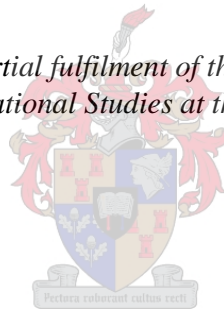


**THE STATE AS A FACILITATOR
IN THE ILLICIT GLOBAL PO-
LITICAL ECONOMY:
GUINEA-BISSAU AND THE
GLOBAL COCAINE TRADE**

by
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Declaration

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Abstract

This research study aims to approach illicit market activity, particularly transnational organised crime, from a political-economy point of view. The study of illicit market activity is characterised by various and often ambiguous concepts and approaches. The benefits of a political-economy approach include the provision of an alternative view of the illicit, combining aspects from these various approaches. The study of the Global Political Economy (GPE) examines the relationship between authority, mostly in the form of states, and markets. This thesis looks at the relationship between the state and illicit markets. It does so by using the concept Illicit Global Political Economy (IGPE), which is defined as concerning the social, political and economic arrangements affecting the global systems of illicit production, exchange and distribution, and the mix of values reflected therein. States, illicit markets and criminal actors are considered here as interdependent and interrelated parts of the IGPE specifically, and the overall GPE. Within this relationship several „roles’ of the state are identified: the state as a creator and regulator of the illicit, through its legislative and executive authorities; the state as a locale of the illicit, as home, host, transshipment or service state for transnational criminal activities; the state as a victim of the illicit, for example, through the inherent nature of crime denying the state’s jurisdiction over its territory and also through the use of violence or corruption by criminals; and the state as a facilitator for illicit activity, meaning that certain characteristics of states can enable illicit activity. This thesis is primarily concerned with the last role of the state. It is argued that certain characteristics of states, particularly weak and transitional states, enable the state’s exploitation by criminal actors. In the framework provided by Phil Williams (2002) seven of these characteristics are referred to as capacity gaps, which can result in functional holes, possibly enabling illicit activity. The primary research question of this thesis is, consequently: Is the role of the state as a facilitator in the IGPE enabled by the existence of capacity gaps and functional holes?

The West African state of Guinea-Bissau has been chosen as a case study for its role as a transshipment state in the global cocaine trade. In the first part of the analytical process of this thesis, the global cocaine trade and its historical development are described and analysed for the social, political and economic arrangements affecting it. This highlights the importance of taking into account these arrangements for a full understanding of the illicit. Additionally, an analysis of the political-economy of Guinea-Bissau provides the necessary background for understanding the second part of this thesis’ approach. Here, the state of Guinea-Bissau is examined firstly for the existence of capacity gaps and functional holes. If they are

found to exist, whether and how they are being used by cocaine traffickers is examined. It was found that six out of seven capacity gaps exist in Guinea-Bissau, most of which are being used by the cocaine traffickers. The involvement of the military in the drug trade in combination with its apparent extra-judicial standing is found to be of particular importance for the cocaine traffickers. This analysis allows for the research question to be answered positively. Moreover, the thesis can be considered to generally affirm the usefulness of a political-economy approach to analysing the illicit and affirms specifically the usefulness of the concept of the IGPE.

Opsomming

Hierdie navorsingstudie poog om onwettige markaktiwiteite, spesifiek transnasionale georganiseerde misdaad, uit 'n politiek-ekonomiese standpunt te benader. Die studie van die onwettige word gekarakteriseer deur verskeie en dikwels dubbelsinnige konsepte en benaderings. Die voordele van 'n politiek-ekonomiese benadering sluit die voorsiening van 'n alternatiewe beskouing van die onwettige dus 'n kombinasie van aspekte van die verskillende benaderings. Die studie van Globale Politieke Ekonomie (GPE) fokus op die verhouding tussen gesag, meestal in die vorm van die state en markte. Hierdie tesis fokus op die verhouding tussen die staat en onwettige markte. Dit word gedoen deur gebruik te maak van die konsep Onwettige Globale Politieke Ekonomie (OGPE), wat gedefinieer kan word as die sosiale, politieke en ekonomiese reëlings wat die globale sisteem van onwettige produksie, wisseling en distribusie affekteer, en die vermenging van waardes wat daardeur gereflekteer word. State, markte en kriminele akteurs word hier beskou as afhanklike en onderliggende dele van die OGPE, spesifiek, en die algehele GPE. Binne hierdie verhouding kan daar verskeie „rolle’ van die staat geïdentifiseer word: die staat as skepper en reguleerder van die onwettige deur die wetgewende en uitvoerende gesag; die staat as lokaliteit van die onwettige, as tuiste, gasheer, oorskeping of diens staat vir transnasionale georganiseerde misdaadaktiwiteite; die staat as slagoffer van die onwettige, byvoorbeeld deur die inherente natuur van misdaad wat die staat se jurisdiksie oor sy grense ontnem asook deur die gebruik van geweld of korrupsie deur kriminele; en die staat as fasiliteerder vir onwettige aktiwiteite, wat beteken dat sekere eienskappe van die staat onwettige aktiwiteite moontlik maak. Hierdie tesis fokus spesifiek op laasgenoemde rol van die staat. Daar word geargumenteer dat sekere eienskappe van state, meer spesifiek swak en oorgangstate, dit makliker maak vir kriminele akteurs om die staat uit te buit. In die raamwerk wat voorgestel word deur Phil Williams (2002) word daar sewe van hierdie eienskappe geïdentifiseer en verwys na as kapasiteitsopeninge wat funksionele gapings kan veroorsaak, en so onwettige aktiwiteite moontlik maak. Die primêre navorsingsvraag van hierdie tesis is gevolglik: Word die rol van die staat as fasiliteerder in die OGPE moontlik gemaak deur die teenwoordigheid van kapasiteitsopeninge en funksionele gapings?

Die Wes-Afrika staat Guinee-Bissau dien as gevallestudie vir sy rol as oorskeep staat in globale handel in kokaïen. In die eerste gedeelte van die analitiese proses van hierdie tesis, word globale handel in kokaïen en die historiese ontwikkeling daarvan beskryf en geanaliseer vir die sosiale, politieke en ekonomiese reëlings wat 'n impak daarop het. Dit bring die belangrikheid van die inagneming van hierdie reëlings, indien die onwettige verstaan wil

word, na vore. 'n Addisionele analiese van die politieke ekonomie van Guinee-Bissau verskaf die nodige agtergrond- informasie om die tweede gedeelte van hierdie tesis se benadering te verstaan. Hier die staat Guinee-Bissau word eerstens ondersoek vir die teenwoordigheid van kapasiteitsopeninge en funksionele gapings, en tweedens hoe dit gebruik word deur kokaïen smokkelaars. Die studie vind dat ses vanuit die sewe kapasiteitsopeninge wel in Guinee-Bissau voorkom en gebruik word deur smokkelaars. Die wederregtelike rol van die landmag, wat gewoonlik die smokkelaars ondersteun, is vir die smokkelaars baie belangrik. Hierdie analiese laat dit toe dat die navorsingsvraag positief beantwoord word. Verder, in hierdie tesis word die bruikbaarheid van 'n politiek-ekonomiese aanslag tot die onwettige en die spesifieke teoretiese fondasies daarvan bevestig.

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List of Acronyms and Abbreviations

ANP	Assembleia Nacional Popular (National Assembly)
ECOWAS	Economic Community of West African States
EU EOM	European Union Election Observation Mission
FARC	Revolutionary Armed Forces of Colombia
GPE	Global Political Economy
IDC	International Drug Control
IGE	Illicit Global Economy
IGPE	Illicit Global Political Economy
IPE	Illicit International Political Economy
IPE	International Political Economy
IR	International Relations
INTERPOL	International Criminal Police Organisation
NGO	Non-Governmental Organisation
PAIGC	Partido Africano da Independência de Guné e Cabo Verde (African Party for the Independence of Guinea-Bissau and Cape Verde)
PRS	Party for Social Renovation
SAP	Structural Adjustment Program
SSA	Sub-Saharan Africa
SU	Soviet Union
TNC	Transnational Corporation
TOC	Transnational Organised Crime
UN	United Nations
UNODC	United Nations Office on Drugs and Crime
US	United States of America
WA	West Africa

Chapter I: Introduction

“Ladies and Gentlemen, Guinea-Bissau is under siege. The threat posed by drug traffickers is so great that the state is on the verge of collapse”
(Costa, 2007).

1.1 Background

These are the words of the Executive Director of the United Nations Office on Drugs and Crime (UNODC) Antonio Maria Costa, spoken at the International Conference on Drug Trafficking in Guinea-Bissau, held in Lisbon on 19 December 2007. According to the UNODC, Guinea-Bissau “has become the hub of a new cocaine trafficking route from South America via West Africa to supply growing demand in Europe” (Costa, 2007). The alarm raised by the UNODC is based on the rapidly increasing number and volume of seizures of cocaine in West Africa (see figure 1). The UNODC sees these only as the tip of the iceberg and “indicative of a dramatic increase in the underlying traffic” (UNODC, 2007a: 7). One quarter of the cocaine for Europe is estimated to have transited through West Africa (WA), (UNODC, 2007a: 10).

