



Dipartimento di Scienze Politiche

Cattedra di Sociology of Terrorism

The financing of Terrorism

RELATORE

Chiar.mo Prof.

Alessandro Orsini

CANDIDATO

Sofia Mazzei

082632

ANNO ACCADEMICO 2018/2019

INDEX

INTRODUCTION.....	3
1. CHAPTER 1 – THE ILLICIT TRAFFICKING OF CULTURAL GOODS.....	6
1.1 <i>The paradox of Arts and Cultural trafficking.....</i>	6
1.2 <i>ISIS, annihilator, plunderer and seller of antique works.....</i>	7
1.3 <i>A business in meteoric rise.....</i>	8
1.4 <i>Gaps and failures in the fight against the illegal trafficking of artworks.....</i>	9
2. CHAPTER 2 – CRYPTOCURRENCIES AND TERRORISM.....	12
2.1 <i>Follow the money.....</i>	12
2.2 <i>Functioning and characteristics of cryptocurrencies.....</i>	14
2.3 <i>Centralized virtual currencies.....</i>	16
2.4 <i>The added value of cryptocurrencies to the financing of terrorism.....</i>	17
2.5 <i>The main challenges of cryptocurrencies.....</i>	20
3. CHAPTER 3 – NARCOTERRORISM.....	24
3.1 <i>Definitions.....</i>	24
3.2 <i>Increase in turnover.....</i>	25
3.3 <i>Cause and effect.....</i>	27
3.4 <i>Crime and terrorism: the continuum.....</i>	31
3.5 <i>Narcoterrorism and armed conflicts.....</i>	34
3.6 <i>Narcoterrorism and TCOs.....</i>	39
3.7 <i>Narcoterrorism and transit Countries.....</i>	41
3.8 <i>Combating strategies against narcoterrorism.....</i>	41
CONCLUSION.....	43
BIBLIOGRAPHY.....	44
RIASSUNTO.....	47

INTRODUCTION

Terrorism is an expensive business.

Each attack, based on its complexity, requires several economic resources to ensure efficiency and availability of means. Only in terms of operational costs, the 9/11 attacks for instance, amounted to 500.000 dollars. To these costs, we must add whatever is needed to maintain complex, clandestine organisations and to keep the terrorist engine working. According to an estimate of the overall costs of terrorist organisations, updated to 2011, the annual accounts expressed in dollars are the following:

- Al Qaeda, 30 million dollars
- IRA (Irish Republican Army) until the 90s, 15 million dollars
- PKK (Partitico Comunista Curdo) 86 million dollars
- Hezbollah, between 100 and 200 million, with peaks around 400 million dollars
- Afghan Taliban around 360 million dollars
- FARC (Fuerzas Armadas Revolucionarias de Colombia) around 1 million dollars¹

The topic of terrorist financing is a crucial element to comprehend the phenomenon, to provide a detailed mapping and to enhance the means of prevention, contrast and suppression of terrorist crimes. According to Michael Freeman, the sources of funding can be clustered into four macro groups: state support, legal activities, popular support, illegal activities.² Funding by States has significantly decreased in the last three decades, after the Cold War. Since the end of the Second World War to the collapse of the Soviet Union, the financing of terrorist activities was considered necessary for both blocks. Communist countries (Soviet Union, Cuba and North Korea) supported terrorist groups capable of destabilize NATO countries and geopolitical equilibria controlled by the US and whose ideology was linked to communism. The US in turn, invested in resources to finance the Taliban in order to oppose the Soviet occupation in Afghanistan, the Contras in Nicaragua and other formations considered functional to the fight against Communism, particularly in Latin America. Several Arab countries supported the Palestinian organisation PLO (Palestine Liberation Organisation). Libya was very active in providing money to a number of terrorist groups: Red Brigades in Italy, Baader Meinhof in Germany, Ira, PLO, ETA, Japanese Red Army. Arab countries openly supported Al Qaeda and ISIS, Syria has always been Hezbollah's forager.

¹ Freeman M., *The Sources of Terrorist Financing: Theory and Typology*, Journal Studies in Conflict & Terrorism vol.34 2011, Issue 6 p.461

² ibidem p.465-470

According to Daniel L. Byman's typology³, funding in terms of state support is various and other than the supply of money, it can consist in:

1. direct control of the supported groups
2. coordinating of the terrorist activities according to the interests of sponsor state
3. regular contacts for future coordination
4. mere tolerance and non-interference in the activities of terrorist groups
5. underestimation or ignorance of the phenomenon
6. Inability to control its own territory and to exert sovereignty

On the one hand, the main advantage for terrorist organisations, resulting from state financing, lies in their high consistency, the easy access to these funds and in a sort of legitimization given by the support of a legal entity. On the other hand, the disadvantage is represented by the conditions the financing state can impose to the groups whose activity is exploited to obtain internal and international political results. Another critical issue is posed by possible political changes within the financing States, which would expose the terrorist groups to sudden cutting off of the financing, as happened to many communist terrorist groups after the fall of the Soviet Union. Legal activities to ensure the flow of money to terrorists are linked to the control terrorist groups exert on the occupied territories and on business in activities performed in plain sight. For instance, in Sudan, Al Qaeda controlled for some years farms, firms, fishing and other manufactory sectors. L'IRA owned a number of pubs, game rooms and taxi services which yielded money to organisation. The property was acquired through money laundering and the money was then reinvested in legal activities. Financing through legal channels is dangerous for terrorist since, even though it may give them a formal serenity, it exposes them to the risk of being subjected to controls and investigations which can start from their legal activities and end up revealing the terrorist network.

The other "normal" way of financing terrorism is through the support that such organisations openly receive from reference environment that share their purpose and, secretly or publicly support terrorist groups. The latter is the most legitimizing method of financing. Obtaining concrete economic support from associations, institutions, organisations and groups gives terrorists validity to their cause and their actions. Freeman argues that most groups receive resources by way of charitable donation, which are extremely common in Arab Countries, particularly in Saudi Arabia and Persian Gulf States, where there are plenty of donor organisations inspired by Islam. For many years, IRA, received the support of Irish organisations. Moreover, many Palestinians who live abroad make donations to various terrorist groups that support their cause. Furthermore,

³ Byman D., *The Changing Nature of the State Sponsorship of Terrorism*, The Saban Centre for Middle East Policy at The Broking Institution, 2008

there are single donors who possess significant resources, as was for Osama bin Laden's family, which gave Al Qaeda most of its assets. Receiving money from donors and supporters publicly exposes terrorist groups to potential constraints both in terms of a "moderation" of their actions and more violence, based on the suppliers' oscillation of opinion. Moreover, there is a high risk of proliferation of terrorist groups competing against each other to gain funds.

Nevertheless, the most widespread method of financing of terrorist groups consists in illegal activities. Such activities enable immediate access to money, a direct control of the criminal network used to acquire funds, to not depend on States and donors and to work in the shadows so that their activities are not easily subjected to monitoring.

Terrorists are used to operating on the sly thus, raising money through illegal activities is an activity consistent with their usual methodology.

There are a high number of illegal activities: kidnap and ransom, piracy, smuggling of raw materials, oil, cigarettes, precious stones, counterfeiting, extrusion, theft and robberies, petty crime, human and organ trafficking, illicit purchase of weapons and explosives, drug trafficking, use of cryptocurrency, illegal trade of artwork. This thesis will focus on the latter three means of terrorist financing which seem to be the most profitable yet complex to detect and prevent.

CHAPTER 1. THE ILLICIT TRAFFICKING OF CULTURAL GOODS

1.1 The paradox of Arts and Cultural trafficking

Within the many forms of terrorist financing, Arts and Cultural trafficking usually represents the most elusive and paradoxical kind of illicit trade. On one hand, terrorists destroy archaeological sites, sacred places, statues and any beautiful, antique artwork their iconoclastic rage may encounter, to reaffirm their ideological hostility to religious and cultural symbols of those civilizations they refer to as satanic, immoral, blaspheme and expression of evil. On the other hand, the remains of such destruction, which, for consistency should be handled as mere rubbish or sheer negative elements, are cynically used as goods for an illicit trade which, as a result actually values such assets. Moreover, the main final purchasers of such cultural products subjected to illegal trafficking are obviously not poor or uneducated people, rather, paradoxically, they are businessmen who own a remarkable supply of money, live in spacious and luxurious houses in which they can exhibit the artworks as furniture.

Basically, people who are miles away from the terrorists who are not averse to increasing the resources of bloody criminals in order to gain what otherwise would not be for sale. In other words, an extremely perverse track. Furthermore, the turnover generated with each of these products and activities for the benefit of terrorists are not easily quantifiable. Not only do artistic products have elusive ratings per se, but taxation is also sometime inexistent as well as non-transparent brokering and they often follow untraceable tracks. As far as the illicit trade managed by terrorists is concerned, the work of art and archaeological heritage market, usually partially opaque, becomes impenetrable like a dark night. Afghanistan and Iraq have recently been the first lands victim of destruction, plunder and trafficking of antiquities from terrorists.

Between 1966 and 1968 the Society for the Preservation of Afghanistan's Cultural Heritage, based on many eyewitness testimonies, provided detailed reports on the looting carried out by Islamic extremists using bulldozers to assault Afghan archaeological sites in order to obtain some merchandise to sell illegally. In 1999, Mohamed Atta, former hijacker who hurled an American Airlines plane against the North Tower of the WTC in New York, attempted selling archaeological remains coming from Afghanistan to a German Professor with the purpose of gaining money to buy a plane.⁴ The destruction of Bamiyan's world's highest Buddha statues, which date back to the third century A.D., was perpetuated by the Taliban on the 12th of March 2001. A terrorist group very close to Al Qaeda, named Al Haqqani Network, made of this trafficking a further extensive

⁴ Pringle H., *New evidence Ties Illegal Antiquities Trade to Terrorism*, Violent Crime, 2014

activity ensuring protection to businessmen who illegally sell sculptures and archaeological artefacts and are willing to pay a sort of taxation on the safety of such terrorist organisation.

1.2 ISIS, annihilator, plunderer and seller of antique works

In Iraq and Syria, Isis has continued the work of destruction and plundering, directing it at the financing of its own activities. Unlike other terrorist groups such as Al Qaeda, Isis did not benefit from state direct financing, rather, Isis extensively used the international trade of ancient works. Several investigations carried out by America's secret services, have reported what took place in Iraq between 2003 and 2005 in Bagdad's museum, from which terrorist groups stole vases, statuettes and other archaeological goods destined to illegal trading in order to gain money used for the purchase of weapons. Isis had under its control one third of the 12.000 archaeological sites in Iraq, before its defeat. Furthermore, possibility cannot be excluded that, even after Raqqa's debacle and the disintegration of Isis's state structure, a tremendous amount of goods subtracted from those sites still remains in the hands of those groups who survived the bombings and the expulsion from Syria.

The base of operation of these activities was located in Manjij, Syria. This sort of agency was organised so as to provide civilian smugglers with permits to access archaeological areas targeted to be robbed, by imposing a kind of 20-50% tax on the profits.⁵ Isis used to destroy archaeological sites and museum only after having extracted saleable products from them, to obtain earnings that could balance the reduction of income due to the struggle of selling petroleum products. Fabio Isman, a journalist specialized in fencing artworks, stated that "in May 2015 evidence of an extremely precise system of collection from Isis has been found, which accounts for 20% of a sale of archaeological goods equal to 1,25 million dollars."

Isis's activities in this realm were very well structured. Not only did the terrorist organisation have complete control on the archaeological sites it plundered and destroyed according to their economic and propaganda needs, but it also handled in many ways the trafficking of the stolen items. Besides selling directly antiquities to gain funds, Isis selected the ones worth selling and the ones destined to be destroyed, managed permits and taxation on the sacks performed by other subjects, ensured coverage and security to the traffickers. A wide-ranging trade. Moreover, the terrorist organisation obviously used a network of middlemen in order to maximize sales, especially in Turkey, Jordan and Iran. To such network of middlemen, Isis granted protection, armed escorts for the transfers, obtaining extensive profit margins. Where have all these artworks gone?

According to Annelies Pauwels⁶ a big deal have been sold to tourists in the small yard sales of archaeological goods in Jordan; others chose the path of online sales in the Deep and Dark Web, free from any monitoring;

⁵ Cox S., *The men who smuggle the loot that funds IS*, BBC NEWS, (2015)

⁶ Pauwels A., *ISIS and illicit trafficking in cultural property: Funding terrorism through art*, in *Freedom from Fear*, Not in our name-The Lost Generation of Violent Extremists, Issue No.11,

others have landed in the auction houses which sold, out in the open, works coming from Isis's market, properly equipped with false certificate of origin. Experts believe the vast majority of artworks subjected to direct or indirect ransacks are still unsold, preserved in storerooms ready to be sold in the future at ever-higher costs.⁷

Isis sold more works than it destroyed because there's a gray market which thrives exactly on the smuggling of these goods and as Leila A. Amineddoleh keeping in consideration the high quotations these cultural products yield, especially in the United States.⁸ In her research, Amineddoleh recalls that the American government found, in a raid against the properties belonging to the supervisor of Isis finance in 2015, evidences that the boss of this terroristic organisation engaged in the transactions of archaeological goods for a value superior to 100 million dollars, with a detailed map of the distribution network of these goods in the illegal market.

How many terrorist attacks can be carried out with these substantial resources?

1.3 A business in meteoric rise

The financing of terrorism through the trafficking of archaeological goods has undoubtedly the benefit of providing terrorists with massive amounts of money thanks to the selling of a few goods that on the illegal market still have great value and armed groups, such as Isis's, do not even need to buy. Deborah Lehr, founder and president of The Antiquities Coalition in Washington, calculated that the Paris terrorist attacks in November of 2015 costed approximately 90 thousand dollars. A relatively easy to cover up expenditure, by the selling of cultural heritage. As a matter of fact, with 1 million dollars, in the black market, one can buy approximately 11,667 Kalashnikov (AK-47s) with 2 and half million bullets or 1250 missile launcher and 5000 mortars.⁹

A document released by WikiLeaks, revealed that Isis terrorists planning an attack with missile launchers by Nasiriyah, had bought these weapons by supplying archaeological artefacts to a smuggler of such goods. The usual route of the archaeologically valuable ancient works of art, also documented by satellite observations, wound along Syria, crossing Turkey which served as gateway close to the Gulf nations, Europe -particularly London- and the United States.

As in every market there's no supply without demand. The art and antiquities market of the United states counting 27 billion dollars, annually, accounts for around the 47% of the global market in this sector. Europe

⁷ Lamb F., *Looting is the Greatest Threat to Our Cultural heritage in Syria*, Foreign Policy Journal, (2014)

⁸ Amineddoleh A., *Cultural Heritage vandalism and Looting: The Role of Terrorist Organizations, Public Institutions and Private Collectors*, Santander Art and culture review, (2015)

⁹ Lehr D., *Art and Antiquities: Conduits for Money Laundering and terrorism financing in ACAMS today*, The magazine for Career-minded Professionals in the Anti-Money Laundering Field, (December 2018-February 2019)

totalled 23 million, China is opening up to this market at a very high speed. Therefore, the demand for these goods is significantly and steadily increasing.

Official data from Customs in the United States have documented that, in the period ranging from 2011 to 2016, there has been an increase of the legitimate trade equivalent to 9 billion dollars with an average increase of 48.1%. The imports from Syria registered an increase of 145%, those from Iraq of 61%. This is just data from documented trade, which leaves to the imagination how elevated the illegal trafficking might be. As a fact, there is a huge quantity of artworks and ancient objects transiting through online sales and that, as UNESCO already exposed, are being proposed without any valid documentation about their origins. Furthermore, the dealers who use the web for these activities have hidden or false identities and disappear as soon as they have perfected sales.

