Pittsburgh