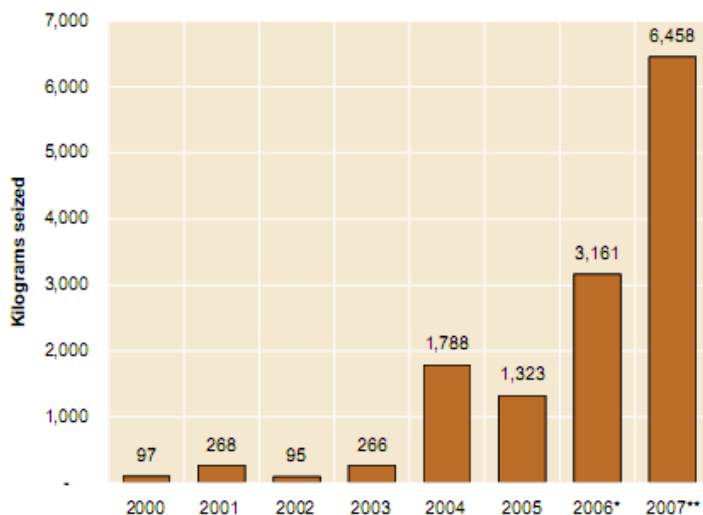


Figure 1: Annual cocaine seizures in West Africa, 2000-2007 (UNODC, 2008: 8)

An UNODC report on transnational organised crime (TOC) in WA from 2005 draws attention to the growing concern of officials over the increasing role of the region in the cocaine trade and its implications (UNODC, 2005: 21). While most other countries in the region have seized more than 100 kg of cocaine in *either* 2006 *or* 2007, Guinea-Bissau has done so

in both years, which can be seen as an indicator for a specific utilisation of the country by traffickers. Moreover, there is evidence that Latin-American traffickers have relocated to WA, indicating a longer-term investment (UNODC, 2007a: 10-11).

Guinea-Bissau is furthermore one of the poorest countries in the world, located in one of the poorest and most unstable regions of the world. The GDP of Guinea-Bissau in 2006 was only \$304 million, about the worth of six tons of cocaine, and the national budget of US\$125 million, equivalent to about two and a half tons of cocaine at wholesale level (Costa, 2007). “The greatest danger posed by cocaine is its extreme value compared to that of local economies” (UNODC, 2010a: 17), as the drug money is “perverting the economy and rotting society” (Costa, 2007). Traffickers can offer officials more than they would earn in a lifetime, giving them enormous leverage over the state. This could have a catastrophic effect on the already compromised rule of law in Guinea-Bissau, as well as put further strain on the state-society relationship (Costa, 2007).

The urgency of Costa’s address in 2007 specifically regarding Guinea-Bissau is based on the country’s particular vulnerabilities, such as political instability, rampant poverty and lack of rule of law. These same vulnerabilities are being exacerbated and perpetuated by its role as a transit point. Drug traffickers have infiltrated the highest state structures, especially the military. “[G]iven the evidence of corruption and the relative sizes of the contraband and the economy, virtually every political conflict has criminal undertones” (UNODC, 2010a: 18). While the traffickers themselves seem not to use violence, the threat to stability, local and regional, emanates more from rivalry between local beneficiaries for the access to funds. The biggest fear articulated by the UNODC is the creation of pseudo-states under the control of criminals, with no international accountability - a first African narco-state. These can pose a threat to international security by becoming safe havens, for example, for terrorists (UNODC, 2010a: 1, 15-18).

While the 2010 report shows that the trafficking through Guinea-Bissau and WA seems to have declined or moved, for example to Mali, possibly due to international attention and action, it has not stopped (UNODC, 2010a: 16). The UNODC (2009) points out that even developed and stable states struggle to control organised crime and even more so TOC, as it requires coordinated action between several states and international organisations (UNODC, 2009: 9).

The following literature review will cover literature concerning the theoretical context within which the events in Guinea-Bissau can be examined and analysed. This will be expanded on in Chapter II. The consequent sections of this chapter will then motivate the

relevance of this research, discuss the research question and objectives, and develop a suitable research design and methodology.

1.2 Literature Review

The situation laid out above allows for a variety of different theoretical approaches from several disciplines, such as: Criminology, Sociology, Economics, Political Science and International Relations (IR). Criminological approaches, for example, might seek to understand the organisational structures and operational parameters of organised criminal groups, in order to enhance crime-combating and give policy advice.¹ IR scholars too have become more interested in TOC since the early 1990s, when it was perceived as a rapidly growing phenomenon and was increasingly believed to be a major danger to national security and consequently, a foreign policy concern, as noted by former US president Bill Clinton and former UN secretary-general Boutros Boutros-Ghali (Mittelman, 1999: np). The UN has adopted several conventions, from the 1988 „Convention against Illicit Traffic in Narcotics, Drugs and Psychotropic Substances’ and the 1994 „Conference on Organized Transnational Crime’, to the 2000 „UN Convention against Transnational Organized Crime’ (Madsen, 2009: 102). Since the terrorist attacks of 9/11 in 2001, the nexus between organised crime and terrorism has received additional attention (Madsen, 2009: 62; Shelley et al, 2005: 5).

The aim of this research is, however, to locate and explain the situation in Guinea-Bissau within the wider context of the Global Political Economy (GPE).² Similarly, the UNODC (2009a) states that “most illicit activity occurring in West Africa is caused by external market forces” (UNODC, 2009: 1).

1.2.1 The Global Political Economy and Transnational Organised Crime

As a field of study, (G)PE’s main underlying assumption simply put, is that economics cannot be sufficiently understood without politics and vice versa. “It concerns the social, political and economic arrangements affecting the global systems of production, exchange and distribution, and the mix of values reflected therein” (Strange, 1989: 18). State and non-state actors “participate in the production, trade, and marketing of goods and services as well as in an array of financial practices” (Friman/Andreas, 1999: 1). It is fundamental to the study of GPE to answer “how power has been used to shape the political economy and the way in which it distributes costs and benefits, risks and opportunities” (Strange, 1989: 24). Susan

¹ See for example: Von Lampe, 2003.

² In this thesis the term *Global* is used rather than *International* Political Economy (IPE), as it emphasizes that its analysis is not limited to states as actors, but that non-state transnational actors also play an important role.

Strange (1989) suggests several steps for the analysis of a particular authority-market relationship, which will help to structure this thesis.

Several authors within the field of GPE have written on crime, organised crime and TOC in the context of the GPE. James Mittelman (1999) writes on the globalisation of organised crime, linking the surge of TOC in the 1990s to the general trends and developments of globalisation that characterise the GPE, often following the same logic (Mittelman, 1999). The development of a global economy, made possible by technological advances, accompanied by increased mobility and the politics of liberalisation and deregulation, has provided a whole new range of opportunities for criminals and opened up space within which they can operate. Similar arguments are made by Friman and Andreas (1999) in their book entitled *“The Illicit Global Political Economy and State Power”* and by Andreas (2004) in his article *“Illicit International Political Economy: The Clandestine Side of Globalization”*.

Subsequently, this thesis will argue that TOC has to be understood within the context of the GPE.

1.2.2 Transnational Organised Crime and the Illicit Global Political Economy

The term TOC is widely used in UN resolutions, literature of different academic fields, by journalists and by law-enforcement agencies. However, there is no consensus on a definition. Hobbs (1998), Edward and Gill (2002a,b), Williams (2002), Andreas (2004) and Madsen (2009) all criticise the term for several reasons and offer different solutions. Williams (2002) for example, offers the alternative definition of TOC as criminal business that crosses borders (Williams, 2002: 164). Andreas (2004) prefers to use the concept Illicit International Political Economy (IIPE), which he broadly defines as the relationship between states and illegal international markets. In an earlier book published with Friman (1999), they use the concept Illicit Global Economy (IGE), which “consists of the system of transnational economic activities that are criminalized by states in importing or exporting countries” (Friman/Andreas, 1999: 1). Edward and Gill (2002) also suggest a political-economy approach to the subject.

These approaches add several important analytical dimensions to understanding TOC and the situation in Guinea-Bissau. They emphasise the state as a crucial actor with multiple roles, as creator of the illicitness of a certain market, as enforcer, but also as victim. They also allow for a wider analysis of the context and development in which certain illicit activities happen, rather than focusing on the TOC groups only. However, the author of this thesis believes it is necessary to further expand on the concepts used by Andreas and Friman (1999) and Andreas (2004). The term Illicit Global Political Economy (IGPE) seems more

appropriate than IPE or IGE, as it emphasises that the study is not limited to states as actors, but that non-state transnational actors, like TOC, also play an important role, and includes political aspects. (Friman/Andreas, 1999: 6) This will be further discussed in the second chapter. Following Susan Strange's (1989) definition of IPE it will be argued that the IGPE concerns the social, political and economic arrangements affecting the global systems of illicit production, exchange and distribution, and the mix of values reflected therein.

Consequently, it will be argued that TOC forms part of the IGPE, responding to market demands and changes within the social, economic and political arrangements of the IGPE, which in turn represents the GPE's illicit dimension and is therefore affected by it and vice versa.

1.2.3 The Illicit Global Political Economy, TOC and the State

The discussion about the GPE and globalisation includes the debate about the role of the state in the contemporary GPE and its debateable retreat. However, the discussion on the retreat of the state does not directly form part of this thesis. Nevertheless, it is relevant inasmuch as the authors cited above argue that TOC, as part of the IGPE, takes advantage of certain gaps and characteristics of states, and can replace some of its functions. Several authors argue that the state's vulnerability to TOC is related to a general retreat of the state, due to globalisation, deregulation, or a more selective, proactive retreat in certain areas, differing from state to state, as a response to various factors, among others, globalisation (Friman/Andreas, 1999: 4).

The relationship between states, TOC and the IGPE is very complex and is often described as paradoxical in several of its aspects. While states are arguably not the only actors in the GPE and IGPE alike, they define what a criminal activity is on the one hand, but on the other hand they are also the ones who are supposedly threatened by TOC. Susan Strange (1996) argues in her book *The Retreat of the State* that the mafia can be seen as an example of a non-state authority, just like Transnational Companies (TNC). Other than TNCs, mafias, or in this case TOCs, constitute a rival or counter-authority, to the state (Strange, 1996: 92- 93). The criminalisation of a product or service by one or more states is what creates an illicit market in the first place and tougher law-enforcement on the one hand increases the risks for criminals. But on the other hand it increases the price and thereby the profit for TOC. Friman and Andreas (1999) furthermore argue that when a certain activity is criminalised, the state essentially withdraws from regulating the market, a function that will be taken over by non-state actors such as organised crime groups, through taxing, quality control, contract enforcement and other means. In a similar fashion, TOC is a threat to the

state and tries to circumvent its controls, but also needs the state, as profitability is created by the provision of a product or service across borders to a better market. TOC operates in the gap between the state's ability to criminalise a certain activity and the ability to enforce it, in the form of police and security forces, thereby exploiting the state's weaknesses (Friman/Andreas, 1999: 9-10). Williams (2002) links the rise of TOC in the 1990s to the weakness of many states, which facilitates opportunities for criminal activity. Transitional states are particularly vulnerable to TOC (Williams, 2002: 170). The characteristics of transitional states, and of weak states, in general provide for capacity gaps leading to functional holes, for example, a lack of capacity to control a state's borders leads to weak interdiction of illegal products, which can be exploited by TOC (Williams, 2002: 173).