This phenomenon has been of considerable concern to the American federal investigative authorities to the extent that the FBI issued on the 26 of August 2015 a document which warns collectors of antique works on the circulation in the black market of goods coming from terrorist activities, and further reminded that the purchase and possession of such goods implies the crime of terrorist financing resulting in several criminal charges for those responsible for it.

1.4 Gaps and failures in the fight against the illegal trafficking of artworks

Nevertheless, what allowed the trafficking operated by terrorists was in fact the presence of several gaps in the legislations and in the organisations of some Countries. In the United States for instance, there is no department specialized only in Cultural Heritage and no adequate cooperation on such issue between the Departments of State, Defense and Justice. Lehr highlights that, while norms and programs against the recycling through metal and gemstone, jewels, cars, airplanes, boats, casinos, real estate and travel agencies do exist, as far as the gigantic art market there are no norms thus transactions are exempted from adequate checks.

“The art market is not subjected to the Bank Secrecy Act (BSA) which requires all financial institutions to assist the American government in identifying and preventing money-laundering activities, the financing of terrorism and all crimes linked to these activities”.¹⁰

International conventions on the contrasting of illegal art trafficking have been in force since the Fifties. In 1954 the Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict was adopted accompanied by 1954 and 1999 protocols. Such convention deals with acts of war in general and both prohibits attacks to cultural heritage, unless they are military targets, and the exposition to high risk of cultural goods

¹⁰ ibidem

condemning any attack that might provoke, even if incidentally, damage to such goods.¹¹ In 1995, the Convention UNIDROIT obliged all buyers of antique merch to verify the legitimate provenance of the goods. Nevertheless, such convention was never ratified by Syria, Iraq and other states of the Gulf area. In 2014 the General Assembly of the United Nations adopted some non-mandatory guidelines for providing assistance to the Member States in strengthening monitoring and the national legislations in such area on the basis of a reinforced cooperation. Furthermore, the Security Council in December 2014 adopted resolution 2195, which provides for stronger incentives to the international community in order to tackle this problem. The United Nations Security Council (UNSC) adopted in 2015 resolution 2199 against the trafficking of works of art, which extended to Syria the ban on the trade of cultural objects, planned since 2013 for Iraq. The resolution highlights the concern that the earnings generated by these plundering and illegal trafficking of ancient works, even if not directly operated by ISIS, could nevertheless fuel the finances of the Islamic State and other terrorist organizations. The cooperation between Interpol and cultural institutions such as museums plays a fundamental role in the fight against the illegal trafficking of artworks. There is an Interpol's Stolen Works of Art Database and a list of goods coming from sites and museums in Iraq and Syria compiled by ICOM (International Council of Museums).

The weakness of the strategy against the trafficking of artworks which is fuelling terrorism is represented by a sort of "unawareness" or indifference on the part of tourists with respect to the purchase of these illegal goods the sale of which has a terrorist intent. Many travellers and tourists simply ignore the phenomenon, they are not adequately informed and very often seem careless when confronted with admonitions and warnings by Institutions. In 2014 three agencies of the United Nations have focused on an initiative to stimulate greater awareness in tourists with respect to this problem: UNWTO (World tourism organisation), UNODC (United Nations Office on Drugs and Crime) and UNESCO. The Security Council of the United Nations adopted in 2017 the resolution 2347 which describes a series of methods useful both for private and for the institutions, for reorganising the industry of the guardianship of artistic goods to enhance defense and prevent or contrast efficiently the abuses aimed at the financing of terrorism.¹²

Likewise, European institutions have strengthened the regulations for the fight against artworks smuggling in the interest of terrorism. On the 7 June 2019, a legislative act signed by the President of the European Parliament and the President of the European Council was published on the Official Journal of the European Union, which prohibits the importation of a list of cultural goods illicitly removed from the territory of the State in which they were created or discovered. An import license is required both for all those archaeological goods that are more than 250 years old, regardless of their value and for those which are 200 years old and

¹¹ UNESCO, *Fighting the illicit Trafficking of Culture Property*, (2018)

¹² UN Security Council, (2017), *Resolution 2347*

have for each piece a value equal to 18.000 euros. All information and documents relative to the acquisition of such licenses must be in centralized electronic format.¹³ Even some private institutions have mobilised against the use of works of art for the purpose of terrorist financing. The auction house Christie's and other societies from the world of art have reunited in the Responsible Art Market (RAM) Initiative Association, based in Geneva. Furthermore, they have published in 2018 guidelines for the fight against money-laundering and the financing of terrorism through the art market.¹⁴ We can hope that the shortcomings in law enforcement and in the regulation of control authorities will soon be remedied and that the cooperation between public institutions and private subjects will increase, starting with auction houses, galleries, museums and foundations.

¹³ European Parliament, *Import of cultural goods from third countries into the EU*, Legislative Train, (2019)

¹⁴ Responsible Art Market, *guidelines on combatting money-laundering and terrorist financing*, (2019)

CHAPTER 2. CRYPTOCURRENCIES AND TERRORISM

2.1 Follow the money

“Follow the money” is the slogan of the investigators, who are hunting down crime, corruption, large-scale crime and terrorism.

By following flows of money, you will sooner or later get to reach the aim. This is the main certainty that leads police officers and magistrates to examine the funding channels, the money trail, in order to get to the final expenditure which, allow to identify criminals. For this reason, those who operate outside the law are always searching for hidden ways to receive, preserve, transfer and spend illicitly gained money. Terrorism, like and perhaps even more than criminal organisations, has always been looking for new channel through which it can make it sure it has the financing necessary for the functioning of the organisations and for the implementation of terrorist attacks.

Nowadays, terrorist organisations are looking for new forms of financing which might not be detected by the controls and might avoid getting caught up in enforcement actions and law enforcement. Such funds must have a number of characteristics which will make it easy and cost-effective to be used by armed groups. Within these characteristics, the most important ones are a high level of opacity and imperviousness to police investigations, the simplicity of the transfer of resources, the lack of traceability, high speed transactions and easy access to liquidity. Cryptocurrency, appeared on the scene in the last fifteen years and became so to speak “functioning” with the launching of Bitcoin in 2009, have long been subject of studies from criminal organisations to terrorist organisations. Little by little, the number of cryptocurrencies in circulations has multiplied and their use is now widespread. As a result, even in absence of an adequate or late international regulation, these virtual coins have represented a new possible instrument for business and financing of illegal and terrorist activities.

One particular study, commissioned by the European Parliament to Robby Houten and Alexander Snyers from Antwerp University¹⁵, outlines the current status of cryptocurrencies, calculating that the first one hundred alone have a compounding equal to 330 million of euro. The data on the capitalisation of such virtual coins are obviously very floaty because the market quotations of their countervalue are affected by abrupt oscillations within a very tight time frame.

Their volatility, due to the lack of an underlying reference to real goods granted by recognised authorities, such as Central Banks, is one of the many characteristics to take into account when analysing opportunities and real advantages that these currencies offer to terrorist activities. Suffice it to say that in 2018 the market

¹⁵Houten, R. and Snyers, A. (2018). *Cryptocurrencies and blockchain-Legal context and implications for financial crime, money laundering and tax evasion*. European Parliament.

capitalisation of all cryptocurrencies had exceeded a countervalue equal to 728 million dollars and that, in just three weeks, such value was reduced by 50%, to 360 million dollars. Notwithstanding their volatility, cryptocurrencies keep on spreading and exercising a strong attractiveness. In Japan alone, the number of users of these currencies are more than 3.5 million and the number of cryptocurrencies keep increasing. According to regulatory authorities, the number of cryptocurrencies amounts to 1500. The following table reports the leading ones with their market value of reference.

Table 1: Overview of coins Name	Symbol	Market Cap ¹²²	Supply limit ¹²³
Bitcoin	BTC	\$124.969.093.161	21 million
Ethereum	ETH	\$57.462.517.858	TBD ¹²⁴
Ripple	XRP	\$23.790.387.789	100 billion
Bitcoin Cash	BCH	\$17.159.025.225	21 million
Litecoin	LTC	\$6.704.709.572	84 million
Stellar	XLM	\$5.128.373.973	100 billion
Cardano	ADA	\$5.034.129.651	45 billion
IOTA	MIOTA	\$4.038.240.572	2,779,530,283,277,761
NEO	NEO	\$3.386.383.000	100 million
Monero	XMR	\$2.626.586.260	18,4 million
Dash	DASH	\$2.592.894.544	17.74 – 18.92 million ¹²⁵

Source: European Parliament

2.2 Functioning and characteristics of cryptocurrencies

Since 2008, when an anonymous developer under the pseudonym Satoshi Nakamoto created the basis of Bitcoin, later perfected by computer engineer Wei Dai, cryptocurrencies have showed a way of functioning completely different from the one of real money and aspire to have four main characteristics. If money can only be created Central banks and issuing banks that present official and regulated rates of exchange, cryptocurrencies, on the other hand, can be generated by single actors that together kind of constitute a network which is not governed by anybody, rather it runs itself. Therefore, the first characteristic is *decentralisation*: there must not be any central authority capable of rigorously controlling the network and being the owner.

Furthermore, this network must have a second and fundamental characteristic: *anonymity*. Those who are a part of the network and operate the transactions must shield their identities in order to eluding checks and therefore wish to be rigorously anonymous. If the actually manage to do so or not, we will discover it later on.

Paradoxically, anonymity is linked to another apparently opposite feature: *public transactions*. All those who are a part of the network must know when money transactions happen between two actors whilst remaining in some way or another “covered”. The system ensures its accountability through a crypted peer-to-peer authentication, in such a way that the participants in the network can feel mutually protected.

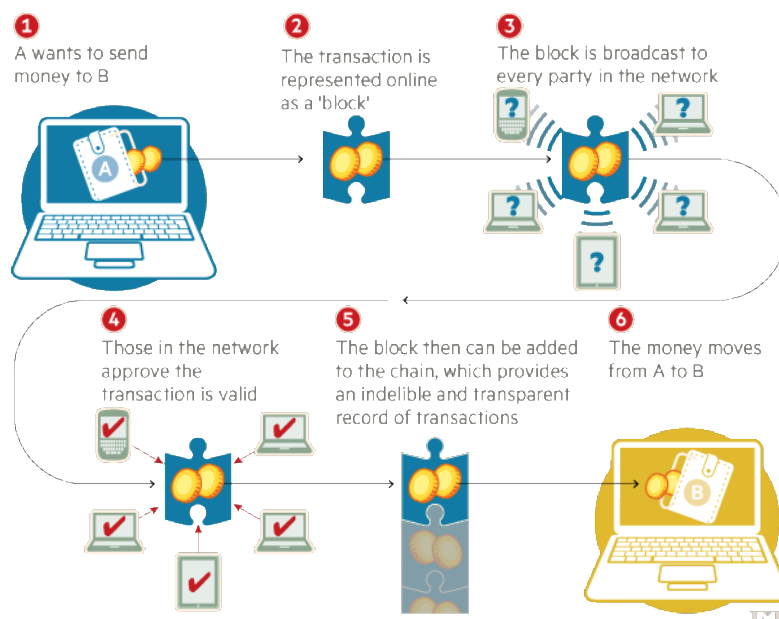
Security is the fourth feature of cryptocurrencies. Security of transaction is nowadays guaranteed by the evolved system of blockchain: it’s a way to register encoded transactions, through a mathematical algorithm, which are shared through data stores (called *ledgers*) that preserve the same registration of data and are run and controlled by a network of servers, called *nodes*.

There are two types of blockchains, an opened one without authorisations, a second one that works with authorisations. As explained by the report of the European Parliament “in an *open, permission less blockchain*, a person can join or leave the network at will, without having to be (pre-) approved by any (central) entity. All that is needed to join the network and add transaction to the ledger is a computer on which the relevant software has been installed. There is non-central owner of the network”.¹⁶ This is the system used by the vast majority of cryptocurrencies. Nevertheless, in the “*permissioned blockchain*” there is an administrator who establishes the rules for the ledgers and authorizes access in the network, thereby enabling to verify the identity of the participants and to select only the trustworthy nodes. This system, in turn, is divided in two sectors: *open or public permission blockchains*, which can be seen by everyone but only the ones authorized can generate transactions, and *closed or “enterprise” permission blockchain* in which the access is not public and only the administrator can generate transactions.¹⁷

The diagram of operation of a transaction of cryptocurrencies through blockchain is well represented by this figure:

¹⁶ *ibidem*, p.15

¹⁷ *ibidem*, p.16



Source: “Technology: Banks seeks the key to blockchain”, by J. Wild, M. Arnold and P. Stafford, 1 November 2015.

Lastly, there’s a fifth feature of cryptocurrencies: *rapidity* of transactions. Since there are no intermediaries, using only IT tools, the time required to make money transfers in this form should be short. Rapidity also reduces the time of exposures to potential investigations. Scholars are starting to have some doubts on this last feature. As a matter of fact, the dizzying rise in bitcoin transactions is creating some setbacks in terms of rapidity of the activities, retracting the promise of Satoshi Nakamoto of being able to make small payments at a high speed, remarkably superior to the traditional forms of payments. In some cases, the average confirmation time of a transaction require up to sixteen hours and if in one second Bitcoin handles only seven transactions, credit card systems such as Visa are capable of handling 24.000. Nevertheless, the phenomenon is expanding, and ATM networks have been created in which one can deposit real cash and receive bitcoins in their personal virtual wallet.

Moreover, there are prepaid cards in cryptocurrencies that can be recharged with Bitcoin.

2.3 Centralized virtual currencies

A recent study commissioned the European Parliament and edited by a team a Center for financial crime and Security Studies, of the Royal United Services Institute¹⁸ introduces a more precise distinction between decentralized cryptocurrencies just described and the *centralised virtual currencies*. The latter are handled by an administrator and are usually used as alternative regulatory systems of payments and gaming. There are

¹⁸ Keatinge T., Carlisle D., Keen F., (2018) *Virtual currencies and terrorist financing: assessing the risks and evaluating responses*, European Parliament.

two platforms which offer payment services: Web Money, based in Russia and Perfect Money, located in Panama. Both generate their own virtual coins that can be purchased and used in other payment platforms with other users. Such virtual coin's platforms are used especially for crowdfunding, merchant payments budget plannings e-commerce purchases, remittance. The users of WebMoney are 36 million. There is proof that these platforms too are used by cybercrime and money-laundering activities. There is no evidence that they are used by terrorists.

There is a form of interoperability between decentralized cryptocurrencies and virtual centralised currencies: bitcoins can circulate on PerfectMoney and WebMoney without any problems and be treated for payments on gaming platforms. Some cryptocurrency websites offer the possibility to purchase cryptocurrencies through virtual currencies centralised. It is clear that the interest for criminal and terrorists lies in the use of cryptocurrencies, in its most anonymous and hidden way so as to elude traceability. Up to almost 44% of bitcoin transactions are associated to illicit activities for an equivalent of approximately 72 million dollars, through hacking activities, money-laundering, pornography and drug trafficking.

According to Daniele Maria Barone, some drug cartels “are employing the so called “money-mule” networks, which structure virtual and conventional transactions into smaller and more innocuous-looking sums, providing a commission between 3% or 5% per transaction “¹⁹. A study by Rand Corporation, carried out by da Cynthia Dion-Schwarz, David Manheim e Patck B. Johnston²⁰ highlights the existence of new cryptocurrencies, “*alternative currencies*” (altcoins), which grant safer coding and transaction than Bitcoin, such as Omni Layer, BlackCoin, Monero, Hwak and most of all Zcash. The latter further allows the transfer of money offline, creating opportunities for criminal and terroristic activities which can, as a result, use cryptocurrencies in areas in which there's no internet connection, therefore dramatically increasing non-traceability of such operations.

