

WAR, CONFLICT AND ORGANISED CRIME CONFERENCE

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OVERVIEW

- Research Objectives
- Methodology
- Research Questions
- Theories of war and OC
- External/ internal factors contributing to OC
 - ★ Governance
 - ★ Economic
 - ★ Social
- Interventions in combating OC

OBJECTIVES OF RESEARCH

- Trace links between conflict, civil wars and organised crime.
- Consider role of organised crime networks in post-conflict situations.
- Lessons for resolution of conflicts and post-conflict reconstruction.

METHODOLOGY

Literature review and case studies

**Angola, DRC, Mozambique, Zimbabwe,
Sierra Leone & South Africa (comparative)**

Government (Police, army, Customs, Central
Banks, Auditor- General, ACC)

Specialist NGOs (Governance, drug control,
small arms management)

Civil society (Churches, traders, business)

Private security

International organisations (IMF, World Bank, UN)

Capital and border area.

RESEARCH QUESTIONS

- Have OC networks caused or prolonged civil wars? Are rebellions merely OC on a larger scale? Definitional issues.
- What is the nature and role of OC during conflicts?
- What has happened to OC networks in post-conflict societies? Does the economic or political transition make a country more vulnerable to OC?
- What are the internal and external factors that attract or inhibit OC?
- What OC organisational models are useful in understanding OC in Africa?
- What is the impact of OC (short, medium and long term)?
- What interventions are necessary nationally, regionally and internationally?

THEORIES OF CIVIL WAR AND OC

- **3 Schools of thought:
World Bank (Collier et al) Greed vs. grievance.**

Wars caused by opportunity structure for rebellion. Resource dependent states 40x higher risk of conflict. Grievance used to legitimate appropriation of resources.

Fearon and Laitin

Opportunity structure is due to weak states-not natural resources.

Rebellion is a form of OC on a larger scale.

THEORIES OF CIVIL WAR AND OC

Risk factors: Poverty, lootable resources, terrain, large population & external support (Diaspora or other states).

N. Sambanis

Theories 1 & 2 can't explain all violent conflicts (resource poor /rich countries). Rebellion- not necessary if resource extraction can be achieved through other means e.g. criminal looting. Depends on demand for loot & political change & the opportunity & mechanisms used for resource extraction.

Theories of economic causes of civil wars have led to greater attention to the role of OC networks in conflict e.g. UN expert panel on Angola, DRC, Sierra Leone.

RELATIONSHIP BETWEEN WAR AND OC

- **Research findings :**
- Resource rich countries experienced OC prior to civil wars (e.g SL, Angola & DRC).
- State effectiveness & demand are significant factors in determining level of OC. Access to markets through hostile neighbours NB.
- Access to natural resources and commodities (drugs) & illicit trade can prolong wars. May also influence nature of war.
- Lootable resources (alluvial diamonds, drugs)- non-separatist insurgencies. Unlootable resources (oil, kimberlite diamonds) - separatist movements and war machinery of state.

WAR AND OC

- Nature of rebel movement also influences the nature & level of OC in conflicts and post-conflict situations .
e.g. UNITA & RUF- secret trading by commanders
UNITA- non-monetary economy
- Resource poor countries also experienced organised crime before and during conflict or civil wars (Zimbabwe, Mozambique). Related to impact of conflict or war, nature and structure of the economy and governance.
- Rebel groups are not OC groups - retain political and military goals- political negotiations possible. Could make a distinction between military production, anarchic exploitation and criminal transactions.
- Links to OC middlemen need to be addressed at international level -legal frameworks exist.

MODELS OF OC

- Different approaches to understanding concept of OC and the causes, nature and extent of OC.
- Phil Williams outlines 4 models of OC:
 - ◆ **Political models:** increase in OC due to weak states and absence of rule of law.
 - ◆ **Economic models:** Predict OC trends due to market supply and demand.
 - ◆ **Social models:** Cultural and social basis for OC (OC as a social system).
 - ◆ **Strategic or risk management:** safe havens for OC due to corruption.
 - ◆ **Composite or ‘hybrid’ models.**

GOVERNANCE

- Most OC groups depend on degree of corruption to facilitate activity
- (UNDOC estimates 50% rely on corruption & 30% have political influence at local/regional level) .
- Countries studied OC, corruption and poor governance linked by all respondents.
- World Bank provides 5 measures of good governance:
 - ◆ Voice and accountability
 - ◆ Government effectiveness
 - ◆ Control of corruption
 - ◆ Rule of law
 - ◆ Regulatory quality.