According to Williams (2002), a major problem in the debate about the retreat of the state is caused by differing interpretations of what constitutes a state, thereby hindering a more meaningful analysis of the relationship between the IGPE, TOC, and the state. In order to overcome this obstacle he identifies four main interpretations used in the debate, which lead authors to different conclusions. Based on these different definitions, Williams (2002) develops a categorisation of how TOC threatens and exploits states (Williams, 2002: 163).

Williams also notes that from the perspective of TOC there are four categories of states: "home, host, transshipment, and service" (Williams, 2002: 168). Transshipment states, like Guinea-Bissau "suffer from the violation of their sovereignty and are particularly vulnerable to operational corruption" (Williams, 2002: 169).

Several authors, e.g. Bayart et al (1999) and Reno (2000), specifically address the state in Africa in relation to illicit activities and argue that in many states in sub-Saharan Africa (SSA) the capacity to administer, control and implement has diminished as result of the "combined effects of economic crisis, neo-liberal programmes of structural adjustment and the loss of legitimacy of political institutions" (Bayart et al, 1999: 19). Additionally, they argue that a close relationship between political power, economic accumulation and illicit activities has developed in many cases in SSA (Bayart et al, 1999: xvi, 19; Reno, 2000: 434).

From this brief overview it can be gathered that there is a need to further discuss the relationships between the state, the IGPE and TOC in order to achieve a more meaningful analysis of Guinea-Bissau's role in the global cocaine trade.

1.3 Research Problem

1.3.1 Relevance of the Research

The dramatic appeals by the UNDOC are evidence of the pressing nature and the seriousness of the situation. As shown in the literature review and in the introduction, the possible consequences of cocaine trafficking for Guinea-Bissau are dramatic. Similar developments are possible or even under way in neighbouring states, as international attention to Guinea-Bissau seems to have already shifted some of the trafficking flow to other countries in the region. This firstly highlights the need for an analysis of these events in a wider context in order to fully understand the historical roots, causes and processes that preceded the transformation of Guinea-Bissau into a major cocaine-trafficking hub. Secondly, it illustrates the necessity of analysing Guinea-Bissau's role in the IGPE and why it is used as a transshipment state.

Andreas (2004) additionally points out that the illicit dimension of the GPE is largely being overlooked. He emphasizes that the field could greatly benefit from bringing the clandestine side of globalisation "more centrally into IPE" (Andreas, 2004: 641). Firstly, because studying the mechanisms and implications of change in the IGPE and its connections to the licit dimension, can contribute to the general understanding of the GPE, the relationship between states and global markets and the theoretical underpinnings of the field. An analysis of the changes that led to the surge of TOC, its modus operandi, its arrival and impact in Guinea-Bissau promises to achieve this. Mittelman (1999) makes a similar argument saying that "in terms of global governance and globalization, organized crime is an understudied issue" (Mittelman, 1999: np). Secondly, the overview of the literature given above shows the existence of a variety of different definitions and approaches to the illicit. Thus, situating the events in Guinea-Bissau in the wider context of the GPE will provide a deeper insight into its illicit dimensions, the relationship between markets (illicit or not) and states.

1.3.2 Research Question and Rationale

The brief literature review suggests that the IGPE-State relationship is very complex and consists of a multitude of actors with multiple roles. Additionally, the space for this study is limited. Hence, this thesis will focus on only one aspect of the IGPE-State relationship. Consequently, the primary research question of this thesis is:

Is the role of the state as a facilitator in the IGPE enabled by the existence of capacity gaps and functional holes?

The underlying rationale of this research is to examine the relationship between the IGPE and the state, which will not only contribute to the field of GPE in general, but also provide

a frame of reference for the anticipation and possible prevention of similar developments and global trends. For this purpose, it is necessary to also analyse the wider context of the nature, dynamics and mechanisms in the IGPE. This is however not to suggest a one-sided systemic causality between the IGPE and the state. It will be emphasized that the characteristics and development of the particular state are equally important.

The IGPE is, for the purpose of this research, defined as the social, political and economic arrangements affecting the global systems of illicit production, exchange and distribution, and the mix of values reflected therein, as argued earlier. The wider context refers to the changing nature, dynamics and patterns that define the current state of the IGPE and its components, like TOC, as well as its historical development. The events, developments in Guinea-Bissau and the state's characteristics, as briefly laid out in the first section of this chapter, will serve as a case study. Capacity gaps and functional holes refer to the concepts used in Williams' (2002) analytical framework, describing certain vulnerabilities of states.

The approach will be two-fold. The first part of this approach will treat the IGPE in a theoretical and descriptive fashion, acknowledging its importance, and will contribute to achieving the underlying rationale of this study. The historical background to the development in Guinea-Bissau, explaining what has contributed to the weakness of the state will be treated alike. Hence, in the first part of the approach taken here, the development of the contemporary global cocaine market, as part of the IGPE, its social, political and economic arrangements, as well as those of Guinea-Bissau and its history, will be "mapped", in a descriptive effort. In this 'mapping' the analytical steps suggested by Susan Strange (1989) will be used in order to achieve a structured and methodological analysis. This part will draw on literature discussed above, on the globalisation of organised crime, the IGPE, on TOC, the global cocaine trade, as well as on states in Africa, and Guinea-Bissau in particular. The purpose of this part is to provide the context and background within which the findings of the second part have to be understood.

The second and main part of this study will attempt to answer the primary research question. For this purpose the analytical framework developed by Williams (2002) will be used, firstly to examine whether the capacity gaps and functional holes identified by Williams (2002) exist in Guinea-Bissau, and secondly to analyse how these are used by cocaine traffickers. Accordingly, two supplementary research questions are formulated:

(1) Do capacity gaps and functional holes exist in Guinea-Bissau?

If a capacity gap and resultant functional holes are found to exist in Guinea-Bissau it will be asked:

- (2) How are the capacity gaps and functional holes used by cocaine traffickers in order to advance their activities in Guinea-Bissau?

1.3 Research Design and Methodology

The approach chosen in this thesis is a qualitative single-case study. A qualitative rather than a quantitative approach is more appropriate for the purpose of this research, as it enables the researcher to achieve a more in-depth understanding of social dynamics and a focus on process rather than the outcome (Babbie/Mouton, 2008: 270).

The case study approach was chosen because it helps to connect the micro-level (Neuman, 2006: 41), in this case the events in Guinea-Bissau, to the macro-level, the (I)GPE. As this thesis is a single-case study, there are two main pitfalls to be aware of: selection bias and over-generalisation of results. In order to minimise or avoid these, the selection of the case study, as well as the within-case methods used, are of critical importance. Guinea-Bissau represents a so-called „most-likely’ case for this study, as it is a transshipment state for the global cocaine trade and some of its characteristics, such as a weak rule of law, seem well suited for illicit activities. While most-likely cases are not the strongest possible test for theories, general theory-testing is not the purpose of this research. It is more what George and Bennett (2005: 76, 78) call “*building-block studies of particular types or subtypes* of a phenomenon. [...] Each block – a study of each subtype – fills a “space” in the overall theory. [...] each building block is itself a contribution to theory.”³ This is especially helpful for the field of GPE/IPE, as it does not stand for one single theory or theoretical framework, beyond its underlying assumption, as pointed out before. While authors like Susan Strange have argued for GPE to transcend the disciplinary border between Political Science, IR, and Economics, it remains a multidisciplinary field. Different authors choose a different point of entry and level of analysis (O’Brien/Williams, 2007: 14, 27). Therefore, the primary research question represents a building-block for the theoretical understanding of the illicit in the GPE. While this research does not strictly follow one specific theory, it will build on the theoretical framework and analytical tools suggested by Susan Strange (1989) for GPE and use Williams’ (2002) theoretical and analytical framework, which will be discussed further in Chapter II.

This study will make use of mostly secondary data, as primary data is hard to obtain due to the clandestine nature of the subject. This will be further elaborated in the section on

³ Italic in original.

limitations and delimitations. The sources of secondary data used here are academic writings, journalistic accounts of events, documents published by institutions such as the UNODC and, when available, those published by the state of Guinea-Bissau.

1.4.1 Variables, Unit of analysis, Level of Analysis and Concepts

The independent variable in this research is the IGPE, as part of the overall GPE, including its components, specifically the global cocaine trade. Accordingly, the dependent variable is the role of the state in the IGPE, in this case Guinea-Bissau, while the capacity gaps and functional holes of the state of Guinea-Bissau represent intervening variables.

The unit of analysis is the state of Guinea-Bissau.

The level of analysis however will vary during the different stages of the analysis. It will start out at a macro, global level, analysing the IGPE and then “zoom in” on the cocaine trafficking in Guinea-Bissau, in order to capture as many aspects as possible.