2.4 The added value of cryptocurrencies to the financing of terrorism

Each scholar specialized in cryptocurrencies agree that there definitely exist huge benefits and offers from the use of this form of payment to major crime. Many of them wonder about the real opportunities offered by cryptocurrencies to terrorism compared to other forms of financing. The report of the European Parliament²¹ is very cautious with regard to this argument and offers a model of analysis which keeps into account the different modus operandi of terrorists, both as far the organizations and the methods are concerned. There are

¹⁹ Barone, D. (2018). Jihadists' use of cryptocurrencies: undetectable ways to finance terrorism. *Sicurezza Terrorismo International Journal Italian Team for Security, Terroristic Issues & managing Emergencies*, p.22.

²⁰ Schwarz, C., Manheim, D. and Johnston, P. (2019). Terrorist Use of Cryptocurrencies- Technical and Organizational Barriers and Future Threats. *Rand Corporations*.

²¹ Keatinge T., Carlisle D., Keen F., (2018 *Virtual currencies and terrorist financing: assessing the risks and evaluating responses*, European Parliament, p. 29

“*lone actors*” terrorists who operate on their own without any close connection to big organisations, and there are “*small cells*” organised in networks, which share services and can be connected to bigger groups. As far as these types of terrorism, which do not need significant amounts of money to finance themselves, the real benefits stemming from the use of cryptocurrencies are not elevated.

The big organisations with multiple operative basis but no headquarters, such as Al Qaeda and the groups that control entire territories (such as Al-Shabaab in Somalia and Isis when it occupied Syria and Iraq) can, conversely, take full advantage from cryptocurrencies for several operative activities like the transferral of money from banks to operative areas or for the depositing of illegal cash money that can be used when necessary. The activities in which cryptocurrencies turn out to be most useful are certainly fundraising and targeted crowdfunding, needed in order to gain funds, donations, to finance the purchase of weapons, munitions, dynamite, campaigning and to pay services necessary to maintain the operative network of terrorists. In such activities, Isis definitely stands out for operative capabilities.

A detailed overview on how Isis resorted to cryptocurrencies is well described by Barone²². The first website of the deep web, in 2012, associated to the financing of terrorist activities by Islamists against the United States was called “Fund the Islamic Struggle Without Leaving Trace”. It gained 5 bitcoins for an equivalent of 50 dollars. More extensive research carried out by the hackers of “Ghost Security Group Investigation” discovered that in 2012 up to three thousand dollars were collected through cryptocurrencies, in favour of Isis, in the shape of anonymous donations. Contrary to Hawala, the system that allows fund donors for terrorists to send the money through a network of intermediaries, named *hawaladar*, so that donors and the ultimate receivers will not know each other, the system of cryptocurrencies eliminates any traceable mediation and ensures complete anonymity. Another case of fundraising via bitcoins is the one of the Akhbar al-Musilimin website, launched in 2017, a month after the fall of the capital of the Islamic State in Syria, Raqqa. In this website there was a banner with a link to a bitcoin website where one could make donations apparently in support of the website but really, destined to Isis. There are other documented cases of terrorists, involved in several terrorist attacks, that used cryptocurrencies as a means to transfer money gained by using false or stolen credit cards, and subsequently purchase weapons and munitions to use in attacks planned by Isis.

Another significative case, mentioned by Barone, is that of an Albanese hacker, Ardit Ferizi, linked to Isis, who asked for ransom in Bitcoins to the hacked websites and would afterwards provide to terrorists a list of more than 1000 people from the United States as targets for terrorist attacks. Thus, Barone mentions Jahezona, a website connected to Salafi groups that operate in Gaza. It was the first reliable case of fundraising through

²² Barone, D. (2018). Jihadists’ use of cryptocurrencies: undetectable ways to finance terrorism. *Sicurezza Terrorismo International Journal Italian Team for Security, Terroristic Issues & managing Emergencies*, p.24-30

cryptocurrencies for terrorists, which published the list of weapons to buy with their relative costs, reproducing a QR code which would connect directly to a bitcoin website. Apparently, Jahezona is still operative and relies on a group with the same existing name on Telegram, the chat famous for being the one preferred by terrorists for exchanging messages, even operative ones, thanks to its advanced coding system. It was Telegram Open Network (TON) which announced in 2018 the launching of its cryptocurrency, “Gram”, based on an easy-to-use blockchain which, according to Barone, could provide terrorists with additional instruments for their illegal trafficking and hidden financing.

As Barone writes, “If it will still not be clear which are going to have precise measures to avoid terrorist exploitation provided by TON blockchain, then it will be impossible to foresee how many and how dangerous will be terrorism methods to exploit this encrypted tool”.²³ The report from the European Parliament reminds that the use of Bitcoins and cryptocurrencies is spreading also across extreme right groups and supremacists. This choice is determined both on the basis of ideological motives, such as distrust and, at times, hate towards financing institutions, considered as a Jewish conspiracy, but also on the basis of practical reasons as the possibility to disappear and reappear with a certain degree of ease on the web, after the dismantling of websites such as Patreon or Hatreon by law enforcement. Furthermore, Paypal has banned the use of its platform to many extreme right groups. Therefore, resort to cryptocurrencies becomes for them a means to evade such interdictory measures. No significant use of cryptocurrencies by any far-left group has been registered. Nevertheless, the world of bitcoins in the era of blockchain is experiencing some significant technological transformations that could, in the medium run, change radically some characteristics that have made the use of cryptocurrencies attractive to criminals and terrorists, until now.

The study commissioned by the European Parliament²⁴ introduces a distinction between the anonymity of the authors of transactions and “pseudonymity”. Anonymity implies an absolute lack of traceability whereas the use of a pseudonym still leaves a minimal element of identifiability, a helpful clue. Those who operate with cryptocurrencies are represented in the Blockchain through an alphanumeric code associated to their virtual wallet. If it is true, then, that there is no way to tell the name of whoever performs a transaction, one can nevertheless detect other information, such as date and time and alphanumeric address of the addressee. As a result, the traceability that until then seemed fully precluded, now slowly begins to appear.

Over the past few years, some societies specialized in the activity of “de-anonymising Bitcoin transactions”, fundamental to resuming the traditional “follow the money” activity and essential to the work of detecting at least the first trail of criminal activity. “Some of these blockchain forensic companies are developing tools for

²³ *ibidem*, p. 29

²⁴ Keatinge T., Carlisle D., Keen F., (2018) *Virtual currencies and terrorist financing: assessing the risks and evaluating responses*, European Parliament, p.29-30

analyzing transactions in alt-coins, such as witecoin and Ethereum, which contain traceability akin to Bitcoin”.²⁵ Obviously, it is still the very early days for these new frontiers of fight against terrorism with respect to cryptocurrencies.

An emblematic case is precisely the one of website Jahezona mentioned by Barone. Since such website deals with fundraising and conducts crowdfunding campaigns, monitoring pseudonyms who participate to such operations is yet an element for greater knowledge of Jihadists’ financial strategies. John Bambenek, an expert in analysis of cybersecurity, manages to monitor the activity of thirteen Bitcoin addresses used by extremists, tweeting automatically every transaction made in cryptocurrencies by using a twitter-bot named "Neo-Nazi BTC Tracker".²⁶ Since the technology of this sector is in constant evolution, experts have devised some remedies to the relative traceability of Bitcoins through the use of services that shall aggregate Bitcoins from several users and then mix the tracks of the transactions to confuse the trails. This is exactly what services such as CoinJoin, DarkWallet do. The latter is recommended by leader of Isis as a trustworthy website, functional to the transfer of cryptocurrencies. Other websites allow to shield anonymity better than bitcoins. Especially Monero, which doesn’t provide any kind identity, not even alphanumeric, of the ones who operate transaction using invisible or a one-use only address in order to disappear as soon as the transactions is completed. Monero “also employs a form of cryptography known as ‘ring signatures’ which enable for the signing of transactions among a group of users so that outside observers cannot decipher the individual signer of a transaction”.²⁷ Therefore, there is a kind of chasing between the search for absolute anonymity and elements of traceability, enabled by information technology, followed by new methods to elude these investigations.

For financing activities, fundraising, money deposits, money transfers and final use of this money to purchase weapons and equipment for terrorist attacks, terrorists often use the interplay between Dark web and alternative coins. In the Dark Web, thousands of websites use services such as Tor protocol to hide IP addresses and encrypt communications. In such a dark network world, transactions are carried out in cryptocurrencies, mainly in bitcoins, but for a while now “private alt-coins” such as Monero, Dash and Zcash are preferred, since they grant greater anonymity.

2.5 The main challenges of cryptocurrencies

Unlike what happened for big criminal organisations, the diffusion of the use of cryptocurrencies between terrorist organizations, according to many analysts, has been developing very slowly until now, because of the different features both organizational and in business models. Scholars from the Center for new American

²⁵ *ibidem*, p. 31

²⁶ *ibidem*, p. 31

²⁷ *ibidem*, p. 32

security, stated that “The criminal enterprises that have made extensive use of virtual currencies are generally engaged in technically complex crimes such as the remote theft and sale of data (or significant narcotics trafficking) , and they operate in areas that have at least reasonably well-developed financial and telecommunications infrastructures.”²⁸

Terrorist groups operate in areas with few infrastructure and scarce means instead. A further limitation that terrorist encounter is that of “convertibility” of cryptocurrencies in cash money. Cybercriminals use virtual money in the trading of data, to make transactions in the Dark Web, for the trafficking of weapons and drugs. To engage in these activities, they do not need to convert cryptocurrencies in real money because their networks is formed by actors who use almost exclusively cryptocurrencies for their businesses. Basically, cybercrime is a closed universe, a network in which cryptocurrencies are used as equivalents to cash money. For terrorists, the situation is quite different. They need to transform cryptocurrencies into money that can be used in their activities. Therefore, the systematic resort to cryptocurrencies can be a complication since it increases the risk for terrorists to be identified. “If the group cannot easily exchange Bitcoin for large quantities of hard currency or cannot use it to purchase weapons, other material, food, and housing in the areas where they operate, it does not do them much good”.²⁹

Furthermore, the criminal organisations that use marketplaces specialised in the selling of objects for their activities are obliged to have great confidence and mutual trust in the exchange of cryptocurrencies in order to not jeopardize the entire system. They do not know each other but they know they’re apart of the same world with rules they are all better off not breaking. For terrorists is different: they receive money from different places including geographically distant countries, from worlds distant from the one of operative terrorism. “Al Qaeda received funds from Gulf-based donors; Hamas received support from charities and state sponsor including Iran; and Hezbollah received funds from Iran, but also from complicated global money laundering schemes”.³⁰

The of actors involved in the financing of terrorism is very long and complex. It involves several people from different geographic areas. Furthermore, it requires many stages, from those who send the money to those who receive it for its final use and uses bundlers: the initial donator does not know anything of the final receiver nor does he know about the intermediaries during the process of transferring cryptocurrencies. This leads to lower mutual trust between the actors in the process and higher risks that one of the elements of the chain might be identified. As a matter of fact, the non-complete anonymity factor of cryptocurrencies together with

²⁸ Goldman Z., Maruyama E., Rosenberg E., Saravalle E., Solomon-Strauss J., (2017) *Terrorist use of Virtual Currencies: Containing the Potential Threat*, Centre for New American Security, p.24

²⁹ *ibidem*, p.27

³⁰ *ibidem*, p.27-29

the participation of third parties with respect to terrorist organisations reduce any incentive in using those methods. Can it therefore be concluded that the use of cryptocurrencies in the financing of terrorism is a mitigated threat?

As more anonymous and less traceable cryptocurrencies than bitcoins emerge, as we have just seen, and terrorist organisations transform themselves into actual their own criminal business, equipping themselves with adequate technological instruments, cryptocurrencies will become more and more interesting for terrorists. If the convertibility of cryptocurrencies into cash money becomes easier, they will surely constitute a huge opportunity for terrorist organisations, which as a result, can override the different financial regulations and operate in absolute liberty. Nevertheless, the biggest risk experts foresee is that terrorists might create their own cryptocurrency.

This is the scenario envisaged by the study of Rand Corporation, which anticipate a cryptocurrency created and handled by a non-state actor (like terrorists, but also drug cartels, criminal organisations mafias etc.) an instrument for making an attempt to State Sovereignty, to fuel conflicts and social disorder.³¹ It would be a qualitative leap in contrast to the use of bitcoins, increasingly considered as vulnerable to cyber-attacks. A new cryptocurrency of a non-state actor could rely on the support of a State, which could provide terrorists with its advanced skills concerning cyberspace and its technological infrastructures. The Rand Corporation assumes that Iran might play the role of supporter of a cryptocurrency created and managed by Hezbollah or that Russia might do likewise to support Ukrainian separatists. Within this context, a terrorist organisation could acquire a form of financial self-sufficiency.

As a fact, Isis theorized this outcome as its main aim when, in 2015, it announced the creation the “gold dinar”. It was a real currency, not a virtual one, obviously, which was going to help the financial system to avoid being subjected to American capitalism.³² Such aspiration could, thus, materialise, in the scenario hypothesised by the Rand Corporation, also through the launching of a cryptocurrency, deemed very unlikely the experts consulted by the European Parliament. Another highly advanced form of cryptocurrency usage by terrorists could be the exploitation of the so called ICOs (Initial Coin Offerings) a kind of fundraising based on cryptocurrencies. Basically, a quantity of cryptocurrencies is sold in the form of “token” (coins) to investors and profiteers in exchange of legal loans or other cryptocurrencies such as Bitcoin or Ethereum. The sold tokens are then proposed as future units of currency when and if the aim of the fundraising of ICO is achieved.

³¹ Schwarz, C., Manheim, D. and Johnston, P. (2019). Terrorist Use of Cryptocurrencies- Technical and Organizational Barriers and Future Threats. *Rand Corporations*, cit. p. XI

³² Moos O., (2018) *The Return of the Gold Dinar- An analysis of the Islamic State coin production*, Religioscope

This kind of fundraising is often used by start-ups that are seeking both to elude compliance to financial regulative norms and to avoid having to appeal to venture capitalists, banks and stock markets. Some countries, like China and South Korea have banned ICOs. In the United States, the Securities and Stock Exchange Commission (SEC) has warned several times the investors of the risks they might encounter in scam who take advantage of ICOs to gather resources later dispatched elsewhere and in 2018 has sanctioned Centra Tech Inc. for having promoted fraudulently one ICO that had collected 32 million dollars. Experts from the report of the European Parliament write as follow: “Given their fundraising potential, it is perhaps unlikely, but certainly not impossible, that terrorist actors could seek to raise under the guise of an ICO they have launched, either overtly or fraudulently”.³³

The resort by terrorists to cryptocurrencies that nowadays still seems limited by technological and infrastructural shortcomings in terrorist organisations and by the difficulty in securing full and safe anonymity could, as a result, in the medium and long run increase consistently. A worst-case scenario, according to Rand Corporation³⁴ would be the emerging of one singles cryptocurrency adopted on a large-scale and equipped with greater anonymity, stronger safety, in the presence of inadequate or late regulations. In this case, terrorism could increase considerably its activity in this sector and dispose of a financial instrument with serious self-destructive capability. From this point of view, technological innovation plays a fundamental role and seems to offer somewhat of a greater opportunity to terrorists. In the lead this time there are the big criminal organisation that have identified in the Dark Web and cryptocurrencies a high-efficient and strong tool. These organisations are those who invest even in technological evolution of cryptocurrencies in order to be granted with increasingly higher levels of safety. From this perspective, Terrorism, is bound to find alliances with big criminal groups in this sector as well. In all probability, as happened for narcoterrorism, we shall witness a combined form of cross-activity between cybercrime and terrorism.

³³ Keatinge T., Carlisle D., Keen F., (2018) *Virtual currencies and terrorist financing: assessing the risks and evaluating responses*, European Parliament, p.47

³⁴ Schwarz, C., Manheim, D. and Johnston, P. (2019). Terrorist Use of Cryptocurrencies- Technical and Organizational Barriers and Future Threats. *Rand Corporations*, p. 53-54

CHAPTER 3. NARCOTERROSIM

3.1 Definitions

The term “Narcoterrorism” was first coined in 1984 by Lewis Tamb, Ambassador for the United States in Colombia, who, probably, was referring to a similar expression that was used the year before by the Peruvian president Belaunde Terry to indicate terrorist attacks suffered by the Counter-Narcotics police.

