The character of international criminal cartels underwent a transformation with the rise of cartels devoted to the smuggling of illegal narcotic substances. The pernicious nature of addiction, provides the supplier with a pliable consumer market at its mercy. Additionally extremely aggressive law enforcement across the world allows the drug cartels to reap immense profits from the drug trade. As a consequence, the illegal drug trade is one of the biggest criminal enterprises in the world today.

Drug trade revenues run into billions of dollars and the bulk of the profit originates from refining, transporting and distribution of drugs. As the areas under cultivation are thousands of miles from the affluent markets of Europe and the United States, it is necessary for drug cartels to control a portion of illegal trade routes across nations. These same routes could be used for the transportation of other items. Consequently, international drug cartels are natural sources of venture capital for other criminal enterprises. This role has reached new dimensions in the regions consisting of Afghanistan and the Indian subcontinent. The opium cultivation in Afghanistan grew rapidly since the mid 1980's. Afghanistan has transformed from a local opium producer to the world's largest producer of heroin today. Local Mujaheddin commanders initially encouraged local opium production as a means of financing war against the Soviets. Over time, opium was transported out along the same networks used by Pakistani Intelligence to channel arms and volunteers into Afghanistan. Thus, the early foundations were laid for the synergetic growth of drugs and terrorist networks in the region.

The chaos in Afghanistan in the early 1990's after the Soviet withdrawal and the end of the Cold War presented Pakistan with an opportunity to further extend control over the Afghan state. Pakistan already controlled a bulk of the drug networks out of Afghanistan, as well as the recruitment and training of Jihadi volunteers. Therefore, it was relatively easy to create the Taliban with the backing of the Pakistani Army and drug cartels. The Opium trade reaped considerable financial rewards for many senior members of the Pakistani Army. General Fazle Haq, a close associate of Gen Zia ul Haq and former Governor of the North West Frontier Province (NWFP) was rumored to have amassed a several billion-dollar fortune due to the drug trade. His activities earned him the sobriquet "*Noriega of Pakistan"* [1]. Under the Taliban, Afghanistan's opium yield increased significantly. The Taliban consolidated opium production through organized farming and transport of the crop. The increased revenue bolstered the influence of the drug cartels in the region. They funded political campaigns to ensure friendly governments and terrorist organizations elsewhere to promote lawlessness and facilitate their business including those headed by Osama Bin Laden.

Despite the removal of the Taliban, the drug cartels still hold influence in the post Taliban Afghanistan. Two years after the roll back of the Taliban, opium growth in Afghanistan rose and some provinces displayed record growth rates. The rise of the resurgent Taliban parallels the opium cultivation. Opium cultivation reduces the land available for food, it promotes lawlessness and saps money from the official economy. The revenues generated by the drug trade pose a serious economic challenge to the Afghan government. The economic power of opium can be

gauged from the fact that the land used for opium cultivation in Afghanistan has increased by 64% over the past few years. The drug economy will play an important if not a crucial role in the politics of Afghanistan through violence and subversion of the political process. Meaningful political control over Afghanistan is impossible without control over the drug trade. Unfortunately the strategic importance of the drug trade for some of Afghanistan's neighbors makes control difficult.

The Afghan government has limited options in dealing with the drug trade. It could discourage opium cultivation through a combination of law enforcement and economic incentives. However, historically, this technique is ineffectual and even counterproductive. Restricted supply increases the cost and promotes monopoly. This incentivizes trafficking by increasing profits accrued by drug lords. Enforcing legal restrictions against narcotics smuggling is highly expensive and a thankless job. As an example, the United States spends billions to prevent the trafficking of narcotics from Colombia and Mexico, with little effect. The Afghan government does not have the economic resources to support a similar costly war on drugs. Crop switch from opium to a more traditional crop poses other problems. Considerable economic incentives are required to promote crop switching as the profit from opium cultivation is several times higher than traditional crops. Incentives work if the government compensates farmers for lost income, however this is either unrealistic or unsustainable for a significant period of time.

Another alternative for the Afghan government is to accept the difficulty of eradicating the opium trade, and establish control over the cultivation and distribution networks. However, this is an extremely difficult undertaking and involves considerable risk to Afghan security. The drug trade remains vital to Pakistan’s plan of "strategic depth" through the Taliban and other proxies. The control exerted by Pakistan, backed by prominent mafias and influential government officials, over the narcotics trade would not be relinquished lightly. In fact, any Afghan attempt to control the drug trade would be met with increased violence by Pakistani proxies and may result in complete undermining of Afghan authority.

The drug trade is a significant concern to other countries in the region. It poses a problem to Indian security on several fronts. It is used as a financier and facilitator of terrorist activity sponsored by neighbors. The most well known example of this is the sponsorship of the 1992 Bombay bomb blasts by Dawood Ibrahim's mafia organization and the Memon brothers. The drug trade has spawned large money laundering networks as a drain on the Indian economy. It threatens Indian society by enhancing criminal activity. So far India has been a transit zone for the narcotics trade, however this status will likely change. In the future, it is likely that the usage of illegal narcotics will rise among India's population due to affluence.

Innovative policy solutions are needed to combat this emerging threat. The Indian government's previous experience with restrictions on the movement of contraband goods as well as the examples of the failed “wars on drugs” in North America show that straightforward law enforcement strategies contribute to the creation of parallel economies based on smuggling operations. Consequently, new methods that combine innovative law enforcement strategies with initiatives to improve social awareness about the dangers of drug addiction are required. Additionally, greater pressure on the money laundering networks that form the financial backbone of the drug trade and associated criminal activities will yield significant dividends.

References:

[1] Articles in the Friday times and The News, of Pakistan dated Sept 22-23, 1994. The text can be found at: http://www.india-emb.org.eg/Section%207E/English4.html