1.4.2 Limitations and Delimitations of the Research

Limitations to the research conducted in this study arise from two main sources. Firstly, the clandestine nature inherent to illicit flows allows only “guesstimates” (Andreas, 2004: 646) on the extent of cocaine trafficking, derived from the number of seizures, as well as journalistic or other public allegations of corruption or other involvement of officials. Secondly, in regions or countries where the capabilities of states and law-enforcement are low, like in WA, reliable official data is even harder to obtain (UNODC, 2005: iii). Additionally, the majority of the literature and information on the cocaine trade in Guinea-Bissau comes from the UNODC and academic as well as journalistic treatment of the subject also relies heavily on UNODC sources. Andreas (2004) calls the lack of reliable data the Achilles heel for research in the field (Andreas, 2004: 646). Thirdly, this study is limited by the fact that the majority of the literature on Guinea-Bissau and official government documents are written in Portuguese (Galli, 1990: xix). The use of predominantly secondary data contributes further to the limitations of this study, as do limited time and the restricted length of this thesis.

This study is delimited geographically to the area of the state of Guinea-Bissau. Furthermore, the analytical second part of the two-fold approach taken in this thesis only looks at the relationship of the IGPE with the state as defined and discussed by Williams (2002) and does not include societal aspects, which are however acknowledged and described in the first part. Additionally, only the TOC cocaine trafficking will be considered as an example of the illicit market activity. Furthermore, only literature published before October 2010 will be taken into account.

1.4 Outline of the Remainder of the Study

The aim of the second chapter of this thesis is to further discuss the concepts and variables, as well as their operationalisation, and will therefore go into more detail on the underlying theories and theoretical frameworks, briefly discussed in the literature review. The analytical tools, which will help to perform a structured and logical analysis, will then be discussed. Chapter III, the contextualisation, constitutes the first part of the approach of this study. The characteristics of the political economy of the global cocaine market, its dynamics, historical development and the relationship between market and authority will be identified, as will be the political economy of the unit of analysis, the state of Guinea-Bissau, and its historical development. Chapter IV will then attempt an analysis to answer the primary research question. Finally, Chapter V will summarise the findings in a conclusion, tie together the results of the first, descriptive, part with those of the second part of the study and discuss the possible implications of these findings.

Chapter II: Theoretical Foundation, Framework, Concepts and Analytical Tools

2.1 Introduction

The purpose of this chapter is to discuss critically and clarify the theoretical foundation of this study and conceptualise and operationalise the key concepts introduced in the first chapter accordingly where necessary. These are: the GPE, the IGPE, TOC, the state in the IGPE, and capacity gaps and functional holes. The section on the GPE will furthermore discuss analytical tools for this field, such as those suggested by Susan Strange (1989, 1996). Similarly, the analytical framework provided by Williams (2002) will be discussed, as it will be used to answer the primary research questions as discussed in Chapter I.

2.2 Defining the Illicit Global Political Economy

In the first chapter it was briefly indicated that one of the main underpinnings of this thesis is to understand and analyse the developments in Guinea-Bissau within the wider context of the GPE. It was furthermore indicated that an argument would be made for understanding the IGPE as a dimension of the GPE, defined by its illicitness. This section will attempt to discuss the merits of this theoretical foundation for this thesis.

When approaching the illicit on a global level, scholars use a variety of concepts, focusing on different aspects. Concepts like black, underground, or informal market focus more on the economic aspects. These concepts differ mainly in the range of activities they include. Their common ground is that “each set violates institutional rules [...] ranging from legal to fiscal statutes to “macroeconomic accounting conventions”⁴” (Friman/Andreas, 1999: 5). Another concept that is used often, particularly by the UNODC in their reports on the cocaine trade in Guinea-Bissau, is TOC. Due to this, it will be critically discussed in more detail in the following section.

2.2.1 Transnational Organised Crime

As stated in the introduction, the concept TOC has become widely used since the beginning of the 1990s, accompanied by the warning that it constitutes an increasing threat to the national security of states. Shelley (1995) describes it as a phenomenon “penetrating political institutions, undermining legitimate economic growth, threatening democracy and the rule

⁴ Quotation marks in original.

of law and contributing to the post-Soviet problem of the eruption of small, regionally contained, ethnic violence” (Shelley, 1995: 488).

Besides its widespread use there seems to be no consensus on what it entails. Andreas (2004) calls it a “frustratingly broad, vague, and fuzzy term, [which] is too often used as a poorly defined and all-encompassing umbrella category under which all sorts of perceived 'transnational threats' are placed” (Andreas, 2004: 643).

In order to achieve a meaningful discussion of this concept it is helpful to start by disassembling it into the three terms it contains, discussing them individually and then looking at how they are put together to form the final concept. At the beginning of this undertaking stands *crime*, which is then split up into several sub-categories, one of which is *organised crime*, and then further divided into *transnational* and non-transnational organised crime.

2.2.1.1 Crime

At the beginning of each crime stands the creation of a law that imposes a prohibition on the particular activity, product or service within a particular jurisdiction.⁵ The terms *criminogenesis* and criminalisation refer to this process. Bayart et al (1999) define *criminal* as:

“political, social and economic practices which are the object of a ‘primary criminalization’⁶ either by the laws and other texts of the states which are under discussion or, more particularly, in international law” (Bayart et al, 1999: 15).

Hence, definitions of what is criminal are relative and change over time, for example, the prohibition of slavery (Bayart et al, 1999: 13). Additionally, the process of criminalisation needs to be understood in relation to “political strategies, wider social and economic changes and international developments which confer on them a new meaning” (Bayart et al, 1999: 16). Moreover, international prohibition regimes are mostly dominated by Western conceptions of what is criminal. Furthermore, criminalisation has direct practical consequences, for example, the need for policies and prohibition regimes on the one hand, and an increased value of the now illegal product or service, motivating criminals to take higher risks, on the other.

Law-enforcement practitioners have responded to the myriad possible crimes by compartmentalising and setting up specialised units to deal with (perceived) different crime

⁵ One could go even further back to say that at the beginning of a crime stands the creation of some kind of jurisdiction.

⁶ As opposed to secondary criminalisation which is the “formal decision to prosecute the person or persons alleged to have committed a crime” (Bayart et al, 1999: 13).

types. These distinctions indicate different *modi operandi*, different activities or aims, different perpetrators, different victims, different markets and of course different consequences for perpetrators if caught.

2.2.1.2 *Organised Crime*

Organised crime as a separate concept has its roots in the US of the nineteenth century. While the term suggests a focus on the behavioural aspect of organisation, the US government as well as academics instead focused on racial and ethnic aspects, or a perceived collective identity. This was probably due to the perceived prevalence of crime groups of Italian (and Irish) origin in the early twentieth century, which shaped the main-streaming of the term. As a result, the image of organised crime became that of a “closed ethnic group [...], based on tribal and family relationships” (Madsen, 2009: 13), the so called “Sicilian syndrome”, or “Alien conspiracy” (Madsen, 2009: 13). The reliance on the Sicilian model of organised crime “has gravely impeded scholarship in relevant conceptualization of the subject-matter” (Madsen, 2009: 13).

The concept of organised crime, as a part of TOC, is also one of the main points of criticism. The denotative meaning, what it says, of TOC is criticised, as the nucleus of the term, *organised crime*, is itself a contested concept, defined differently or not at all in different countries and by different organisations (Interpol, 2010; Madsen, 2009: 9).

Williams (2002) identifies three general approaches to a definition of organised crime: firstly, a simple list of characteristics, which include criminal purpose, a minimum number of people, some kind of organisational structure or hierarchy, use of violence and corruption, and an enduring association; secondly, a list of primary characteristics which have to be met, and secondary characteristics some of which have to be met; and thirdly, definitions that try to capture the essence of organised crime. An example of the latter is the definition used by Interpol. The head of Interpol’s organised crime unit defines it as “any group having a corporate structure whose primary objective is to obtain money through illegal activities, often surviving on fear and corruption” (Nesbitt, 1993; in Williams, 2002: 164).⁷ According to the UN

““Organized criminal group” shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit. [...]

⁷ For an extensive list of definitions of organised crime see Klaus von Lampe, Definitions of Organized Crime, www.organized-crime.de/OCDEF1.htm.

“Structured group” shall mean a group that is not randomly formed for the immediate commission of an offence and that does not need to have formally defined roles for its members, continuity of its membership or a developed structure” (UNODC, 2004: 5).

Williams (2002) suggests an alternative „neo-Clausewitzian’ definition: “organized crime is simply the continuation of business by other means” (Williams, 2002: 164).

Besides the ambiguous definitions of organised crime, the concept is also criticised for focusing the attention on the organisational aspect, which is often overstated. While actually “partly in response to intensified law enforcement pressure [...] criminal organizations have flattened out, dispersed, and become more network-oriented” (Andreas, 2004: 644). This decentralized nature of crime makes it harder to combat than one that is globally dominated by a small number of criminal organisations. Ellis (2009) particularly contrasts the structure of the Nigerian drug trade against the hierarchical structure of the classical mafias, which is crucial to their success. It is characterised by a highly flexible *modus operandi* “as those involved constantly form and re-form their business relationships from a wide pool of acquaintances” (Ellis, 2009: 185). The participants in a criminal enterprise are recruited on an ad hoc basis for specific projects, which stands in stark contrast to the above cited UN definition of an organised criminal group. This project-based “adhocracy” (Ellis, 2009: 185) can further be seen as a competitive advantage in a modern business environment, and mirrors developments on the licit side of business.

Instead of using the organised aspect of crime for describing organised crime groups as closed groups, Madsen (2009) emphasises the “*organizational talent and speed of execution* [...] since they illustrate the very real managerial capabilities of organized crime” (Madsen, 2009: 19)⁸. For Madsen (2009), it is the management effort that “is reflected in the “organized””⁹ of organised crime.¹⁰ In summary form: “highly efficient, intercultural, networked cooperative capabilities comparable to the most efficient modern management techniques” (Madsen, 2009: 20).

As stated above, the emphasis on the organisational aspect of some crimes has led to a specialisation and an administrative distinction in law-enforcement policy, practice and research. The premise on which this distinction is based is that the higher the level of organisation of a criminal activity, the harder it is to control and therefore the more dangerous it

⁸ Italic in original.

⁹ Quotation marks in original.