What exactly does narcoterrorism actually mean?

With such expression there is a tendency to define a wide range of activities, depending on whether the emphasis is put on the term narco or on the term terrorism. For instance, Narcoterrorists are the drug trafficker who use methods that are typical of terrorism, such as Pablo Escobar or the Mexican cartels that have terrorized civilians and in particular State officers, in an effort to intimidate, threat, eliminate investigators, judges and politician who where hostile to their activities. Nevertheless, Narcoterrorists are also those criminals who are interested both in the drug business and terrorist attacks, such as the Taliban Kahn Mohammed, who operated as a drug trafficker and militant, committed to carry out attacks against the American military. Furthermore, there are those Narcoterrorists who place themselves at the junction of these two activities, mixing narcotrafficking and terrorism: traffickers who provide weapons to terrorists and terrorists who, in return, offer their protection to traffickers. Strictly speaking, narcoterrorists are those terrorists who gain their funds through drug trafficking, inserting themselves in the supply chain of the trafficking of drugs to which armed groups take part, directly or indirectly, in order to capture significant amounts of money.

This complex chain is composed of cultivation, manufacturing, stocking, transports, distribution to the principal sorting centres and widespread diffusions to consumers. To such activities, that constitute the framework of narcotrafficking, we must add other activities in which terrorist groups can intervene not as actors rather as, so to speak, “regulators” of the market, through the taxation of some activities, the protection of trafficking, a substantial logistic and operative support. They cooperate with international criminal organisations involved in money laundering and drug smuggling, in order to facilitate the transfer of drugs from the territories they control, providing in return, parts of the revenues generated by drug trafficking into the coffers of terrorist organisations.

The resort to drug smuggling for the financing to terrorist activities implies several “advantages” to armed groups. Drugs have a high commercial value and because of the small dimensions of drug packages, they are easily marketable with respect to oil and other goods and yield high liquidity: for each transaction there is a direct transfer of cash without excessive intermediations and without leaving any traces. The number and typology of drugs are plenty: cocaine, heroin, marijuana, ecstasy, hashish, methamphetamines, opioids etc.

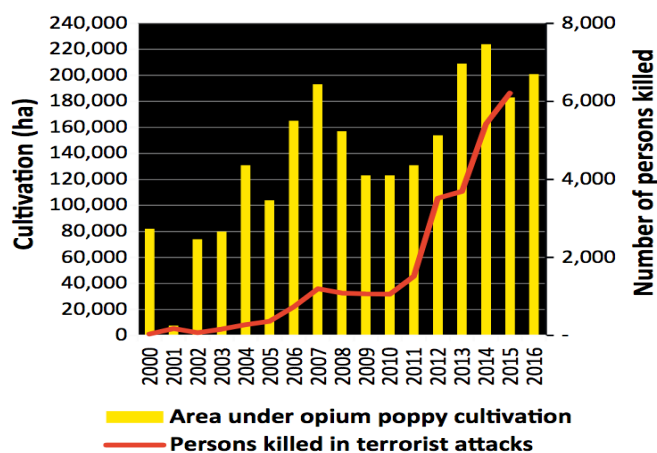
We are dealing with a business that yields low risks but generates huge profits. Two thirds of the revenues from drug trafficking end up in the pockets of the retail sector in consuming Countries, one fourth of the profits is generated in transit countries by wholesale traders and traffickers but only 1% of such profits belongs to the actual drug farmers.

There are no big barriers to enter this market, even the smallest groups manage to insert themselves into these trades without many complications, taking possession of one or more elements of the complex drug chain. Furthermore, the resort to an activity illegal per se, facilitates the task of terrorists who seek to do what States, according to the law, cannot do, that is to say, protect the activities of narcotraffickers, obtaining massive amounts of profits. Finally, the drug price does not suffer from the oscillations resulting from the economic cycle, as happens, for instance, for raw materials. Price can go up and down in relation to local temporary difficulties in the supply. Nevertheless, the demand tends to remain constant if not continuously increasing and this ensure that the market will not fail.

3.2 Increase in turnover

Almost 37% of terrorist organisations, according to the DEA, are tied to drug trafficking. An ex special agent of the DEA, Jeffery Higgings, paints a frightening picture of the connections between traffickers and terrorists: “in Africa, Al-Qaeda in the Islamic Maghreb is linked to South American cocaine; Al-Shabaab traffics in heroin, and Boko Haram controls drug routes. In South America the FARC and the Shinning Path thrive on the cocaine trade, and in Central America, criminal gangs and Mexican Cartels controls the flow of the drugs into the USA. In the Middle East, Hezbollah is linked to cocaine trafficking and in Southwest Asia, the Taliban supports the heroin trade”³⁵

FIG. 5 Persons killed in terrorist attacks and area under opium poppy cultivation in Afghanistan, 2000-2016



Source: MCN and UNODC, *Afghanistan Opium Survey 2016 - Cultivation and Production* (Vienna, 2016), and previous years; Global Terrorism Database.

The picture is completed by what the report of 2017 by UNODC states.³⁶ In the area of Syria, flourishes the smuggling of “captagon”, a mix of meth and caffeine, whose productions occurs in the area controlled, for year, by Isis and the Jabbath al-Sham organisation, new denomination of Al-Nusrah Front. Such pills have been often used by Isis militants and other groups involved in the war in Syria. It’s not easy to

³⁵ Jeremy Higgings, “*Drugs fuel Terrorism*”, Law Enforcement Today, 2017, <https://www.lawenforcementtoday.com/drugs-fuel-terrorism/>

³⁶ UNODC, “*The Drug Problem and Organized Crime, Illicit Financial Flows, Corruption and Terrorism*”, (Vienna 2017)

quantify what the average annual turnover of narcoterrorism amounts to. According to the report of UNODC, the global annual turnover of criminal activities of just the Taliban, ranges between 300 and 500 million dollars, half of which deriving by the drug economy, intended both as production-commercialisation and as taxation on the protection of the trafficking. The insurrectional groups have harvested up to 150 billion dollars in 2016 from the opium trade, in Afghanistan. (map 1)

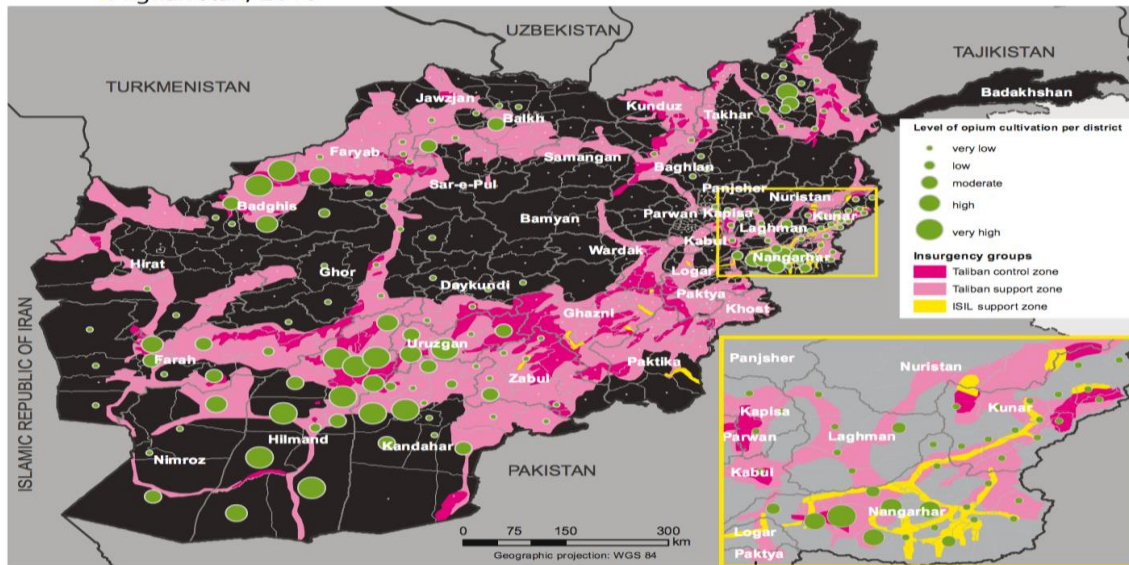
According to Penn State University scholar, James Piazza, Afghanistan is the number one global drugs supplier, providing alone 90% of opium and 85% of heroin and morphine, holding a territory for drug cultivation greater than the one used by Narcos for cocaine in the whole Latin America.³⁷ Another aspect highlighted by Piazza is the support that stems from the drug economy, managed by terrorists, provided to the illicit trafficking of weapons, the falsification of documents, other money-laundering activities up to human trafficking.³⁸ These other gathered profits allow Taliban to give their followers a monthly wage of 200 dollars, in a country in which the average salary is equal to 70 dollars. In that way, as reported by Piazza, the relation between loyalty and subjection found in vast amounts of the sections of poor population increases, and so does their control on the territory with the resulting weakening of State power. As a result, a spiral is triggered towards the expansion of criminal and terrorist activities at the expenses of the state authority. The latter becomes increasingly weak, incapable of developing are counterattack against traffickers and terrorists,

³⁷ James A. Piazza, “*The Opium Trade and Patterns of Terrorism in the Provinces of Afghanistan: An Empirical Analysis*”, *Terrorism and Political Violence*, 24:2 pp. 213-234, (2012), Routledge Taylor & Francis Group

³⁸ *ibidem*, p.222-223

therefore loses credibility and popular legitimization and is overwhelmed by the rampant corruption, which is largely financed by narcoterrorists.

MAP 1 Area under control of insurgent groups and area under opium poppy cultivation in Afghanistan, 2016



Source: MCN and UNODC, *Afghanistan Opium Survey 2016 – Cultivation and Production* (Vienna, 2016). Insurgency groups taken from the Institute for the Study of War, November 2016.
Note: the boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Dashed lines represents undetermined boundaries. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties. The insurgency groups are mapped with different classes of confidence, which have been merged for the purpose of this map. Geographic projection: WGS 84.

3.3 Cause and effect

Are there linkages between drug trafficking and the diffusion of terrorism?

Clearly the diffusion of drug use helps, both directly and indirectly, in creating a favourable environment for terrorism. The existence of an operative network dedicated to drug trafficking has a direct effect on terrorist activities because it provides them with a logistic support for the planning of terrorist attacks and gives them opportunity to access to resources generate by drug trafficking providing in return protection of the trafficking. Moreover, the diffusion of drugs has huge long-lasting impacts directly on the tenor of society and of States.

According to the report on drugs by the UNODC in 2017, damage cause by the diffusion of drugs accounts to almost 28 million dollars annually, because of the premature deaths and instabilities caused by drug use. To these major costs for health systems we have to add problems in terms of security, spreading of illegality, violence and psychological weakening of populations, generated by drugs. A significant amount of resources must be used by States in order to deal with economic, social and health damages provoked by the diffusion of drugs. Such resources are subtracted to social policies and investments, resulting in an increase in the areas in which there is high social unrest and creating a fertile ground for terrorism. On the basis of a detailed empirical research conducted in 34 provinces of Afghanistan, Piazza has formulated three hypotheses:

- 1) The afghan provinces with a high level of opium production are the ones more exposed to the risk of a terrorist activity;

- 2) The link between opium production and terrorist activities in the afghan provinces is independent from or against other factors such as religious, cultural, demographic and geographic influences, that might be indicators of terrorist activity;
- 3) There is a non-causal and difficult correlative relation between opium production and terrorist activities.

To these hypotheses, we must add the consideration that "while opium production produces conditions favourable to the vitality of terrorist groups and their activities, the experience of terrorism does not precipitate opium production; for example, by eroding security to a point that opium producers move in to take advantage of poor policing or by destroying alternative employment opportunities for locals".³⁹

Therefore, opium cultivation is a cause of terrorism rather than an effect, even if not the only one. If on one hand Piazza's theses reveal a strong link between opium cultivation and terrorism, on the other hand the question is on whether there is or isn't a correlation between attacks and victims of terrorism and cultivation and drug trafficking. No strong causal relation is detected.

In some areas with intense drug trafficking, terrorist attacks are not that common. In the case of Afghanistan, the link is demonstrable only starting from 2010. 13% of terrorist attacks, globally, have been reported in this Country between 2000 and 2015. During this period, Taliban have been responsible for 73% of all terrorist attacks in Afghanistan and 84% of deaths just in 2015. Since 2010, afghan terrorist groups have increased their revenues from opium cultivations because of difficulties in accessing other forms of financing. Their terroristic actions have increase, while NATO retired its armed forces, leaving free space for the different armed formations. As reported in table 7 from UNODC's report, from 2010 to 2016 there has been a staggering increase in deaths. The Taliban control between the 26% and 85% of opium

³⁹ *ibidem*, p.230

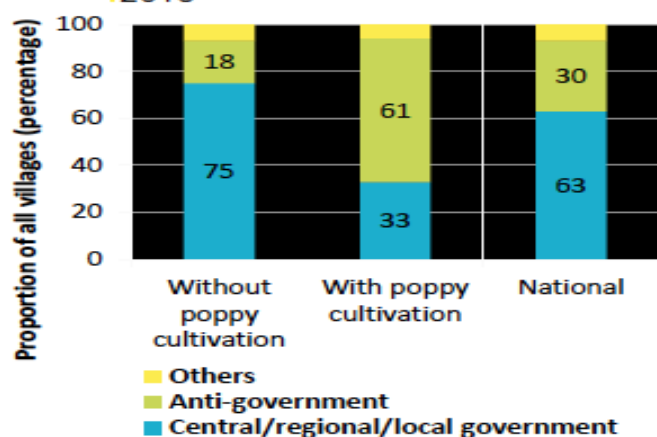
cultivations, as shown in the table. The diffusion of these cultivations is considered an element that strongly conditions the adhesion from local populations to terrorist and anti-government groups.

TABLE 7 | Distribution of opium poppy cultivation areas according to variations in level of control by insurgent groups, Afghanistan, 2016

	Opium poppy cultivation 2016	Opium poppy in Taliban control zone	Opium poppy in High-confidence Taliban support zone	Opium poppy in Low-confidence Taliban support zone	Opium poppy in three Taliban support zones	Opium poppy in High-confidence ISIL support zone	Opium poppy in Low-confidence ISIL support zone	Opium poppy in other areas
Area (ha)	201,294	52,642	116,135	2,490	171,267	2,229	623	43,400
Proportion	100%	26%	58%	1%	85%	1.1%	0.3%	13%

Source: MCN and UNODC, *Afghanistan Opium Survey 2016 – Cultivation and Production* (Vienna, 2016); Government of Afghanistan. Insurgency groups taken from the Institute for the Study of War, November 2016.

FIG. 6 | Government control of villages, by poppy-cultivation status, Afghanistan, 2016

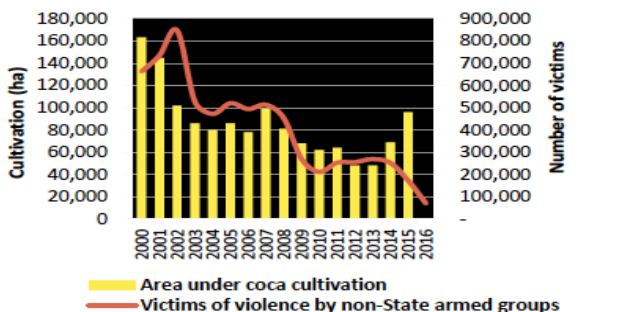


Source: UNODC and MCN, *Sustainable Development in an Opium Production Environment – Afghanistan Opium Survey Report 2016* (Vienna, 2017).

The control by governments in villages, in fig. 6, shows that it is stronger where there are fewer poppy cultivations. The correlation between the reduction in drug cultivations and the diminishing of terrorist attacks is more evident in Peru where, between 1992 and 2015, there has been a strong reduction in drug cultivations and a decline in the number of terrorist attacks.