GOVERNANCE MATTERS

- Rankings (percentile 0-100)
- DRC 0.5-3 (regulatory quality)
- Angola 3-9 (government effectiveness)
- Zimbabwe 5-22 (government effectiveness)
- Mozambique 14-43 (Voice & effectiveness)
- SA 59-70- (Voice & effectiveness)
- SA scores highest on governance but also on levels of OC (UN victimisation surveys).
 - ◆ Robberies SA, Zim, Seychelles, Zambia
 - ◆ Fraud SA, Zimbabwe, Tunisia, Zambia
 - ◆ No stats for DRC, SL, Angola- lower levels?

GOVERNANCE

- OC higher in societies in transition (democratic or economic transitions). Countries that are more authoritarian may experience less OC in short-term.
- SADC and WA - liberalisation
- Similar trends in E. Europe & former Soviet Union.
- SA, Angola, DRC and SL at different stages of transition processes. Could anticipate increase in OC in next 10 years.
- Good governance important for managing transition process & redressing economic inequality and poverty fueling OC.

ECONOMIC POLICIES

- **Regional level and international factors:**
 - ◆ Conflict and instability – no common values between states. Regional integration from below.
 - ◆ States in WA and SA – different tariffs/ maintain USD currency – increased OC (smuggling).
 - ◆ Demand in mainly developed countries for commodities – OC activity. Creation of middlemen linking suppliers to markets e.g. After Cold War (weapons), diamonds etc. Frequently ex-combatants from various countries- Eastern Europe, Soviet Union,. SA.

ECONOMIC POLICIES

■ .Macro-economic level:

- ◆ Urban bias in economic policies – urbanisation and crime or migration to natural resource rich regions. E.g. state monopoly in marketing agricultural products.
- ◆ Management of natural resources-inequitable and lacking in transparency.
- ◆ Price controls – smuggling to other countries for higher prices.
- ◆ Artificial exchange rates- black markets for foreign currency- also increased other forms of illegal trade.
- ◆ Market dominant minorities e.g Lebanese, SA-Crony capitalism (political support in return for economic kickbacks) or indigenisation policies (nationalisation/ privatisation, soft loans). Frequently favour particular ethnic or socially distinct groups.

ECONOMIC POLICIES

- ◆ **Micro-level**
- ◆ Growing poverty & inequality in general population combined with flows of ex-combatants in WA or disaffected demobilised soldiers in SA- pool of recruits.
- ◆ Civilian population depend on 'war economy' as a survival strategy. International community needs to take this into account when designing intervention strategies.
- ◆ Large size of informal economy in most countries (29- 68%)- distorts economic policies and conceals OC activity (regulation without taxation?)

SOCIAL ASPECTS OF OC

- Historically, OC networks based on family & kinship ties.
- Frequently associated with refugees or migrant groups- outsider phenomenon.
- Alternatively, OC groups within state structures may mirror power structures in society at large.
- OC networks - adaptable- recruiting across ethnic, religious and racial lines to avoid detection.
- Presentations will discuss this aspect but not focus of research.

COMBATING OC - INTERVENTIONS

◆ **Public sector governance**

- ★ Public national budget
- ★ Audits of national departments
- ★ Access to information
- ★ Enabling environment for media
- ★ Economic and social policies

◆ **Independent institutions**

- ★ Anti-Corruption Commissions
- ★ Public Protector

◆ **Private sector governance**

- ★ Regulatory business framework
- ★ Legislation and policy on corporate governance

COMBATING OC

◆ Justice system

- ★ Independent judiciary
- ★ Professional associations
- ★ Investigation capacity?
- ★ Building capacity in war torn countries

◆ Policing

- ★ Establishing coverage of country
- ★ Specialised units
- ★ Technical assistance (ML)
- ★ Civilian oversight

COMBATING OC

◆ Civil society

- ★ Build into APRM - Extractive Industries Transparency Initiative. Strengthen governance and security CSO sector.

◆ Regional and international institutions

- ★ Harmonise legislation and policies
- ★ Incorporate OC into regional policy documents
- ★ Strengthen SARPCCO, SADC
- ★ Build common values on issues -natural resource management, security (e.g. African Mining Partnership within NEPAD)

◆ International institutions

- ★ Strategies to reduce OC - Peacekeeping, reconstruction.