¹⁰ Madsen (2009) uses the production and smuggling of counterfeit cigarettes as an example, emphasising the complex supply chain from (good enough quality) material, over transport between single production steps in often different countries, to final distribution and financial compensation of all those involved (Madsen, 2009: 19-20).

is. Additionally, the high profits and the violent methods associated with organised crime give further credit to a specialised approach (Edward/Gill, 2002b: 208). However, as shown, the premise on which this reasoning is based is not generally accepted.

The official narrative of organised crime as a discernable phenomenon with particular homogeneous patterns, as seen in the definition by the UN or Interpol, has also to be seen in connection with local and global politics. In this context, the definitions of organised crime and TOC are the result of political processes, reflecting the interests and motivation of the actors involved. This narrative will be more closely examined in the following section on TOC. The findings, however, also apply to „only’ organised crime (Edward/Gill 2002a, b).

2.2.1.3 Transnational Organised Crime

Edward and Gill (2002a) analyse the official narration of TOC in a way that sheds some light on the political processes behind its definition. They trace the idea of a *transnational* organised crime problem

“in the official narratives of the UN, G7/8 and the Council of Europe, to a number of factors: the collapse of the Soviet Union and the increasing cross-border mobility of criminal groups that this is thought to have produced (Williams 1997); the continuing growth in transnational trafficking of drugs; [...] In its most extreme form this is said to amount to the need for a ‘world war’ (Clutterbuck 1990, 192) against a global ‘empire of evil’ (Raine and Cilluffo 1994).” (Edward/Gill, 2002a: 253-254)

Andreas (2004) calls TOC “in some respects simply a new and flashier (but less clear) term for a long-established clandestine transnational economic practice. Those who use it tend to emphasise the newness of the phenomenon and the growing nature of the threat” (Andreas, 2004: 643).

The proof for this increased threat of TOC is based on intelligence on criminal activity, surveillance of particular organisations, arrest rates, and estimated profit and turnover, on the volume of seized assets and produce. However, the methodologies used for these estimates are being criticised, for example, the tendency to multiply seizures by 10% (Edward/Gill, 2002b: 206). An estimate used by the UN, which puts the value of the global drug trade at \$500 billion was, for example, more or less an invention, admittedly used to grab public attention and became to be regarded as a „fact’. Nevertheless, a much smaller estimate of \$100 billion would still make the global drug trade one of the biggest sectors in the overall global economy (Andreas, 2004: 646).

The purported attributes of TOC have in many countries resulted in the targeting of high-profile „king-pins’, those high up in the hierarchy of criminal organisations. Additionally, this narrative of TOC is a justification of substantial investments in national and inter-

national law-enforcement agencies and the “rationale for the development of ‘regional regimes’ of transnational law-enforcement” (Edward/Gill, 2002a: 256), as well as the expansion of existing law-enforcement authorities. The end of the cold war and the disintegration of the Soviet Union are usually seen as being connected to the rise in TOC by opening up new markets, connecting formerly isolated areas to the global economy, rapid liberalisation and deregulation, among other factors. However, some critics argue that another dimension of this connection is that many of the Western international security regimes and organisations were robbed of their primary *raison d’être*, the communist SU, and used the perceived global threat of TOC to re-invent and re-legitimise themselves (Edward/Gill, 2002b: 205).¹¹

Similarly, the law-enforcement focus on king-pins has certain benefits for politicians and police officials, as high-profile arrests and discoveries of large quantities of, for example, cocaine, can be publicly celebrated as a success, showing the population that something is being done, while at the same time it can be used to purport the existence of a particular threat and justify further investments (Edward/Gill, 2002a: 256). Edward and Gill (2002a, b) argue that this official narrative, or conceptualisation, of TOC has led to a pre-occupation with a law-enforcement, or law and order, approach to counter TOC. It is the “pre-supposed” (Edward/Gill, 2002a: 258) outcome of the way TOC is conceptualised and narrated in the official discourse. Against this background, it is difficult to get alternative narratives and methods accepted by practitioners, even if one considers the law-enforcement successes as a mere symbolic reassurance of the public and voters.

Additionally, similar to organised crime, TOC is an ambiguously used term. Depending on the author or the organisation, it is used to describe different aspects, and is often used synonymously with three other terms, overlapping with them or delimiting them. These terms are *transnational crime*, *international organized crime* and *multinational crime*. Madsen (2009) illustrates the conceptual collocation of the terms in a very concise way by using a Venn diagram (Figure 2). (1) contains transnational crimes which are violations of international law but not organised, “for example, a parental dispute over custody of a child, where one parent “snatches” the child in one country and transfers it to another” (Madsen, 2009: 8). (2) Slave trading within a country is an example of an organised crime violating international law without crossing borders. (3) International drug trafficking is a crime that is organised, transnational, and violates international law. (4) “Crimes that are organized and

¹¹ Madsen (2009) refers in this context to Max Weber’s discussion of institutional survival and auto-multiplication, wherein it is argued that the “larger such bureaucratic machines (law-enforcement, university, etc.) become, the more unstoppable their institutional inertia and the more pronounced their capacity for self-creation” (Madsen, 2009: 30).

transnational, but not violations of international law, for example the smuggling of genuine, but non-taxed tobacco product from country to another” (Madsen, 2009: 9). Hence, the difference between transnational and international crime is that transnational crimes involve at least two or more sovereign jurisdictions, *have* to be codified as such in the legislation, and *can* be criminalised in international law (like drug trafficking), while the opposite applies for international crime (Madsen, 2009: 7-9).

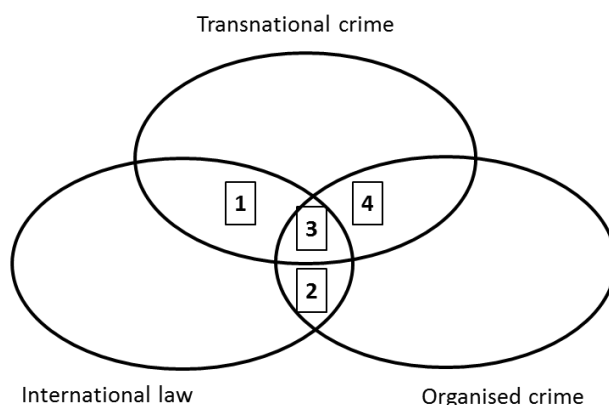


Figure 2: Venn diagram: Transnational crime, organised crime, and international law. (Madsen, 2009: 8)

The UN definition of TOC is broader, as according to the „UN convention on TOC’ organised crime is transnational if:

- “(a) *It is committed in more than one State;*
- (b) *It is committed in one State but a substantial part of its preparation, planning, direction or control takes place in another State;*
- (c) *It is committed in one State but involves an organized criminal group that engages in criminal activities in more than one State; or*
- (d) *It is committed in one State but has substantial effects in another State”* (UNODC, 2004: 6).

In contrast to Madsen’s definition this essentially requires legislation against a specific activity only in one country. In line with his earlier quoted definition of organised crime, Williams (2002) defines TOC as criminal business that crosses borders, either in the form of perpetrators, people, products, profits and even digital signals (Williams, 2002: 164).

In order to distinguish ‘ordinary’ from the organised transnational crimes the UN limits them in its definition of TOC to ‘serious crimes’, which “shall mean conduct constituting an offence punishable by a maximum deprivation of liberty of at least four years or a more serious penalty” (UNODC, 2004: 5). The activities which constitute TOC can be divided into two categories: illicit traffic in illicit product; and illicit traffic in licit product. The latter is exemplified by cigarette smuggling, made profitable by high taxes. In the context of this thesis, only the former will be discussed in more detail. “In today’s world and in

the context of transnational organized crime the most important illicit merchandise being trafficked is narcotic drugs” (Madsen, 2009: 26). Like all the other trafficking in this category, it is defined by the introduction of international prohibition regimes. However, the introduction of international prohibition regimes also tends to create a whole set of problems, from increased profits for criminals, micro-criminality for the procurement of, for example, drugs, social consequences, to the financing of terror (Madsen, 2009: 26).

TOC is also criticised for its connotative meaning, that is, for what it does not say but implies. Some scholars allege that the term “carries the connotation of “foreign” and as such is xenophobic and racist, notwithstanding that the vast majority of organized criminals are indigenous to the country in which they operate” (Madsen, 2009: 9-10). “This criminology of the other” (Edward/Gill, 2002a: 252) sees TOC as a primarily external threat¹², where

“criminals are dangerous members of distinct racial or social ‘outsider’ groups who are very different from ‘us’, the law abiding, and must, for our protection, be excluded or taken out of circulation. [...] The original state of organised crime is one of external, ‘alien’, actors subverting otherwise orderly, law-abiding, subjects” (Edward/Gill, 2002a: 252-253).

Edward and Gill (2002a/b) argue that this notion of TOC as an external threat or alien conspiracy is a reflection of the official narrative, wherein national security is defined against external threats, particularly dominant in the US and Europe, but also in other countries and regions. Moreover, it is politically preferable to explain crime as a foreign problem, while own citizens are seen as law-abiding. Organised crime and especially TOC are seen as disconnected from the *civil* part of society. “Crime is treated as an objective phenomenon rather than as the result of the interaction between forms of harmful behaviour and the way in which some become criminalised and others do not” (Edward/Gill, 2002a: 253). This definition is reflected in law-enforcement efforts aimed only at the supply-side of trade, like the war on (the external threat) drugs.

Aside from the criticism lodged against the vagueness, ambiguity, and bias characterising the concept TOC, some authors question outright the existence and relevance of TOC. Hobbs (1998), for example, questions the existence of any empirical evidence for the rele-

¹² An example of the official use of this notion is former UN Secretary General Kofi Annan’s foreword to the UN Convention against TOC:

“They are terrorists, criminals, drug dealers, traffickers in people and others who undo the good works of civil society. They take advantage of the open borders, free markets and technological advances that bring so many benefits to the world’s people. They thrive in countries with weak institutions, and they show no scruple about resorting to intimidation or violence. Their ruthlessness is the very antithesis of all we regard as civil. They are powerful, representing entrenched interests and the clout of a global enterprise worth billions of dollars, but they are not invincible” (UNODC, 2004: iii).

vance of the *transnational* in understanding and combatting crime. In turn, he emphasises the importance of the local, as opposed to the global.