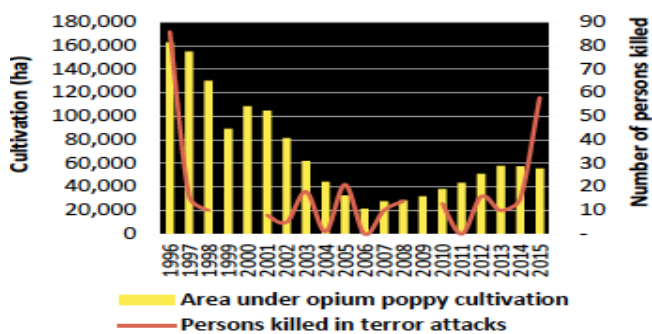
Less impressive instead, is the correlation registered in Myanmar (fig.9), where the victims of terrorism went from 86 in 1996 to 0 in 2006 and then up again to 58 in 2015 with a disproportional increase in cultivations.

FIG. 8 Registered victims* of non-State armed violence and area under coca cultivation, Colombia, 2000-2016



* Victims of terrorist attacks, related homicides, mines, kidnapping, forced displacement, forced disappearance, torture, etc.
Sources: UNODC and Gobierno de Colombia, *Colombia Monitoreo de territorios afectados por cultivos ilícitos 2015* (July 2016 and previous years); Unidad para la Atención y Reparación Integral a las Víctimas, Red Nacional de Información, "Registro único de víctimas". Available at <http://rni.unidadadvictimas.gov.co/RUV>.

FIG. 9 Number of persons killed by terror attacks and area under opium poppy cultivation, Myanmar, 1996-2015



Sources: UNODC, *Southeast Asia Opium Survey 2015* (Vienna, 2016), and previous years; Global Terrorism Database.

Extremely interesting is the situation in Colombia (fig.8). Between 2000 and 2013 there has been a sharp decrease in the number of victims from terrorist attacks parallel to the reduction in cocaine cultivations. Since 2013, these cultivations have resumed increasing, while the number of victims has drastically declined. Other than the relation between the width of cultivation and the increase in terrorist activities and the correlation between victims of terrorism and drug cultivation areas, it is interesting to analyse the relation between terrorist activity and commercial activity as far as narcoterrorists are concerned.

A study, carried out by Daniel Meierrieks from Freiburg University and Friedrich Schneider from Linz University, distinguishes between short-run and long-run relations between drug business and terrorist activities.⁴⁰ The two scholars have applied to the available data on the price development of cocaine and heroin and terrorist activities in 58 states during 1984-2007 the *pooled mean-group* (PMG) by Pesaran, Shin and Smith. PMG is a highly sophisticated method of statistical evaluation. These statistical computations revealed there is an instability of democratic institutions which leads in the short run to an increase of terrorism, whereas, in the long run, the level of democracy and the capacity to handle protests leads to a reduction in terrorism. Yet the most significant result from this brief research demonstrates that the increase in drug prices entails a reduction in terrorist activities in the short run, whereas in the long run there is a positive correlation between increase in drug prices and increase in terrorist acts.⁴¹ How do we account for this phenomenon?

According to the scholars, when drug prices go up and therefore so do profits generated by drug trafficking, in the short run terrorist groups prefer focusing on the drug business rather carrying out attacks. Criminal activity partly substitutes the terrorist one. In the long run on the other hand, higher prices in drugs lead to an

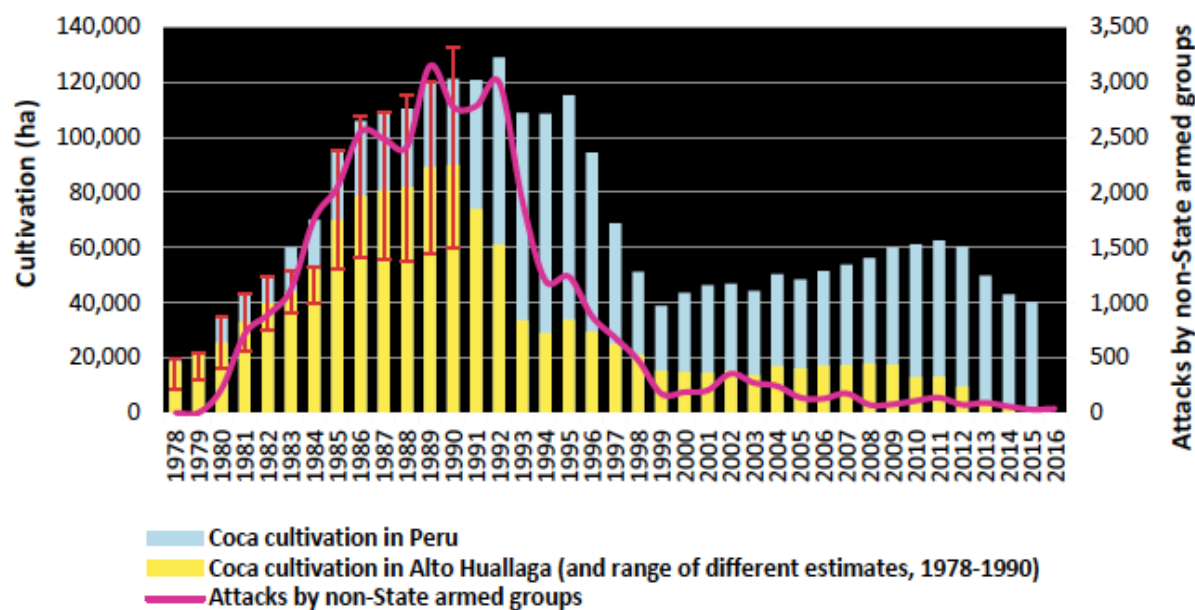
⁴⁰ Daniel Meierrieks, Friedrich Schneider, "The short-and long-run relationship between the illicit drug business and terrorism", *Applied Economics Letters* 23:18 pp.1274-1277, (2016) Routledge Taylor & Francis Group

⁴¹ *ibidem*, p. 1277

increase in terrorist activities, probably because an increased availability of economic resources allows the organisation to carry out a higher number of terrorist attacks. (fig.7)

From these considerations, the two scholars have concluded that the policies against drugs create an increase in the prices of drugs or an increase in its use are counterproductive, since they increase the propensity of terrorists to focus in the short run on the drug business which results in the possibility in disposing of more means, in the long run, for extending their terrorist activities.

FIG. 7 | Attacks by terrorist, insurgent and non-State armed groups and area under coca cultivation, Peru, 1978-2016



Sources: UNODC and Comisión Nacional para el Desarrollo y Vida sin Drogas (DEVIDA), *Perú Monitorea de Cultivos de Coca 2015* (July 2016 and previous years); DEVIDA, *Información sobre Drogas Estadística en el Perú, Lima* (July 2006); Policía Nacional del Perú, *Anuario Estadístico 2015* (2015 and previous years); Policía Nacional del Perú, Dirección Contra el Terrorismo, *Anuario Estadístico 2009*; Hernán Manrique López, "Las bases históricas del milagro de San Martín: control territorial y estrategias estatales contra el narcotráfico y subversión (198-1995)", *Polítai: Revista de Ciencia Política*, vol. 6, No. 11 (2015), pp. 33-51; Juan Briceño and Javier Martínez, "El ciclo operativo del tráfico ilícito de la coca y sus derivados: implicancias en la liquidez del sistema financiero", F. León, y R. Castro de Mata, eds., *Pasta básica de cocaína* (Lima, 1989), pp. 263-264; Ibán De Rementería, "Evolution of coca leaf production in Peru and its macroeconomic role between 1978 y 1990", *Peru Report*, April 1991.

3.4 Crime and terrorism: the continuum

Such conclusions, measured by statistical methods, are partly coherent with some results from Tamara Makarenko’s analysis of narcoterrorism, developed in the University of St. Andrews,⁴² which studied the contiguity between organised crime and terrorism. Makarenko has identified a dynamic “continuum” in the relations between big criminality and terrorist groups (Fig.1).

⁴² Tamara Makarenko, "The Crime-Terror Continuum: tracing the Interplay between Transnational Organized Crime and Terrorism", *Global Crime* Vol.6 n.1 (2004), pp.129-145, Routledge Taylor & Francis Group

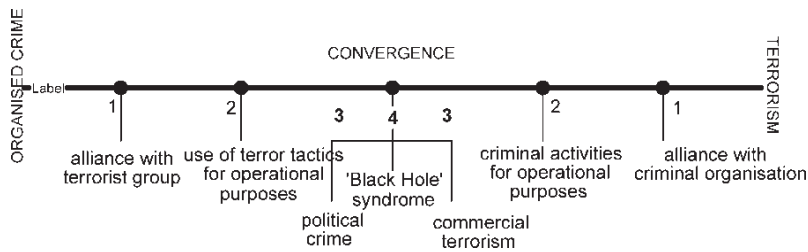


Fig.1- The Crime Terror Continuum

This model, divided in seven categories, shows that terrorism and organised crime are on the same level and are potentially convergent towards the centre.

The first category is the one of alliances. More precisely, reciprocal actions aimed at reaching strong agreements, in which terrorist look for criminals and criminals look for terrorists. Such alliances, according Makarenko, range from one-off agreements, medium/long-term relations and consist in the hunt for experts in sectors in which each part does not have direct competences or in the resort to missing operative support. As a result, for instance, criminal groups look for terrorist in order to seek guidance in how to create bombs whilst terrorist look for criminals, experts in money-laundering, counterfeiting and smuggling. Makarenko quotes as an example the cooperation that the Medellin cartel was forced to seek with ELN (Ejército de Liberación Nacional colombiano) when they decided to build a car bomb; FARC on the other hand searched for alliances with Mexican narcos to hand over cocaine in exchange for weapons. Other examples of cooperation are the ones between Al Qaeda and Bosnia's criminal organisations in order to smuggle heroin produced in Afghanistan in Europe, sales from which Osama bin Laden's organisation gained lots of money to finance the expensive terrorist network.

“The most illustrative nexus between a criminal and terrorist group-bone in which a mutual relationship has proven integral to the operations of both entities-is the relationship between the Albanian mafia and the Kosovo Liberation Army (KLA) during the Kosovo conflict”.⁴³ In this case, there was a mingling of the interest of KLA to conquer independency from Serbia with the ability of Albanian mafia to control Balkans's drug pathways, so KLA received Pristina's cartel money to purchase weapons with which in turn they would grant security to the trafficking and smuggling of Albanian mafia.

These kinds of alliances are often of regional nature because they are well linked to the control of territories, roads and illegal paths for trafficking. The more complex and unstable are regional equilibria, the easier for terrorist and organised criminals will be to find space for coalitions and, as a fact, replace state sovereignty,

⁴³ *ibidem* p. 131-132

demonstrate efficiency, exploit the weakness of the regimes and try to find a sort of popular legitimisation in granting certainties and law and order in territories otherwise subjected to criminal gangs without a control structure.

The second category is that of "operational Motivations".

Basically, terrorists on one hand and criminals on the other hand, go beyond alliances and seek to internalise the competences that they have in some way acquired thanks to such alliances. By doing so, terrorists have become similar to organised crime and the biggest organised crime has become increasingly similar to terrorism. This process, according to Makarenko, is due to the fact that alliances can offer reciprocal support, but there are increasing differences between the different priorities that each partner assigns to determined activities. Therefore, to avoid conflicts or inefficiency situations, they try to directly acquire the competences of the other partner and try to manage them independently. The end of the cold war has accelerated these processes, depriving terrorist groups of state support. "As a result, criminal groups have increasingly engaged in political activity in an effort to manipulate operational conditions present in the rising numbers of weak states; whereas terrorist groups have increasingly focused on criminal activities to replace lost financial support from state support".⁴⁴

As a result of this phenomenon, since the early nineties, organised crime started to use methods and tactics typical of terrorists. This can include, for instance, Sicilian mafia's strategy, led by Totò Riina, which between 1992 and 1993 entailed the use of car bombs to kill Falcone and Borsellino, in order to spoil Italy's cultural heritage, to intimidate and threaten the State. The aim of this terroristic quality leap by organised crime did not have nothing to do with the typical aims of a terrorist organisation which seeks to upset institutional assets in the name of so-called revolutionary strategies.

The ultimate goal of big criminality that uses terrorist methods is to create an operative environment favourable to them, to obtain a legislation functional to them, eliminating who fights them, trying to intimidate institutions by sending messages to the present and future ruling class. Several terrorist groups, deprived of the support they received during the years of cold war from some states, started to engage in typical criminal actions, mainly drug trafficking, to replace the financial flows of States with other forms of financing.

This how it was for FARC, ETA, PKK, Sendero Luminoso and Hezbollah.

Makarenko believes that the increasing hybridization of terrorism and big criminality has led each group to lose the sense of their own identity and their motivation and this phenomenon will lead, in the end, to the convergence of terrorism and crime as one identity which will initially show features from both groups

⁴⁴ *ibidem*, p.133

simultaneously. We are dealing then, with criminal groups that act in the realm of politics and with terrorist groups that operate through illicit trafficking, mainly drugs. If political-criminals attempt to steal sovereignty from politics and manipulate ruling classes, economic-terrorist groups hide behind their insurrectionist ideological predication to acquire more proselytes and justify clearly strictly economical activities.

Makarenko reports, for instance, how Abu Sayyaf's terrorist group, the Islamic movement of Uzbekistan that "has been primary engaged in criminal activities such as kidnapping operations, and most recently, operating marijuana plantations in the Philippines...It has been estimated that in 2000 alone, kidnapping deals garnered Abu Sayyaf \$20 million. In light of Abu Sayyaf's operations which are focused on criminal activities, there is little indication that the group remains driven by its original political aim, which was to establish an independent Islamic republic in territory currently comprising Mindanao, surrounding islands, and the Sulu Archipelago".⁴⁵

In the continuum outlined by Makarenko, the most critical final phase is the one she defined as "Black Hole". Such phase is typical in extremely weak or failed states, in which the convergence of crime and terrorism finds a kind of earthly paradise to keep the trafficking and attacks going, creating at the same time, the perfect condition for a seizure of power by a mix of terrorists and criminals. "The 'black hole' syndrome encompasses two situations: first, where the primary motivations of groups engaged in a civil war evolves from a focus on political aims to a focus on criminal aims; second, it refers to the emergence of a 'black hole' state -a state successfully taken over by a hybrid group".⁴⁶

3.5 Narcoterrorism and armed conflicts

This is the situation that, in different periods of time, has been found in countries such as Afghanistan, Angola, Myanmar, North Korea, Sierra Leone and Tajikistan. States in which the weakness of state institutions was replaced by criminal-terrorist groups, creating a civil war led much less by ideologies and increasingly by the protection of illicit economic interests. By applying Makarenko's model in different contexts in which there are conflicts between armed groups, Svante E Cornell⁴⁷ has detected that when a conflict is unleashed in territories where narcoterrorists' activities is present, a reciprocal alteration occurs of both criminal and insurrectional activities.

