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# Nationalizing Villainy: Kleptocracies and State Crime

What are the causes and consequences of corruption and political violence? Today we examine what can happen if states succumb to kleptocracy and corruption, and especially how these problems induce and perpetuate war.

By Mark Galeotti for ISN

Had the previous regime in Mali not enthusiastically [protected and assisted the drug trade](#), would Al-Qaeda in the Islamic Maghreb (AQIM) have been as able to establish itself in the north of the country? And if so, would there have been the [2012 military coup](#)? And without that coup, would Tuareg separatism have reached such a peak that it was willing to find common cause with jihadists such that France felt it had to launch a [military intervention](#)? Now, while the outlines of the stabilization force likely to remain in-country are clear, it is much less certain what can be done to address the [underlying problems](#) of corruption and violence. Kleptocracy does not just see assets hijacked by the elite or auctioned to the highest bidder, it can also create and dramatically worsen conflicts and leave them requiring law enforcement, capacity-building and counter-terrorist solutions as much as conventional peacemaking.

States of every kind can succumb to kleptocracy and corruption, although the opportunities will tend to be far less safe and extensive in those where the rule of law is solidly entrenched and where control agencies—from the police and courts to a free press—are well-developed. These are precisely the values and institutions when tend to suffer during times of internal and external conflict, though. Emergency regulations bypass regular court and governance structures, censorship looms over the press, resources become scarce and thus more valuable and the havoc wreaked by the conflict itself degrades the capacities of law enforcement.

The violent fragmentation of [Yugoslavia](#) and the collapse of the post-Hoxha [Albanian](#) state led to a dramatic upsurge in organized crime in the Balkans, especially drug trafficking, often carried out by or under the protection of paramilitary forces. Likewise, Afghanistan's civil war is at once fuelled by and a cause of the widespread [opium business](#). However, this is not confined to relatively poor or unstable states or a byproduct of state collapse. Britain experienced an [upsurge in organized crime](#) while being hammered by German bombs during the 1940-41 'blitz,' for example, even if it nonetheless maintained its capacities for governance and warfighting, just as the [US Civil War](#) generated an upsurge in crime.

Thus, while kleptocracy and crime do not require conflict, they often go hand in hand with it. There is also a second, perhaps more pernicious threat, as states turn a blind eye to crime—perhaps even engage in it—in the name of prosecuting a larger conflict. Sometimes, this means cooperating with warlords and similar non-state actors, as will be discussed in the next installment. However, it may also stretch to such extreme measures as sanctioning extrajudicial killings or the activities of parastate death squads, facilitating criminal operations that fund groups with congruent aims or simply trading impunity for services or intelligence. While seemingly attractive policy options in the short term, the tragedy is that in the longer term they empower criminals, undermine rule of law and legitimacy and often foster and prolong violent conflicts. [Mexico's](#) current woes certainly owe something to past willingness on the part of the authorities to sanction extralegal violence, for example, just as the US government's deal with the Mafia to prevent sabotage and espionage in New York's docks during the Second World War—imaginatively called “[Operation Underworld](#)”—would also help ensure the gangsters retained a privileged position in the coming decades. War may create strange bedfellows, but the issue of this short-term liaisons tend to be burdens for a long time to come.

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## **Recommended Reading:**

### **[Corrosive Corruption](#)**

Of course, corruption benefits the few, not the many, something graphically demonstrated by the *Economist* when it plotted the findings from the UN's Human Development Index against Transparency International's Corruption Perceptions Index.

### **[Crime and its Impact on the Balkans and Affected Countries](#)**

This perceptive 2008 report from the UN Office on Drugs and Crime convincingly makes the case that the Balkans' particular problems, especially in the 1990s, reflected not just the conflict of the time, but also the legacies of political transition; in short, a depressing confluence of war, crime and politics.

### **[Organized Crime and Conflict in the Sahel-Sahara Region](#)**

This 2012 Carnegie Endowment Paper by Wolfram Lacher provides an excellent, if hardly uplifting account of the spread of organized crime across North Africa and the extent to which it both a cause and a consequence of deep-seated political, ethnic, religious and economic conflicts across the region.

### **[Opium for the Masses? Conflict-induced Narcotics Production in Afghanistan](#)**

One of the classic cases of the crime-conflict nexus is Afghanistan. This 2013 update of a 2009 study by Jo Lind, Karl Moene and Fredrik Willumsen directly demonstrates the connection between violent conflict and opium production. This is not just a question of warlords turning to narcotics to fund their military operations but also Western operations, which “destroys roads and irrigation, crucial to alternative crops, and weakens local incentives to rebuild infrastructure and enforce law and order.”

### **[Oil War - Nigeria](#)**

Kleptocratic states breed kleptocratic oppositions, as this 2005 ABC Australia documentary on conflict between the government and the insurgent movement of the Niger Delta People's Volunteer Force demonstrates. While rebels and militias will tend to characterize themselves as the champions of the oppressed underdog, in practice it is often hard to tell how far these are really struggles for control

over criminal opportunities.

### **[Piracy along the Horn of Africa: an Analysis of the Phenomenon within Somalia](#)**

This report by Alexandre Maouche, published by PiraT in 2011, demonstrates how Somali piracy is a product of the collapse of the state in 1991 and subsequent civil war and the “constant struggle for power between the successive governments, warlords and Islamist militias in the southern part of the country.”

### **[The State-Crime Nexus in Central Asia: State Weakness, Organized Crime and Corruption in Kyrgyzstan and Tajikistan](#)**

Corrupt and exploitative regimes, especially when facing challenges from without and within, are often tempted to ally themselves with criminal structures. As Erica Marat’s study from 2006 demonstrates, though, this “promotes nepotism, leads to the suppression of freedom of speech, deters modernization processes, allows criminals to use state institutions against the state, and hinders economic growth.” In short, it keeps weak states weak and strong criminals strong.

### **[Capitalism, Violence and The State: Crime, Corruption and Entrepreneurship in an Indian Company Town](#)**

Kleptocracy and the striking of deals between the powerful and the criminal is a process which can suffuse political systems from top to bottom, as Andrew Sanchez’s 2010 study of the “mutually beneficial relationship between political influence, violence and industrial capital in an Indian company town” demonstrates.

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