“Trading relationships between coalitions of criminals of different national origins involves a coagulation of local interests. It is at the local level that organised crime manifests itself as a tangible process of activity” (Hobbs, 1998: 408).

His assessment, while on the extreme end of criticism towards TOC, corresponds with the earlier criticism of the criminology of the other.

2.2.1.4 Alternative Approaches to TOC

An alternative approach is the “criminology of the self” (Edward/Gill, 2002a: 252), which understands organised crime as a response to a demand and indicates limitations encountered by states to exercise sovereign authority over their population (Edward/Gill, 2002b: 207-208). Here the criminal is seen as a rational opportunist who acts within a specific social, political and economic context and interacts with the licit side of society (Edward/Gill, 2002a: 251-254). Williams’ (2009) distinction between two ways to understand organised crime can be seen in a similar vein:

“First, it can be understood as entities or criminal enterprises which see crime as a continuation of business by other means. Organized crime can also be understood as a set of activities which can be appropriated or utilized by a variety of different entities for their own narrow purposes. Terrorist organizations, insurgents, ethnic factions, sectarian groups, and militias can all use organized crime activities as a funding mechanism to support their political and military activities” (Williams, 2009: 13).

This alternative approach emphasises the interdependencies between the licit and illicit economy, as well as between different forms of crime. Criminals use legitimate markets for their purpose and officials use illegitimate markets for theirs, for example, for money laundering, or getting rid of toxic waste. In order to transcend the problems related to categorising crime into distinct sub-types, Edward and Gill (2002b) argue for re-defining crime as enterprise, which corresponds with Williams’ (2002) definition of TOC as illicit business across borders. They suggest a focus on the markets of illicit exchange, “in terms of the regulators and traders in [these] discrete markets” (Edward/Gill, 2002b: 217). While such a political-economy approach might not serve the aims of criminal justice, such as identifying the crime and the criminal, it allows for a less restricted and dogmatic approach to crime (Edward/Gill, 2002b: 207-209; 217-219).

Andreas (2004) summarises the criticism of TOC, saying that “how transnational, organized, and criminal a market activity is depends largely on the commodity involved and the associated legal and financial risks” (Andreas, 2004: 643). In combination with the pre-

vious argument by Edward and Gill (2002a, b), and Hobbs' (1998) emphasis on the local manifestations of crime, this suggests an approach which analyses the political economy of a particular illicit market, in this case the global cocaine trade, and its local manifestation in Guinea-Bissau. The following section attempts to define such a political-economy approach on a global level.

Before this can be done, a short comment on the further use of the term TOC is necessary. As the first part of this chapter has shown, the term TOC is widely criticised and its definition ambiguous. It was consequently argued that an alternative approach be used. This does not mean however, that the literature and academic findings which refer to or use the term TOC should be disregarded. These are still of great relevance and will be used for the purpose of this thesis, bearing in mind the limitations discussed above. TOC, for the purpose of this thesis will be defined as illicit business that crosses borders.

2.2.2 Bringing the Illicit into the Global Political Economy

In order to achieve a more meaningful analysis of the illicit and as a consequence of the criticisms and flaws of the concept TOC, Andreas (2004) also argues for a political-economy approach, by locating the study of the illicit on a global scale within the field of GPE. In an earlier work by him and Friman (1999), they use the concept *Illicit Global Economy* (IGE), defined as “the system of transnational economic activities that are criminalized by states in importing or exporting countries” (Friman/Andreas, 1999: 5). They narrow their scope by focusing on illicit activity which is of transnational nature and global in its scope (Friman/Andreas, 1999: 5). While not evident in the name of their concept, this indicates that the authors recognize the importance of a political aspect as well. In his 2004 article Peter Andreas consequently uses the concept *Illicit International Political Economy* (IPE). Based on the conventional definition of the IPE/GPE, Andreas (2004) defines the IPE broadly as the “relationship between states and illegal international markets” (Andreas, 2004: 642). These two definitions are similar to the approach suggested by Edward and Gill (2002b), inasmuch as they emphasise the role of political authority in the process of criminogenesis and regulation, as well as the focus on the market. The earlier definition suggests that the system of criminalised transnational economic activities is disconnected from the non-criminal, with the only connecting point being the criminalisation by the state. It has to be mentioned, however, that Friman and Andreas (1999) in the process of their further explanation of the subject also refer to the interconnectedness of the licit and illicit. Andreas' (2004) later definition places more emphasis on a relationship, indicating a constant interaction and interdependencies between the illicit economy and political authority in the form of the

state. The benefits and the need to bring the illicit into the GPE, of analysing it in a global context and applying a political-economy approach are also discussed by Mittelman (1999), and Le Pere and Vickers (forthcoming).

Before discussing such an approach in more detail, it is first necessary to introduce the field of GPE briefly and what its study entails. Due to the limited space of this thesis, this will concentrate on Susan Strange's notion and definition of the GPE and its study. It has to be noted, however, that there are several other definitions and notions thereof, which will be referred to, if prudent, for the purpose of this research.

2.2.2.1 The Global Political Economy

GPE, the field, is a very broad church, attracting scholars from a variety of disciplines. Therefore, it is characterised by contending paradigms, different schools of thought and competing approaches (O'Brien/Williams, 2007: 13-15). The one consensus of GPE scholars is the claim that politics and economics cannot be separated and both have to be taken into account to understand developments in the GPE. Hence, GPE can also be defined as the study of the relationship between states and international markets (Andreas, 2004: 642). The first chapter referred briefly to Susan Strange's definition of GPE as concerning "the social, political and economic arrangements affecting the global systems of production, exchange and distribution, and the mix of values reflected therein" (Strange, 1989: 18). This definition requires further explanation.

Susan Strange starts with the assumption that there are four "basic values which human beings seek to provide through social organization, i.e. wealth, security, freedom and justice" (Strange, 1989: 17). The priorities which societies attach to these values, as well as their proportions and combinations, differ from society to society, as do the social, political and economic arrangements reflecting them. A capitalist economy, for example, places a higher priority on wealth and freedom than a socialist command economy, which places a higher priority on order and justice. Consequently, the political and economic arrangements of a capitalist political economy reflect the high value of wealth and freedom through a less controlled, or free(r) market and a democratic system of governance. Accordingly, the highest priority of a criminal state would be wealth and its lowest priority justice. Strange derives several questions from this definition which should be asked by a political economist: "What values [...] do these arrangements rate the highest? And which do they rate the lowest?" (Strange, 1989: 18) These questions are further supplemented by asking who benefits and who loses. She further emphasises that these arrangements are not to be seen as "divinely ordained" (Strange, 1989: 18), but as "the result of human decisions taken in the context

of man-made institutions and sets of self-set rule and customs” (Strange, 1989: 18). It is therefore vital to look back on history to find the roots, or the causes, in order to understand today’s consequences and developments.

The notion of power is central to Strange’s understanding of GPE; “[i]t is power that determines the relationship between authority and market” (Strange, 1989: 23), as well as the specific mix of values. In order to analyse a political economy, be it the GPE or that of a country, it is fundamental to answer “how power has been used to shape the political economy and the way in which it distributes costs and benefits, risks and opportunities” (Strange, 1989: 24). In Strange’s framework, power can be derived from wealth, force and ideas, and can be exercised in four structures of power: security, production, finance, and knowledge, ideas and beliefs. Control over one or more of these interrelated and interdependent structures enables the possessor...

“... to change the range of choices open to others, without apparently putting pressure directly on them to take one decision [...] rather than others [...] the range of options open to others will be extended by giving them opportunities they would not otherwise have had” (Strange, 1989: 31).

A change of the distribution of power in any of these structures can affect the others and change the mix of values and the relationship between authority and markets. A change in the knowledge and belief structure, for example, led to the prohibition of alcohol in the USA in the 1920s, which was abandoned when it became clear that the market forces, the demand for alcohol, was too strong to be controlled by the state authorities and led to a challenge of the state’s power in the security structure. This example is also a good illustration of how the dimension of the GPE under examination in this thesis, the illicit, is defined, or even created and the role power plays in the process of criminogenesis.

2.2.3 The Illicit Global Political Economy

Bearing in mind the earlier discussion of a political-economy approach to the illicit, four findings from this short overview of Susan Strange’s notion of GPE, can be deducted in order to arrive at a definition of the IGPE.

(1) The licit and the illicit should both be seen as dimensions of the overall GPE. While they are distinguished by the process of criminalisation, they are intertwined, they interact and even depend on each other. The relevance of understanding the relationship in this way is exemplified by the argument made by Mittelman (1999), Le Pere, Vickers (forthcoming), as well as Friman and Andreas (1999). They argue that the surge of illicit transnational activities witnessed in the 1990s, what Mittelman calls the globalisation of organised crime, has to be understood within the wider context of change within the GPE,

more precisely the general trends and developments of globalisation that characterise the contemporary GPE. While the illicit side of the GPE can be said to have existed as long as the licit, only the particular activities and methods have changed, for example “the size, structure and location of the trafficking organizations; the content of state laws and the intensity of and form of their enforcement; and the nature and level of consumer demand” (Friman/Andreas, 1999: 1). They argue, however, that these traditional patterns of change cannot fully explain the rise in illicit transnational activities – globalisation can. It can briefly be described as the deepening and spreading of the market, also called the internationalisation of production and of the state. This is made possible by the promotion of capitalist principles of free movement of goods, services and technology (deregulation), the incorporation of (almost) the whole world, in one way or another, into the GPE. This is complemented by tremendous advances in technology, from transportation to communication, facilitating this development (Cox, 1981: 104-110; Cox, 1987: 244-246). It is within this context that the surge of TOC is best explained. Firstly because,

“global transportation and communications networks facilitate both licit and illicit economic exchange; [...] licit and illicit funds flow through the same global banking system and are sheltered in the same off-shore financial havens; the internet is a tool and site for both legitimate and illegitimate commerce” (Andreas, 2004: 644).