⁴⁵ *ibidem*, p.137

⁴⁶ *ibidem* p.138

⁴⁷ Svante E. Cornell, "Narcotics and Armed conflict: interaction and implications", *Studies in Conflict & Terrorism*, 30:3, pp. 207-227, (2007), Routledge Taylor & Francis Group

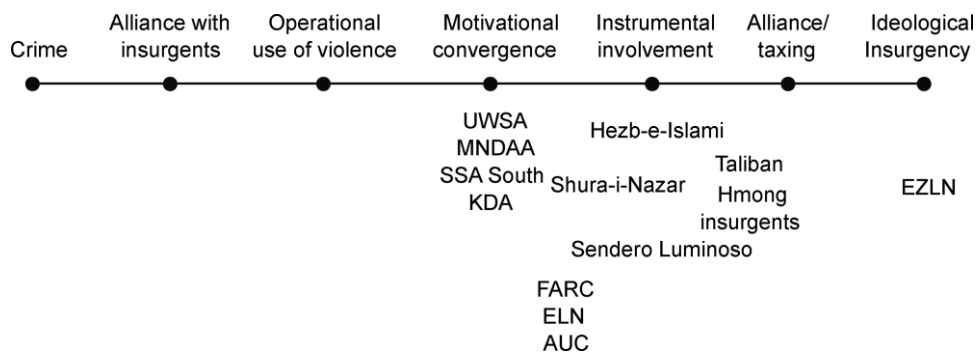
Cornell studied nine Countries: Afghanistan, Bolivia, Burma, Colombia, Laos, Mexico, Pakistan, Peru and Thailand. He identified the different interactions and changes between armed groups and narcotraffickers. The armed groups where the following:

- I. UWSA (United WA State Army- Burma);
- II. MNDAA (Myanmar national Democratic Alliance Army- Burma);
- III. SSA South (Shan State Army-South- Myanmar);
- IV. KDA (Kachin Defense Army-Burma);
- V. FARC (Fuerzas Armadas Revolucionarias de Colombia);
- VI. ELN (Ejercito Nacional de Liberacion-Colombia);
- VII. EZLN (Ejercito Zapatista de Liberacion National-Mexico) ;
- VIII. AUC (Autodefensa Unidas de Colombia);
- IX. Sendero Luminoso (Perù);
- X. Shira-i- Nazar(Afghanistan) ;
- XI. Hezb-el-Islami (Afghanistan);
- XII. Taliban (Afghanistan);
- XIII. Hmong insurgents (Laos);

The production of drugs is not the starting point of armed conflicts. Rather, Cornell argues that they are the result of discontent. Nevertheless, when such conflicts explode, a high increase in criminal activities together with an increase in the production of drugs is registered. In turn, this upward boost of the quantity of drugs produced and traded, encourages armed groups to enter in a highly profitable business, either in the form of alliances with narcotraffickers or through the taxation of the trafficking. Drug trafficking increases the armed groups' capabilities and the efficacy of their challenge against state authorities, who are as a result often weakened.

The final phase of this interaction leads armed groups involved in the trafficking of drugs to modify their motivational structures: "the link between narcotics also has the potential to affect the motivational structures of insurgent groups, creating an economic function of war for actors on both sides of conflict".⁴⁸ Basically, focus on business is added to or replaces ideological motivations. Cornell's research is dated 2007, and in that year, the configuration of armed groups along the line of Makarenko's model resulted as following:

⁴⁸ *ibidem*, p 222



The issue of motivations and of the possible convergence between the motivations typical of terrorists and the ones typical of narco-traffickers is extremely complex and not always succeeds in fully covering the spectrum of behaviours of the two groups. Makarenko’s model was also studied and applied by Emma Björnehed, who seems to distance herself from it, especially as far the convergence of motivations is concerned.

The scholar from Uppsala’s University has tried to highlight similarities and, most of all, differences between terrorists and narco-traffickers. Her starting point was the ambiguity of the definition itself of narcoterrorism which, according to her, suggests the confluence of two phenomena rather than a partnership between the two networks.⁴⁹ The similarities consist in being, the both of them, outlaw organisations, based on secrecy and hiding, with a relatively high internationalisation, a verticalized organisational structure in the high levels and a horizontal one in the lower, more operative, levels. Both the organisations operate through cells formed by a few persons, spread across the territory, equipped with little information so that, in case of capture of some members of one cell, the police will only have access to very few data on the rest of the organisation. A common feature of narcos and terrorists is the endowment of means such as weapons, dynamite, false documents, money-laundering.

According to Björnehed, cooperation between the two organisations starts when they both understand that they can obtain mutual benefit, like in the case of drug smuggling, which provides money to both. Another ground for cooperation is found in the illegal trading of weapons: both entities need weapons and can find it convenient to buy the from illegal markets, cooperating together. Cooperation expands to “intangible resources” territories: gathering of information, use of expertise in routes of the traffics, in military tactics, in the packaging of dynamite and in money laundering.

An original research by Shawn Teresa Flanigan for San Diego University, also was focused on the similarities between drug cartels and terrorism. She examined remote groups such as the Mexican drug cartels and the terrorist organisations of the Middle East, Hamas and Hezbollah, to find out, even in absence of interactions,

⁴⁹ Emma Björnehed, “*Narco-Terrorism: the Merger of the war on Drugs and the War on Terror*”, Global Crime vol.6-n.3&4, (2004), Routledge Taylor & Francis Group

any similarities.⁵⁰ Mexican cartels and middle East terrorists share territorial organisation, the systematic use of violence to threaten, blackmail, creating an atmosphere of fear, seeking to influence governments' decisions through corruption, intimidations and the murder of both public official and common civilians.

According to Björnehed, when terrorist organisations and narcotraffickers operate in the same area, they often draw from the same illegal markets, and may, therefore, become competitors and enter in conflict with each other. Björnehed quotes the case of the Peruvian terrorist organisation, Sendero Luminoso, which in 1987 entered on a collision course with the drug traffickers who controlled the area of Upper Huallaga Valley. Many violent clashes followed, because of divergent strategies and traffic withholding aims.⁵¹ Nevertheless, the main differences between the two organisations lie in the motivations.

On one hand, for terrorists, political motivation still is key, even if at times it is used as an ideological cover story. On the other hand, for narcos economics is their main motivations. Even when linked with narcotrafficker for financing reasons, terrorists seek to nevertheless overturn the institutional order, not just to ensure a favourable environment for their traffics but also to impose a different model of state and society. Even when exploiting political objectives, Narcos aim at facilitating their business, not at gaining power, even though such character as Pablo Escobar tried hard and succeeded in being elected in the Colombian parliament, without nevertheless, obtaining other benefits for entering politics. The main aim of narcotraffickers is not to replace the State but to control it, through the corruption of and threats to the police, the judiciary and some political sectors, in order to not have any excessive problems in their business.

The topic of motivations is fundamental if we want to identify in good time the strategies of the respective terrorist and drug trafficking groups. As far as terrorists are concerned, according to Björnehed, they will aim at hitting the symbols of institutions and leaders rather than operative actors, like narcotraffickers would do in order to get rid of anyone who might be an obstacle to their business.

When outlining the counter strategies against terrorist and narcotraffickers we must take these differences into account. Björnehed thesis was further supported by the research carried out by Flanigan. Hamas's and Hezbollah's ideological, political and religious motivations have nothing to do with the purely economic motivations that inspire the criminal activities of Mexican drug cartels. The escalation in brutality from the Mexican cartels, provided them with the attribution of the status of terrorists, even if no Mexican cartel has any ideological position except for "La Familia Michoacàn". The only Mexican cartel that makes reference to templar knights, has a religious orientation and presents itself as the defendant of the Michoacàn

⁵⁰ Shawn Teresa Flanigan, "*Terrorist next door? A Comparison of Mexican Drug Cartels and Middle Eastern Terrorist Organizations*", *Terrorism and Political Violence* 24:2 pp.279-294, (2012), Routledge Taylor & Francis Group

⁵¹ E.Björnehed, *op.cit.*p 322

population.⁵² Therefore, motivations do make a difference in the behaviours but do not seem to influence much the dynamics of the fight against drugs and terrorism.

Michael Kenney, from Pennsylvania State University, Harrisburg,⁵³ analysed the different strategies in the fight against drugs and terrorism realized by the American government, based on the capture of the bosses of the organisations. Kenney believes that the hunt for the kingpins of each cartel is necessary but not enough, because when a boss is captured or killed, huge amounts of opportunities are created for the competing cartels, who rapidly increase their profits and bring forth new bosses. Does the same thing apply to terrorist groups?

The Ideological-religious motivations of Osama bin Laden and his sidekick al Zawahiri, were very different from the mainly economical ones of a kingpin like Pablo Escobar. Ideological-religious motivations confer leaders of a terrorist organisation a charisma and a power to lead and attraction, that exerts its efficacy even when the bosses where forced to hide in order to evade capture. Kenney, who was writing before bin Laden's execution, believed that if Al Qaeda's bosses were captured and killed, in the short there would have certainly been a bigger effect than the one provoked by the cartels when a boss was captured. Nevertheless, the expert intermediate actors of the terrorist organisation would still be able to continue the activities and emerge as the new leaders.

Moreover, Kenney argued that "the long-term resilience of religious conviction exceeds, and at least equals, that of profit".⁵⁴ As far as propaganda and communication are concerned, there are other significant differences in the behaviours of narcotraffickers and terrorists.

If terrorists seek publicity, clamour and attention by the medias, criminals carefully avoid having the spotlight of public opinion on them. For a short period, Pablo Escobar tried to find in the media a means to enhance his own power. Nevertheless, after his death, the different criminal groups managed to rapidly return silent and in the shadows.

3.6 Narcoterrorism and TCOs

On a different note from the one of Björnhed, and closer to Tamarenko's model, we find Elisa Nicodano's analysis⁵⁵. The scholar from the Military Center of Strategic Studies in Milan, classified the relations between terrorist organisations and drug criminals in 3 different categories: "mutually beneficial alliances for terrorists and criminals; direct involvement of terrorist groups in criminal activity; replacement, in the terrorist group,

⁵² Shawn Teresa Flanigan, *op.cit*, pp292-293

⁵³ Michael Kenney, "From Pablo to Osama: Counter-terrorism Lessons from the War on Drugs", *Survival*45:3 pp.187-206, (2003), Routledge Taylor & Francis Group

⁵⁴ *ibidem*, p.197

⁵⁵ Elisa Nicodano, "Legami tra traffici di droga e terrorismo", *Informazioni della Difesa*, 2005

of the ideological motivation with the criminal one". In the third case, terrorist activities operate with a different aim. Actually, some terrorist groups do not crystallize into one of the three categories described, rather, they tend to move from one to the other.

The case examined by Nicodano is the one of the Farc (Fuerzas Armadas Revolucionarias de Colombia), which for decades, together with other paramilitary groups, dominated 40% of the national territory, placing on USA's drug market more than 80 tons of cocaine, on an annual basis. When Cali's and Medellin's cartels were dismantled, Farc placed themselves first as guarantors both for producers and consumers of cocaine, ensuring protection to the traffics but demanding in return the payment of an actual tax.

To this tax on protection of the traffics, they added a tax related to the exploitation of the territories controlled by FARC, both for cultivation and for the take-off and landing of small planes for the smuggling of cocaine. FARC subsequently transformed, from overseeing traffics' security, to managers of the territories for the logistics, to intermediates between producers and consumers: "all the peasants who cultivated drugs in the areas controlled by the FARC had to sell them at a fixed price. The FARC then took on the responsibility of selling the cocaine to the buyers".⁵⁶ As a result, the economic motivation was first just and added value, then it took over the ideological motivations, transforming FARC's identity itself into an actual actor in narco-trafficking business.

In 2000, FARC started their own production of cocaine, increasing enormously their own profits, estimated at 300 million dollars per year. If in 1999 FARC had more than 6000 hectares for the cultivation of cocaine, opium and marijuana, in 2002 the hectares had almost triplicated, recording an expansion justified only by the gathering of resources for the financing of their terrorist activities but also by the natural market growth which FARC decided to exploit as much as they could, like any other economic actor. After 52 year of conflict with the government of Bogota, during which more than 220 million people died, in 2016 the negotiations, that lasted four years, between Colombian president Juan Manuel Santos and Ivan Marquez, leader of FARC, marked the end of the hostilities. FARC promised to disarm and gradually enter into politics, with a seat without right to vote in parliament at first, and subsequently, with the possibility to participate to electoral competitions like any other party.

Many wonder about the tightness of the agreement and, most of all, about what is going to happen to those narco-trafficking activities that took place in the territory with FARC's protection, that could have dismissed terrorist motivations but might have kept the economic ones, at least in some of their fringes. Colombia has

⁵⁶ *ibidem*, p.25

always been considered the homeland of narco-trafficking and, as we have seen, also as the place in which the most perverse relations between terrorism and drugs materialised.

There are other geographic areas which deserve from this point of view careful observation. Surrounding Colombia there is the so-called Tri-Borders Area, a very small region in Latin America, which touches the boundaries of three countries: Brazil, Argentina and Paraguay. It has a population of approximately 700.000 people, in which at least 30.000 have Mediterranean, Palestinian and Lebanese origins. In such area not only do mafias of various kinds converge (Chinese, Korean, Taiwanese and Lebanese) but also terrorist groups linked to Islamism, such as Hezbollah, Al Jihad, Hamas, Al Gama's al- Islamiyya and al-Moqawama.

According to Nicodano "the area is crossed by all kinds of trafficking, principally contraband of musical and computer materials, drug trafficking and weapons. An interesting aspect is that of money laundering, which reaches extremely high numbers and happens mainly in the Brazilian city Foz do Iguacu and in the Paraguayan city Ciudad del Este".⁵⁷ Anyway, the alliances between terrorists and narco-traffickers are one of the main threats by narcoterrorism not just at a national level but also globally. There are several proofs of associations, alliances, cooperation, partnership and convergence between cartels and terrorist even in areas far away from each other.

Rammiro Ceballos Melguizo⁵⁸ analysed the cooperation between Colombian FARC's which hijacked substantial quantities of drugs in West Africa to support the activities of Al Qaeda in Maghreb (AQIM), more specifically in countries like Guinea-Bissau, Guinea Conakry and Gambia, where weak and corrupted governments offer wide space for activities of narcoterrorists. A study from UNODC⁵⁹ on 40 groups of 16 countries has demonstrated that in 35% of the cases there are strong linkages between terrorists and TCOs (Transnational Crime Organisations).

3.7 Narcoterrorism and transit Countries

Studies on narcoterrorism are usually concentrated on those Countries in which there is the production of narcotic substances and on the establishing of the relations between drug cartels and terrorist organisations located in different geographic areas. Such shortcoming has been remedied by a research carried out by Maria Y. Omelicheva and Lawrence Markowitz, University of Kansas.⁶⁰ The two scholars have focused on Central Asian Countries located between Afghanistan and Russia/Europe (Kazakhstan, Kyrgyzstan, Tajikistan,

⁵⁷ *ibidem*, p. 27

⁵⁸ Rammiro Ceballos Melguizo, "The evolution of Armed Conflict in Medellin-An Analysis of the Major actors", *Latina American perspectives*, (2001), 28:110

⁵⁹ UNODC, "World Drug Report", (2012)

⁶⁰ Maria Y. Omelicheva and Lawrence Markowitz, "Does Drug Trafficking Impact Terrorism? Afghan Opioids and Terrorist Violence in Central Asia", *Studies in Conflict & Terrorism*, (2018), Routledge Taylor & Francis Group

Uzbekistan and Turkmenistan). These are countries that are characterised by scarce infrastructures, weak capabilities if crime repression, with a male prevalence, educated young people but lacking adequate preparation to find a well-paying job. In these Countries, there is the trafficking of almost one quarter of the massive afghan production of opium and heroin.

On the basis of data collected from UNODC and GTD (Global Trade Terrorism Database) managed by the national Consortium for the Study of Terrorism and Responses to Terrorism (START) from the University of Maryland, the study by Omelicheva and Lawrence shows that there is positive correlation between drug trafficking and the level of terrorism measured both by the frequency and the entity: there is a spatial and temporal coincidence in this region between drug trafficking measured on the basis of drug busts and terrorist activities.

The smuggling of heroin has a stronger impact than opium and positive correlation are registered between a high number of students enrolled in high-school and major terrorist activities.⁶¹ This data confirms that terrorism tends to break through more in those social strata where there is a minimum of school education than in those in which there is absolute ignorance.