The sheer amount of global cross-border flow is virtually impossible to control, which makes illicit produce and activities easier to hide. Additionally, the routes that illicit flow can take are expanded by the global nature of the licit economy (Friman/Andreas, 1999: 11). This is further exacerbated by the “neoliberal global consensus in favour of deregulation” (Mittelman, 1999: np), enforced by the markets (Mittelman, 1999: np). Moreover, the magnitude of global migration is seen as a cause for the spread of organised crime, as criminal organisations often follow migration flows (Friman/Andreas, 1999: 11-12).

While organised crime exploits the increased opportunities described above, it also takes advantage of the „other side’ of globalisation, where accelerated processes, technology, hypercompetition and the retreat of the state from the provision of core functions, have led to uncertainty and insecurity; “new beneficiaries and victims, especially in the marginalized zones of the global political economy” (Mittelman, 1999: np). Criminals step into the voids left by globalisation, for example by offering security and income, if the state fails to provide them. They offer “incentives to the marginalized segments of the population trying to cope with the adjustment costs of globalization” (Mittelman, 1999: np).

(2) Consequently, if the overall GPE is defined as concerning the “social, political and economic arrangements affecting the global systems of production, exchange and distribution, and the mix of values reflected therein” (Strange, 1989: 18), then logically,

the IGPE concerns those social, political and economic arrangements affecting the global systems of *illicit* production, exchange and distribution, and the mix of values reflected therein.

An advantage of this definition is that it does not generally separate the illicit from the licit, as the social, political and economic arrangements are seen as shared and their interconnect-edness acknowledged. The different approaches to the illicit, briefly discussed above, in-clude certain social, political and economic arrangements on a global, regional and local scale, each leaving out at least one of them.

Social arrangements¹³, like unemployment and poverty in certain regions of the world, migration on a global scale, communication and mobility, and also demand for cer-tain products or services, affect the development and patterns of illicit markets. Garth le Pere and Brendan Vickers (forthcoming), as well as Mittelman (1999), write about the social as-pect to the IGPE. They speak about the *uncivil society*, the social underpinnings which pro-vide fertile ground for illegal activities and criminality to flourish. Their use of the term un-civil society is however very different to the earlier criticised notion of uncivil, which per-petuates the perception of crime as an alien and disconnected threat. High unemployment, poverty, underdevelopment, grievances, particularly in the youth, existing corruption and high levels of violence, are all conditions under which “recourse to criminal activities, in-cluding forms of organized crime, often becomes a rational survival strategy in the face of extremely limited life opportunities” (Le Pere/Vickers, forthcoming: 8). These conditions are often found in weak or transitional states, of which many states in Africa are prime ex-amples.

The political arrangements are of crucial, even primary, importance, as the illicit is defined and thereby created by law, from trade regulations and tax provisions, to prohibi-tions and international prohibition regimes. Furthermore, the historical fluidity of these laws and thereby of the parameters of the illicit, as well as the extent to which they are interna-tionally shared, has to be emphasised (Friman/Andreas, 1999: 5-6). The IGPE exists within the gap between the criminalisation by a political authority and the authority’s capacity to enforce this criminalisation; it is “defined by and depends on the state” (Friman/Andreas,

¹³ The term arrangements should not be understood as only referring to deliberate and actively enforced ar-rangements, but also their, maybe unwanted, consequences and overall effect.

1999: 10). The political arrangements furthermore include the efforts and (in-) ability to enforce these laws. Moreover, illicit markets react to the laws and enforcement measures by evading them, for example, by changing methods, products, or even actively challenging them, violently or otherwise, e.g. through corruption. This in turn can result in further changes of primary political arrangements, that is laws to close loopholes, or new prohibition regimes, as well as secondary changes to the methods or scale of law-enforcement. Political arrangements can furthermore be argued to include the general characteristics of a state, its structure and its institutions, as well as the characteristics of international cooperation and organisations, influencing illicit activities.

The economic arrangements include aspects such as the price of a certain product or service, the possible profit of supplying it in a certain area of the GPE; a global division of labour for the production, distribution and exchange of illicit product/services. In turn, these economic arrangements for illicit production also often negatively affect the licit dimension. These effects include, for example, business risks ranging from theft, including copyright violations, to the negative effects of corruption, protection rackets, and a high level of violence.

Clearly, these arrangements are interrelated and overlapping and cannot be understood in isolation. They affect the why, where, what, how, and by whom an illicit product or service is produced, exchanged, distributed and consumed; a global division of labour, so to speak (Mittelman, 1999: np).

(3) The analysis of the relationship between political authority, e.g. the state as regulator, and the illicit market should focus on the particular market activity, in this case the global cocaine trade, and its local manifestation and implications, here Guinea-Bissau. This is also reflected in Susan Strange's suggestion for the first step in the analysis of a particular authority-market relationship, which is to identify the market and its characteristics, or its geography, the authorities involved and the balance of power over outcomes between political authority and the market (Strange, 1989: 230-231).

(4) It is fundamental to understand how the social, political and economic arrangements, and therefore the particular authority-market relationship, were shaped. This includes, on the one hand, the global cocaine trade, and on the other hand, equally important, the characteristics of the local political economy, Guinea-Bissau.

After having arrived at a definition of the IGPE, the second half of this chapter will discuss the relationship between states and illicit markets in general and aims to provide a

framework which will allow the analysis of Guinea-Bissau's relationship with the global cocaine trade.

2.3 The Illicit Global Political Economy and the State

So far, the discussions have indicated that the relationship between the IGPE and the state is multidimensional and multidirectional. This section identifies four general aspects of this relationship. One sub-section also looks at the role of non-state actors in the IGPE.

2.3.1 The State as Creator, Regulator and Actor in the IGPE

Firstly, the state is the creator of the IGPE through its legislative authority. It is also its regulator, through its authority to enforce its laws, ultimately based on the monopoly on the legitimate use of force. Friman and Andreas (1999: 10) refer to the former as the state's metapolitical authority to criminalise and the latter as the state's control capabilities, both of which are interrelated dimensions of state power. "States claim metapolitical authority: the right to decide what is political and, as such, subject to state coercion" (Friman/Andreas, 1999: 9). This is shaped by negotiations within and between states, as well as non-state actors. There is however a difference between the ability to criminalise a certain activity and the ability to enforce it by using police and security forces. It is in this gap that the illicit markets exist (Friman/Andreas, 1999: 9-10). As mentioned briefly in the first chapter and touched upon in the section on the GPE, the surge of illicit transnational activity has to be understood in connection with the processes of globalisation. The ongoing debate on the retreat of the state forms part of this argument, as it is argued that as a result of, or in reaction to, globalisation, the gap between the metapolitical authority and the state's control capacities has widened, leaving more space for criminals. Additionally, differences in the 'size' and nature of this gap from state to state shape the patterns of the IGPE, from the routes traffickers take, and the organisational and operational parameters and tools used, to the costs and benefits endured by the actors. Hence, states can be described as actors within the IGPE. In terms of Susan Strange's (1989) framework:

"In the international political economy of modern times, the security structure is built around the institution of the state. The state claims political authority and the monopoly of legitimate violence. But the state does not exist in isolation" (Strange, 1989: 45).

It exists among other states and non-state actors.

2.3.2 Non-state Actors in the Illicit Global Political Economy

Strange argues "that the security structure is jeopardized not by the existence of counter-societies [like criminal organisations] in themselves but only when one authority challenges

the domain or rights of another and when that challenge is accepted. Then violence is apt to ensue” (Strange, 1989: 49). A vivid example of this is the current situation in Mexico, where the army has been brought in to fight drug cartels, which started an unprecedented wave of violence. Since 2006, the war between the government and criminal gangs, as well as between rival gangs, has resulted in over 28,000 deaths (BBC, 2010a). In line with the discussion of TOC, it is important to note that TOC should not be considered as a single actor, but rather a multitude of criminal actors, making up particular criminal enterprises and networks, in this case the cocaine exporting networks. Some non-state actors, like the mafia or other criminal networks, derive some of their structural power from their ability to provide security for others in exchange for payment (taxation) or loyalty, where the state cannot or does not want to. They further derive power from control over the means of production of certain products, like cocaine. Through their structural power, these criminal networks can change the range of choices available to others. They can offer security, employment and access to financial resources. They can even take over some of the state’s functions, from dispute mediation to legislative and judicial functions, taxation and law enforcement (Friman/Andreas, 1999: 10). Following this argument, criminal organisations can be seen as a source of authority, as they can have the power to allocate values and a power over outcomes, of who gets what, when, where and how (Strange, 1996: 38-39, 45-46). In an often quoted passage Charles Tilly (1985) noted that

“the state was simply the most efficient and effective form of organized crime. In effect, the state legitimized organized crime by transforming extortion into taxation, brute force into authority, and rule by fear into rule by consent of the governed” (Williams, 2002: 178).

Criminals are not the only relevant non-state actors in the IGPE. So-called global moral entrepreneurs, for example, Non-governmental Organisations (NGO) who promote the de-criminalisation of certain activities like „soft drugs’, also play an important role in the IGPE (Andreas, 2004: 645). At a local level civil society organisations, from neighbourhood watches to human rights advocacy groups can be considered actors in the IGPE. Similar arguments can be made for the media, global and local, as well as legitimate economic entrepreneurs, like TNCs, whose operations can be used by criminals and vice versa. The common denominator of most of these actors is that they exist at the intersection between the licit and the illicit. Furthermore, the importance of non-state actors in the overall GPE is especially emphasised by those who proclaim a retreat of state and consequently a reduced importance of the state as the primary actor in the GPE (see for example Strange, 1996).