3.8 Combating strategies against narcoterrorism

The analysis model of the relations between organised crime and terrorism of Makarenko, in light of some critics and integrations, poses some questions on the opportunity of a converging fight against drug and terrorism by States. In the past, the two strategies have developed on parallel tracks demonstrating their inefficacy and in the immediate aftermath of 9/11 the resolution 1373 by the Security Council of the UN reminded that relations between terrorism and big criminal organisations require the coordination at all levels, national, sub-regional, regional and international to have a global response to these threats to international security.⁶²

By remembering the similarities between drug threats and terrorist threats Björnehed⁶³ outlines a convergent strategy of the two wars against drugs and terrorism, based on some key points. First of all, an intense intelligence activity is required that can gather up information on activities of the two “worlds” and cross-reference the data creating a mix of analysts and investigators specialized in the knowledge of the two networks.

⁶¹ *ibidem*, pp. 15.17

⁶² Security Council, *Resolution 1373*, (2001)

⁶³ Emma Björnehed, *op cit.* p. 313

Moreover, contrast activities need to be reinforced, with new laws and the reorganisation of police forces, avoiding both normative and operative overlap through a higher cooperation. “Recognising that narco-terrorism embodies the merger of two phenomena, and even actual cooperation between two criminal networks, can make security theories more encompassing and more relevant and useful for policymaking upon implementation”.⁶⁴

Nevertheless, since there exist divergences in interests and motivations, Björnehed emphasizes the focus on the effects that some contrast activities against drug trafficking may have on terrorism. For instance, if on one hand the use of pesticides to reduce the production of cocaine hits directly the cartels linked to this type of trafficking, on the other hand it increases prices of other drugs and this might create higher profits for the terrorist organisations that do not have any particular links with this production but gain their financing through income from drugs. An anti-drug and anti-terrorism policy could be based not just on supply control but on the elimination of demand.

According to Björnehed, if on one hand the fight against drugs can be carried in terms of education and health and must take into account the specific characteristics that the country plays (production, transiting or consumption), on the other hand the fight against terrorism should focus not only on the contrast norms and police actions, but also on the analysis of the underlying conflicts and on the motivations that inspire them. This entails the creation of a trustworthy environment within the conflicting parties through diplomatic activities and help towards underdeveloped countries most exposed to the contamination of terrorism.

Basically, the suggestion by Björnehed consists in unifying the fight against drug and terrorism on some grounds in which the two networks converge with a formation integrated into the two issues for the police and investigative forces that are dedicated to the contrast of the two phenomena, with the use of adequate technologies and the gathering and analysis of information. Nevertheless, a cooperation is not possible in those areas such as the policies of extirpation of terrorism which require political solutions to conflicts in which terrorists insert themselves.

“In some areas the war on drugs and the war on terror can be fought like one homogeneous war, and resources in those areas are important for the success of anti-drug and anti-terrorism efforts. In other areas such as those dealing with organizations with different underlying motivations and objectives, they remain two different wars and there is the risk that the focus on only the similarities between narco-terrorist organizations, results in the neglect of certain areas of counter measures”.⁶⁵ Too much focus on narcoterrorism, according to

⁶⁴ *ibidem*, p 315

⁶⁵ *ibidem*, p. 317

Björnhehd, does not help none of the two wars, the one against drug trafficking and terrorism, whilst one should incorporate all the areas of the fight against terrorism and drug in order to obtain the reduction of threats posed by the two phenomena.

CONCLUSION

As I tried to demonstrate, Terrorism entails several forms of financing, most of which have enormous and deadly consequences on the average citizen. In order to be effective, terrorist organisations ought to spend massive amounts of money and will use every tool they may find, legal or illegal, to make sure they have as much money as they need. Trying to find a cure against terrorism by cutting its funds is, to some extent, extremely complicated and there is no single way to go about it. Nonetheless, my research has provided me with some useful key points.

Firstly, as we have seen, Terrorist groups need not resort immediately to an unlawful source of financing. As a fact, there are a few “legitimate” paths they can follow in order to gain money and, more generally, support. The role of the State is in this case of central importance. What emerged from my study is that the State has a dual role. If on one hand it can provide terrorist organisations with money supply and other sorts of support such as a relative “legitimization”, non-interference with their activities and tolerance, on the other hand, the state has the power to limit and control their actions by imposing some conditions. Nevertheless, the risk of being constrained by the State is too high as well as the risk that this public exposition brings, in terms of proliferation of competing terrorist groups.

As regards illicit forms of financing, I outlined the three most common sources and tried to provide, notwithstanding the scarcity of data, a general overview. In the first chapter I focused on the role of the smuggling of artworks and its’ effect on our cultural heritage. ISIS managed to impose its control on more than 12000 archaeological sites in just Iraq and spread its terror by destroying and robbing several monuments and artworks in Turkey, Syria, Jordan and Iran. In this area, the dark web has proved to be a powerful tool in the hands of Terrorist, which allows them to sell all sorts of artworks, fake or real, across the world, with no form of control.

Furthermore, I analysed the role played by cryptocurrencies, which are in a way the newest and, therefore most difficult to counter, means of financing. We saw how on one hand they enable the purchase of weapons and explosive but, on the other hand, do not ensure complete anonymity.

In the last chapter I summarised the origins of Narcotrafficking, which has demonstrated to be the most powerful and common tool for all sorts of terrorist organisations. From this last chapter, it is clear that only time and experience will provide States and Organisations with the right means to organise a counter strategy against any kind of illicit traffic. I believe that Björnhehd’s suggestion of treating narcotrafficking and terrorism as one and not separately, must be taken into consideration if we want to make some further step in finally posing the end to this vile, unjust and destructive practices.

BIBLIOGRAPHY

- Freeman, M. (2011). The Sources of Terrorist Financing: Theory and Typology. *Journal Studies in Conflict & Terrorism*, vol.34 2011.Issue 6.
- Byman, D. (2008). The Changing Nature of the State Sponsorship of Terrorism. *Analysis Paper*. The Saban Center for Middle East Policy.
- Pringle, H. (2014). New evidence Ties Illegal Antiquities Trade to Terrorism, Violent Crime. *National Geographic*.
- Cox, S. (2015) The men who smuggle the loot that funds IS. *BBC NEWS*.
- Pauwels, A. (2016). ISIS and illicit trafficking in cultural property: Funding terrorism through art in *Freedom from Fear*, Issue n.11
- Lamb, F. (2014). Looting is the Greatest Threat to Our Cultural heritage in Syria. *Foreign Policy Journal*.
- Amineddoleh A. (2015) Cultural Heritage vandalism and Looting: The Role or Terrorist Organizations, Public Institutions and Private Collectors. *Santander Art and culture review*, (1) 27-62.
- Lehr, D. (2019). Art and Antiquities: Conduits for Money Laundering and terrorism financing in ACAMS TODAY. *The magazine for Career-minded Professionals in the Anti-Money Laundering Field*.
- UNESCO. (2018). Fighting the illicit Trafficking of Culture Property
- Security Council. (2017). Resolution 2347
- European Parliament. (2019). Import of cultural goods from third countries into the EU. *Legislative Train*.
- Responsible Art Market. (2015). Guidelines on combatting Money Laundering and Terrorist Financing.
- Houten, R., Snyers, A. (2018). Cryptocurrencies and blockchain: Legal context and implications for financial crime, money laundering and tax evasion. *European Parliament*.
- Keatinge, T., Carlisle, D., Keen, F. (2018). Virtual currencies and terrorist financing: assessing the risks and evaluating responses. *European Parliament*.
- Maria Barone, D. (2018). Jihadists' use of cryptocurrencies: undetectable ways to finance terrorism. *Sicurezza, Terrorismo, Società, International Journal Italian Team for Security, Terroristic Issues & managing Emergencies*.

- Dion-Schwarz, C., Manheim, D., Johnston, P. (2019). Terrorist Use of Cryptocurrencies: Technical and Organizational Barriers and Future Threats. *Rand Corporations*.
- Goldman, Z., Maruyama, E., Rosenberg, E., Saravalle, E., Solomon-Strauss, J. (2017). Terrorist use of Virtual Currencies: Containing the Potential Threat. *Center for New American Security*.
- Moos, O. (2018). The Return of the Gold Dinar- An analysis of the Islamic State coin production. *Religioscope*.
- Higgins, J. (2017). Drugs fuel Terrorism. *Law Enforcement today*.
- UNODC. (2017). The Drug Problem and Organized Crime, Illicit Financial Flows, Corruption and Terrorism.
- Piazza, J. (2012). The Opium Trade and Patterns of Terrorism in the Provinces of Afghanistan: An Empirical Analysis. *Terrorism and Political Violence*, 24:2 pp. 213-234. Routledge Taylor & Francis Group.
- Meierrieks, D., Schneider, F. (2016). The short-and long-run relationship between the illicit drug business and terrorism. *Applied Economics Letters* 23:18 pp.1274-1277. Routledge Taylor & Francis Group.
- Makarenko, T. (2004). The Crime-Terror Continuum: tracing the Interplay between Transnational Organized Crime and Terrorism. *Global Crime* Vol.6 n.1, pp.129-145. Routledge Taylor & Francis Group.
- E. Cornell, S. (2007). Narcotics and Armed conflict: interaction and implications. *Studies in Conflict & Terrorism*, 30:3, pp. 207-227 Routledge Taylor & Francis Group.
- Björnehed, E. (2004). Narco-Terrorism: the Merger of the war on Drugs and the War on Terror. *Global Crime*, vol.6-n.3&4. Routledge Taylor & Francis Group.
- Flanigan, S. (2012). Terrorist next door? A Comparison of Mexican Drug Cartels and Middle Eastern Terrorist Organizations. *Terrorism and Political Violence*. 24:2 pp.279-294. Routledge Taylor & Francis Group.
- Kenney, M. (2003). From Pablo to Osama: Counter-terrorism Lessons from the War on Drugs. *Survival*. 45:3 pp.187-206 Routledge Taylor & Francis Group.
- Nicodano, E. (2005). Legami tra traffici di droga e terrorismo. *Informazioni della Difesa*.
- Menguizo, R. (2001). The evolution of Armed Conflict in Medellin: An Analysis of the Major actors. *Latina American perspectives*.
- UNODC (2012). World Drug Report.

Omelicheva, M., Markowitz, L. (2018). Does Drug Trafficking Impact Terrorism? Afghan Opioids and Terrorist Violence in Central Asia. *Studies in Conflict & Terrorism*. Routledge Taylor& Francis Group.

Security Council. (2001). Resolution 1373.

RIASSUNTO

Il terrorismo richiede l'uso di risorse economiche ingenti. Ai costi operativi bisogna aggiungere tutto ciò che occorre per mantenere in vita organizzazioni complesse. Secondo una stima dei costi complessivi delle organizzazioni terroristiche, aggiornata al 2011, questi sarebbero i "bilanci" annuali di alcuni gruppi espressi in dollari.

Le fonti di finanziamento possono essere raggruppate in quattro macro-gruppi, secondo Michael Freeman: sostegni statali, attività legali, supporto popolare, attività illegali.

I finanziamenti da parte di Stati sono notevolmente diminuiti negli ultimi tre decenni, dopo la fine della Guerra fredda. Hanno forme di finanziamento molto varie oltre alla fornitura di denaro.

Il principale vantaggio per le organizzazioni terroristiche, derivante dai finanziamenti statali consiste nella loro elevata consistenza, nella facilità di accesso a questi fondi. Lo svantaggio è rappresentato dai condizionamenti che lo Stato finanziatore può imporre ai gruppi terroristici finanziati.

Le attività legali per far affluire soldi ai terroristi sono legate al controllo che gruppi terroristici esercitano su territori occupati o controllati e su attività di business svolte alla luce del sole. Il finanziamento attraverso canali legali è pericoloso per i terroristi espone a controlli e indagini finiscono per far emergere la rete terroristica.

L'altra forma "regolare" di finanziamento del terrorismo consiste nel sostegno che ricevono apertamente da ambienti di riferimento che ne condividono le finalità e ne supportano, apertamente o clandestinamente le attività, dandone per così dire, una forma di legittimazione.

Molti gruppi ricevono risorse sotto forma di donazioni di organizzazioni o dei donatori singoli che dispongono di ingenti risorse, ciò espone i gruppi terroristici a possibili condizionamenti col rischio aggiuntivo di proliferazioni di gruppi terroristici in concorrenza tra loro per accaparrarsi i fondi dei donatori.

Ma il modello di finanziamento sicuramente più diffuso dei gruppi terroristi consiste nelle attività illegali. Esse consentono di avere accesso immediato ai soldi, di controllare direttamente la rete criminale per l'acquisizione di fondi, di non dover dipendere da Stati, donatori e di non dover svolgere attività che possano facilmente essere oggetto di controlli e di poter lavorare nell'ombra. In questa tesi mi soffermerò su tre modalità di finanziamento del terrorismo che sembrano quelle più remunerative e più complesse da individuare e contrastare: traffico di droga, uso di cripto valute, commercio illegale di opere d'arte.

In questa tesi mi sono soffermata ad analizzare queste tre modalità di finanziamento del terrorismo perché sembrano quelle più remunerative e più complesse da individuare e contrastare.

Il traffico di opere d'arte e di beni culturali in genere è probabilmente quello più sfuggente e più paradossale. I terroristi distruggono aree archeologiche, luoghi sacri per affermare la loro ostilità ideologica verso simboli religiosi, culturali e nello stesso tempo usano i resti per un commercio illegale che, quindi, valorizza tali beni. I principali acquirenti finali di tali prodotti culturali oggetto di traffico illegale sono persone che hanno notevoli disponibilità di denaro e che fanno di questi beni uno status symbol.

E' molto difficile poter quantificare quale possa essere il fatturato generato da queste attività a favore dei terroristi che ricorrono a intermediazioni non trasparenti e seguono canali non facilmente rintracciabili.

L'Afganistan e l'Iraq sono stati i primi terreni di distruzione, saccheggio e traffico di opere culturali antiche da parte dei terroristi.

L'Isis in Iraq e Siria ha continuato l'opera di distruzione e saccheggio finalizzandola al finanziamento delle sue attività.

L'Isis ha controllato, prima della sua disfatta, un terzo dei 12.000 siti archeologici dell'Iraq. La sua base operativa era collocata in Siria. Aveva messo su una specie di agenzia organizzata per fornire a civili trafficanti i permessi per accedere alle aree archeologiche da saccheggiare, imponendo una sorta di tassa, o pizzo diremmo noi, tra il 20 e il 50% sui profitti. L'Isis distruggeva siti archeologici e musei solo dopo aver prelevato da essi oggetti da poter vendere, per ottenere proventi che bilanciassero la riduzione dei guadagni derivanti dalla difficoltà di vendere prodotti petroliferi

L'Isis ha venduto molte più opere di quelle che ha distrutto, perché c'è un mercato nero che prospera soprattutto negli Stati Uniti. L'FBI ha diramato il 26 agosto del 2015 un documento in cui mette in guardia i collezionisti di opere antiche sulla circolazione sul mercato di beni derivanti da attività terroristiche ricordando che l'acquisto e il possesso di tali beni comporta il reato di finanziamento del terrorismo con gravi conseguenze penali.

Ma, a favorire, di fatto, i traffici operati dai terroristi hanno concorso anche alcune lacune nelle legislazioni e nelle organizzazioni di alcuni Paesi. Convenzioni internazionali per contrastare il traffico illegale di arte sono in vigore già dagli anni Cinquanta. Nel 1954 fu approvata la Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict che si riferisce alle azioni belliche in generale e proibisce di attaccare beni culturali a meno che non divengano obiettivi militari. Nel 1995 la convenzione UNIDROIT ha obbligato gli acquirenti di opere antiche ad accertarsi della provenienza lecita di queste opere. Tale convenzione però non è mai stata ratificata dalla Siria e dall'Iraq e da altri Stati dell'area del Golfo. Nel 2014 l'Assemblea Generale delle Nazioni Unite ha adottato delle linee guida non vincolanti per dare assistenza agli Stati membri nel rafforzare i controlli e le legislazioni nazionali in questa materia.

Contro il traffico di opere d'arte the United Nations Security Council (UNSC) ha adottato nel 2015 la risoluzione 2199 che ha esteso alla Siria il divieto di commerciare oggetti culturali che era previsto dal 2003 per l'Iraq..

Un ruolo importante nella lotta al traffico illegale di opere d'arte dipende dalla collaborazione dell'Interpol con le istituzioni culturali, in particolare i Musei.

Il Consiglio di Sicurezza delle Nazioni Unite ha approvato nel 2017 la risoluzione 2347 per rafforzarne le difese e prevenire o contrastare in modo efficiente gli abusi finalizzati al finanziamento del terrorismo.

Anche le istituzioni europee hanno rafforzato le normative per combattere il traffico di opere antiche a fini di terrorismo.

Il 7 giugno del 2019 è stato pubblicato sulla Gazzetta ufficiale dell'Unione Europea l'atto legislativo firmato dal Presidente del Parlamento Europeo e dal Presidente del Consiglio Europeo che vieta l'importazione di una lista di beni culturali che siano stati illecitamente asportati dal territorio dello Stato in cui sono creati o scoperti. Anche alcune istituzioni private si sono mobilitate contro l'uso delle opere d'arte a fini di finanziamento del terrorismo.

Lo slogan degli investigatori che si mettono alla caccia del malaffare, della corruzione, della grande criminalità e dei terroristi è "follow the money".

Ecco perché i gruppi terroristici sono sempre alla ricerca di forme di finanziamento che sfuggano ai controlli ed evitino così di incappare nelle azioni di contrasto e di law enforcement.

Tra queste caratteristiche le principali sono l'opacità, la impenetrabilità ad indagini di polizia, la semplicità del trasferimento delle risorse, la non tracciabilità, la velocità delle transazioni e l'accesso rapido alla liquidità. Le cripto valute, apparse sulla scena negli ultimi 15 anni e diventate per così dire "operative" con il lancio del Bitcoin nel 2009, sono da tempo un oggetto di studio sia da parte delle organizzazioni criminali che di quelle terroristiche.

Fin dal 2008, quando un anonimo sviluppatore, con lo pseudonimo di Satoshi Nakamoto costruì le fondamenta del Bitcoin le cripto valute hanno mostrato un modo di funzionare completamente alternativo a quello delle monete reali e aspirano ad avere quattro caratteristiche.

Mentre queste ultime possono essere create solo dalle Banche centrali di emissione ed hanno tassi di cambio ufficiali e regolamentati, le cripto valute sono invece generate da singoli soggetti che tra loro costituiscono in qualche modo un network che non è governato da nessuno ma si autogestisce. Questa è dunque la prima caratteristica, quella della *decentralizzazione*.

Ma questo network deve avere una seconda e importante caratteristica: l'*anonimato* che si collega ad un'altra caratteristica, apparentemente opposta, la *pubblicità della transazione*: tutti coloro che fanno parte del network dovrebbero sapere che è avvenuto un passaggio di denaro tra un soggetto e un altro soggetto ma rimanendo tutti in qualche modo "coperti". Il sistema assicura la sua affidabilità attraverso un'autenticazione criptata peer-to peer in modo che i partecipanti al network si sentano reciprocamente tutelati. Pertanto, la *sicurezza* è la quarta caratteristica del cripto valute.

La sicurezza delle transazioni è oggi garantita dal sistema evoluto del blockchain: esso è un modo per registrare in modo codificato, attraverso un algoritmo matematico, le transazioni che vengono condivise attraverso dei data stores (chiamati *ledgers*) che conservano la stessa registrazione dei dati e sono gestiti e controllati da un network di server, chiamato *nodes*.

Esistono due tipi di blockchain, uno aperto e senza autorizzazioni e un altro che funziona con autorizzazioni. C'è, infine, la quinta caratteristica delle criptomonete: la *rapidità* delle transazioni. Ma il vorticoso aumento delle transazioni in bitcoin sta avendo dei contraccolpi sulla velocità dei movimenti. In ogni caso il fenomeno si va espandendo.

Anche se è fin troppo evidente che l'interesse dei criminali e dei terroristi si orienta verso l'uso di cripto valute nella forma più anonima, nascosta e che può sfuggire alla tracciabilità.

Circa il 44% delle transazioni in bitcoin sono associate ad attività illecite per un controvalore approssimativo di 72 milioni di dollari attraverso attività di hackeraggio, riciclaggio, pornografia e traffico di droga. Le nuove cripto valute, le *“alternative currencies”* che utilizzano codifiche e sicurezza di transazioni maggiori di Bitcoin, come OmniLayer, BlackCoin, Monero, Hwak e soprattutto Zcash, che consente addirittura trasferimento di moneta offline creando grandi opportunità per le attività di criminali e terroristi che possono utilizzare le criptomonete anche in zone dove non esiste il collegamento con Internet, aumentando notevolmente la non-tracciabilità di queste operazioni.

Per queste forme di terrorismo, che non hanno bisogno di ingenti quantità di denaro per finanziarsi i reali vantaggi derivanti dall'uso delle cripto valute non sono elevati.

Le grandi organizzazioni articolate in con molte basi operative ma senza un quartier generale, come Al Qaeda e i gruppi che controllano interi territori possono, invece, trarre vantaggio dalle cripto valute per molte attività operative come il trasferimento di denaro da banche a zone operative o per depositare denaro contante di provenienza illecita da poter usare all'occorrenza.

Le attività dove le cripto valute risultano più utili sono sicuramente il fundraising e il targeted crowdfunding che serve a raccogliere fondi, donazioni per finanziare l'acquisto di armi, munizioni, esplosivo, per fare propaganda e per pagare i servizi necessari per mantenere la rete operativa dei terroristi.

In queste attività l'Isis si è sicuramente distinto per capacità operative

Il primo sito del deep web, nel 2012, associato al finanziamento di attività terroristiche degli islamisti contro gli Stati Uniti si chiamava *“Fund the Islamic Struggle Without Leaving Trace”*, che nel 2012 è stato scoperto di aver raccolto ben 3 milioni dollari tramite le criptomonete a favore dell'Isis sotto forma di donazioni anonime.

Negli ultimi anni sono nate delle società specializzate nell'attività di *“de-anonymising Bitcoin transactions”* utilissime per riprendere la tradizionale attività *“follow the money”*. Naturalmente siamo appena gli inizi ma la tecnologia anche in questo settore è in continua evoluzione.

Il mondo dei Bitcoin nell'era del blockchain sta subendo delle significative trasformazioni tecnologiche che potrebbero nel medio periodo cambiare radicalmente alcune caratteristiche che finora hanno reso meno attraente per i terroristi l'uso delle cripto valute.

A differenza di quello che è successo per le grandi organizzazioni criminali, la diffusione dell'uso delle cripto valute tra le organizzazioni terroristiche, a parere di molti analisti, si è sviluppata finora con lentezza per le differenti caratteristiche sia organizzative che dei modelli di business.

I terroristi ricevono denaro da varie parti anche geograficamente distanti, da mondi esterni a quelli del terrorismo operativo.

A mano a mano che, come abbiamo visto, emergono cripto valute più anonime le criptomonete diventeranno sempre più interessanti per i terroristi che si doteranno anche di strumentazioni tecnologiche informatiche adeguate.

Inoltre, la convertibilità più facile delle cripto valute in denaro, costituirà una grande opportunità per le organizzazioni terroristiche.

Ma il rischio maggiore che gli esperti intravedono è che i terroristi possano creare una loro cripto valuta.

È questo lo scenario ipotizzato dallo studio della Rand Corporation che intravede in una cripto valuta creata e gestita da un attore non statale (come terroristi ma anche cartelli della droga, organizzazioni criminali, mafie etc..) un grimaldello per attentare alla sovranità degli Stati, per alimentare conflitti e disordini sociali.

Le grandi organizzazioni criminali che hanno individuato nel Dark web e nel cripto valute uno strumento di notevole efficacia e potenza. Sono loro che investono anche nell'evoluzione tecnologica delle cripto valute per garantirsi livelli più alti di sicurezza. Il terrorismo, in questa ottica, è costretto a trovare alleanze con i grandi gruppi criminali anche in questo settore. Probabilmente, come è successo per il narcoterrorismo, assisteremo ad una forma congiunta di attività incrociata tra cybercrime e terrorismo.

Il ricorso alla droga per il finanziamento delle attività terroristiche comporta numerosi “vantaggi” per i gruppi armati, che si possono inserire in uno o più passaggi della complessa filiera del narcotraffico, che si articola in coltivazione, manifattura, stoccaggio, trasporto, distribuzione presso i principali centri di smistamento e capillare diffusione presso i consumatori. Inoltre, i gruppi terroristici spesso intervengono come “regolatori” del mercato della droga, mediante la tassazione di alcune attività, la protezione dei traffici.

I gruppi insurrezionali avrebbero raccolto circa 150 miliardi di dollari nel solo 2016 dal commercio dell'oppio coltivato in Afghanistan. Secondo James Piazza, studioso della Penn State University l'Afghanistan è il produttore mondiale per eccellenza di droghe fornendo da solo il 90% dell'oppio e l'85% dell'eroina e morfina. La diffusione del consumo di droga aiuta sia direttamente che indirettamente a creare un ambiente favorevole al terrorismo. L'esistenza di gruppi dediti al traffico di droga fornisce alle attività terroristiche un supporto logistico per la preparazione di attentati e gli permette di accedere alle risorse generate dalla droga fornendo in cambio la protezione ai traffici.

Tamara Makarenko dell'University of St. Andrews ha individuato un “continuum” dinamico nelle relazioni tra grande criminalità e gruppi terroristici.

Questo modello, articolato in sette categorie, dimostra che terrorismo e criminalità organizzata si trovano sullo stesso piano e sono potenzialmente convergenti verso il punto centrale.

La prima categoria è quella delle “alleanze” che consistono nella ricerca reciproca di esperti in settori in cui ciascuna parte non ha competenze dirette. Makarenko cita come esempio la collaborazione che il cartello di Medellín fu costretto a cercare con l'ELN (Ejército de Liberación Nacional colombiano) quando decise di costruire auto-bomba; d'altra parte le FARC cercarono alleanze con i narcotrafficienti del Mexico per cedere loro cocaina in cambio di armi.

La seconda categoria è quella delle “Operational Motivations”. In pratica, terroristi e criminali vanno oltre e cercano di fare proprie le “competenze” acquisite con le alleanze stesse. Si pensi, ad esempio, alla mafia siciliana guidata da Totò Riina che tra il 1992 e il 1993 fece largo uso di autobomba, per uccidere Falcone e Borsellino, per deturpare il patrimonio culturale italiano, per intimidire e ricattare lo Stato. Da parte loro, molti gruppi terroristici, privati del sostegno che avevano ricevuto durante gli anni della Guerra Fredda da parte di alcuni Stati, si sono dati ad attività tipicamente criminali, principalmente il traffico di droga. Così è stato per le FARC, l’ETA, il PKK e Hezbollah.

La terza categoria, che poi sfocia nel cosiddetto “Black Whole”, è quella in cui i gruppi di diversa matrice convergono in unica entità: criminali che agiscono sul terreno della politica e gruppi terroristici che operano sul piano dei traffici illeciti, droga innanzitutto.

La produzione di droga non è all’origine dei conflitti armati che nascono, secondo Cornell, da malcontento; ma quando questi conflitti scoppiano si registra un incremento delle attività criminali con aumento della produzione di droga. Il traffico di droga aumenta le potenzialità dei gruppi armati. La fase finale di questa interazione porta i gruppi armati coinvolti nel traffico di droga a modificare le loro strutture motivazionali e, in pratica, il business si aggiunge o addirittura si sostituisce alla motivazione ideologica.

Il modello di Makarenko è stato studiato e applicato anche da Emma Björnehed che sottolinea le somiglianze sul piano operativo, ma anche le divergenze sul piano motivazionale. Le somiglianze: sono organizzazioni fuorilegge, basate su segretezza e clandestinità, con una relativa internazionalizzazione, una struttura organizzativa verticalizzata nei livelli alti e più orizzontale nei livelli bassi e più operativi. Un’altra caratteristica che accomuna narco e terroristi è la dotazione di mezzi come armi, esplosivo, documenti contraffatti, uso di denaro sporco.

Secondo Björnehed la cooperazione tra le due organizzazioni scatta quando entrambe capiscono di poter trarre vantaggio reciproco, come nel caso della vendita di droghe. Un altro terreno di collaborazione è il mercato illegale delle armi. Cooperazione anche nella raccolta di informazioni, uso di esperti nelle rotte dei traffici, nelle tattiche militari, nel confezionamento di esplosivi, nel riciclaggio.

La principale differenza tra terroristi e narcotrafficienti riguarda le motivazioni: politica la motivazione dei primi, economica dei secondi. Nel caso dei terroristi, sostiene Björnehed, essi cercheranno di colpire leader e simboli delle istituzioni, piuttosto che soggetti operativi come invece farebbero i narcotrafficienti. Di queste differenze occorre tener conto nel delineare le strategie di contrasto ai narcotrafficienti e ai terroristi.

La tesi sostenuta da Björnehed è suffragata anche dalla ricerca svolta da Flanigan. Le motivazioni ideologiche, politiche e religiose di Hamas e Hezbollah non hanno nulla a che vedere con le motivazioni puramente economiche che ispirano le azioni criminali dei cartelli della droga del Mexico.

In una posizione diversa da quella di Björnehed e più vicina al modello di Makarenko si colloca l’analisi di Elisa Nicodano, ricercatrice presso il Centro Militare di Studi Strategici, che classifica le relazioni tra le organizzazioni terroristiche e i criminali della droga in 3 categorie:

Alleanze reciprocamente vantaggiose per terroristi e criminali; diretto coinvolgimento di gruppi terroristici in attività criminale; sostituzione, nel gruppo terroristico, della motivazione ideologica con quella criminale. Alcuni gruppi terroristici, spesso, non si cristallizzano in una delle tre categorie descritte, ma tendono a passare dall'una all'altra.

Gli studi sul narcoterrorismo sono solitamente concentrati sui Paesi dove avviene la produzione delle sostanze stupefacenti mentre viene spesso trascurata l'analisi dell'impatto del narcoterrorismo e dei suoi traffici nei Paesi di transito. Questa lacuna è stata colmata da una ricerca svolta da Maria Y. Omelicheva e Lawrence Markowitz, dell'Università del Kansas.

Sulla base di dati raccolti da UNODC e GTD (Global Trade Terrorism Database) gestito dal national Consortium for the Study of Terrorism and Responses to Terrorism (START) dell'università del Maryland, lo studio di Omelicheva e Lawrence dimostra che esiste una correlazione positiva tra traffico di droga e livelli di terrorismo misurati sia sulla frequenza che sull'entità.

Björnehed richiama l'attenzione sugli effetti che alcune attività di contrasto alla droga possono avere sul terrorismo. Per esempio, l'uso di pesticidi per ridurre le produzioni di coca, mentre colpisce direttamente i cartelli, fa aumentare i prezzi e questo può creare maggiori profitti per le organizzazioni terroristiche.

Una politica antidroga e antiterrorismo potrebbe essere basata non tanto sul contenimento dell'offerta ma sulla eliminazione della domanda. Con consumo zero di droga si assesterebbe un colpo definitivo ai cartelli criminali e si ridurrebbe in modo radicale il finanziamento del terrorismo. Ma nessuna strategia in questo senso sembra essere mai stata delineata. Secondo Björnehed mentre la guerra alla droga si può combattere sul piano dell'educazione alla salute, quella al terrorismo dovrebbe concentrarsi non solo sul contrasto, ma anche sull'analisi delle motivazioni che ispirano i terroristi. Ciò prevede attività diplomatiche, aiuti ai Paesi sottosviluppati e più esposti al contagio del terrorismo.