2.3.3 The State as the Locale of Illicit Activity

Consequently, the state is also the locale of illicit market activities. Its citizens are part of the market as buyers, sellers, enforcers, enablers and victims. From the perspective of TOC there are four categories of states: “home, host, transshipment, and service” (Williams, 2002: 168). The home country, “the location from which criminal organizations operate their transnational businesses”¹⁴ (Williams, 2002: 168), is the most important and requires a low-risk environment. The host state is the destination of the product or activity and is chosen for profitability, determined by demand and purchasing power of potential clients. The more lucrative a market, the higher the level of risk criminal organisations are willing to accept. Host or market countries are normally not as fundamentally challenged as others. However, the reason Williams (2002) gives for this, that “ethnic-based criminal organizations are not rooted in local or national power structures” (Williams, 2002: 168), has to be treated carefully in the light of the ‘Sicilian syndrome’. This thesis’ case study, Guinea-Bissau, falls into the category of transshipment state. Often products pass through at least one transshipment state before reaching the end market. Transshipment states are chosen for their geographical location en route to the market state and their proximity to major transit routes, for their access to the market state, e.g. shared borders, international transport hubs, or even cultural and historic ties, and for the ease of transit. Ease of transit is “largely a function of state capacity for interdiction. Such states suffer from the violation of their sovereignty and are particularly vulnerable to operational corruption” (Williams, 2002: 169). Service states describe states that have a particular sector that is helpful for TOC operations, e.g. the financial sector in off-shore banking havens, which “can be exploited by criminal organizations to move, hide, and protect the proceeds of their illegal activities” (Williams, 2002: 169). While this classification is helpful in many regards, it is “complicated by the fact that some states fulfil several roles simultaneously” (Williams, 2002: 169). Williams (2002) describes it as ironic that criminals exploit the sovereignty of some states, particularly home states as sanctuaries and service states as banks, for defensive purposes, while “their trafficking activities are grossly violating the sovereignty of others” (Williams, 2002: 169). Conflicting jurisdictions also make law-enforcement more complicated (Shelley, 1999: 25) .

¹⁴ It has to be noted that Williams can be criticised here for overemphasising the organisational aspect, as shown in the earlier discussion. Alternatively, the home country could be seen as the country of origin of a certain product or activity.

2.3.4 The State as 'Victim' in the Illicit Global Political Economy

The state is also a „victim' in the IGPE. This „role' was highlighted by the literature introduced in the first chapter, warning of TOC as one of the biggest threats to states and their security, which emerged in the 1990s.

“The globalization of organized crime weakens the very basis of government and constrains its capacity. [...] Transnational and subnational criminal groups contest the rationale of the state, especially in terms of its legitimate control over violence and the maintenance of justice” (Mittelman, 1999: np).

It furthermore constitutes a problem for the maintenance of state-social control, which is defined by Migdal (1988) as “the successful subordination of people’s own inclinations of social behavior or behavior sought by other social organizations in favor of the behavior prescribed by the state” (Migdal, 1988: 22; in Mittelman, 1999: np). In this sense organised crime can be seen as an alternative form of social organisation challenging the state’s authority and power to impose its standards, while also providing alternative systems for commerce, banking and conflict resolution. Moreover, the connection between TOC and conflicts, for example, through the proliferation of illegal arms, contributes to increased levels of violence. Mittelman argues that criminals do not try to take over the state like revolutionaries (Mittelman, 1999: np). This is contested by those who warn of the connection between organised crime and terrorism in particular, and generally by the notion of seeing TOC as enterprise, wherein

“[o]rganized crime can also be understood as a set of activities which can be appropriated or utilized by a variety of different entities for their own narrow purposes. Terrorist organizations, insurgents, ethnic factions, sectarian groups, and militias can all use organized crime activities as a funding mechanism to support their political and military activities” (Williams, 2009: 13).

Additionally, Mittelman notes that increased criminal activity puts a financial strain on states’ budgets, as it results in the need for the state to divert valuable resources to law-enforcement, while accompanying activities such as tax evasion and money laundering put a further strain on financial resources. Furthermore, he warns of the corruption of civil society, which is complemented by a contagion effect: “contempt for the law catalyzes attitudes and other activities, contravening one law can make it easier to transgress others” (Mittelman, 1999: np). Overall, the legitimacy of the state is threatened (Mittelman, 1999: np).

Shelley (1999) attempts a more structured approach to the threat states face from TOC, based on the description of TOC as „the new authoritarianism’, replacing traditional state-based forms of authoritarianism and based on the demise of the nation-state. Authoritarianism is characterised by an absence of the rule of law, an execution of law subordinated

to the interests of the ruling elite, human rights abuses, limited rights and freedoms, violent coercion of the citizens, censorship, control of the media and its use for ideological mobilisation, and state paternalism as a form of social control and welfare. “Nonstate-based authoritarianism, like its state-based counterpart, affects all aspects of society, including economic relations, political structures, legal institutions, citizen-state relations, and human rights” (Shelley, 1999: 31). The ruling structures of states are infiltrated, especially on a regional and local level, and where the original government is unable or unwilling to protect the citizens’ interests. The citizen-state relations are undermined by corruption and the infiltration of institutions, both building on and resulting in a decreased ability of the state to protect its citizens. Ideological control is assumed by the intimidation of the media, even the acquisition of media houses and lawsuits. Additionally, as mentioned before, TOC can assume state responsibilities, like welfare. Furthermore, TOC groups can gain control over large parts of the economy, by exploiting privatisation processes, intimidation of workers, unions, protection rackets and guaranteeing business transactions. Finally, weaknesses in the legal system and privatisation of security are exploited and further undermined by corruption or the use of violence. While these effects are strongest in the home states of TOC, they are exported with the globalisation of their activities (Shelley, 1999: 25-36).

A somewhat similar approach is taken by Williams (2002). He argues that differing interpretations and conceptualisations of the state are an impediment to the debate on the retreat of the state and consequently to the analysis of the relationship between the state and TOC. In order to identify how the state becomes a victim in the IGPE, he first identifies the four main interpretations of what constitutes a state: firstly, the state as a “sovereign territorial entity controlling the area under its jurisdiction and who and what enters” (Williams, 2002: 163); secondly, the state as a system of rules, norms and laws, where the state has both authority over and obligations toward the citizenry; thirdly, the state “as a set of institutions and people who act on its behalf” (Williams, 2002: 163); fourthly, the state “as a set of functions” (Williams, 2002: 163), e.g. the guarantor of security, managing economic activity and providing economic and social welfare (Williams, 2002: 164). These interpretations of the state are then put in juxtaposition with three major aspects of organised crime (see table 1): firstly, organised crime structures, “which embody a concentration of illegal power in society that can significantly influence political, economic, and social life” (Williams, 2002: 165). This ranges from organised crime as an only marginal problem with little influence, to states where it has successfully embedded itself in the social, economic and political life, and to cases where “organized crime and the state develop a deeply symbiotic and collusive

relationship” (Williams, 2002: 165). Secondly, the particular illicit market activity and its consequences, such as drug trafficking and increased drug consumption, or arms trafficking and increased level and quality of violence. And thirdly,

“organized crime strategies and processes designed to manage the risks posed by governments and law enforcement agencies. [...] One of its most potent risk management tools is corruption, which is intended to neutralize the control powers of states but can also undermine their power and authority” (Williams, 2002: 165).

The smuggling of cocaine, for example, fundamentally challenges the sovereign right of any country to determine what and who crosses its border. It also challenges the system of rules of that state, of what is allowed and what is not. Violence, against civilians, institutions, businesses and competitors, is probably the most dramatic manifestation of the power held by criminal organisations, as well as an attack on the state’s monopoly on the use of force, its system of rules, laws and one of the state’s core functions, to protect its citizens. The wealth available to criminal organisations is one of the major sources of its power and the threat it constitutes to the state.

Table 1: Organised crime and the state (Williams, 2002: 166)

Aspects of organised crime	Sovereign entity	System of rules	Institutions and people	Functions
Activities such as various forms of trafficking	<i>Smuggling</i> Work with illegal power structure	<i>Undermine and exploit</i> prohibition of goods and services	<i>Challenge</i> and justification for resources for social control and criminal justice	<i>Challenge</i> to law and order
Power manifested in violence	<i>Challenge</i> state monopoly of coercive power and create no-go zones	<i>Replace</i> rule of law with rule of violence	<i>Intimidate</i> judiciary and law enforcement and ensure low penalties or acquittals for organised crime figures	<i>Extortion</i> threatens business and property supposedly protected by the state
Risk management strategies, especially corruption	<i>Operational corruption</i> to protect trafficking activities	<i>Organised crime</i> buys immunity from system of rule through corruption of law enforcement and judiciary	<i>Corrosion of institutions</i> such as police, judiciary, and the military as well as financial institutions	<i>Corruption</i> undermines good governance and democratic procedures

Of the strategies used by organised criminal groups Williams (2002) emphasises corruption and the threat it constitutes for the state and society. He distinguishes between operational and systemic corruption. Operational corruption is used to ensure a smooth trafficking flow by neutralising border controls. Systemic corruption, used “to neutralize the punitive powers

of the state” (Williams, 2002: 176), is particularly serious for the state as it has a politically corrosive effect. It can lead to the establishment of a political-criminal nexus, which can manifest itself in three possible ways: firstly, the capture of the state by organised criminal groups; secondly, a complete symbiosis of politicians and criminals is possible, wherein the state is not only a passive beneficiary but an active partner; some more overt than others; and thirdly, a the criminal state, where the state controls and directs the illicit activities (Williams, 2002: 177).¹⁵ In all these instances organised criminal activities are an enterprise; “a set of activities which can be appropriated or utilized by a variety of different entities for their own narrow purposes” (Williams, 2009: 13). If the state is captured by criminals, it might still carry out some of its traditional functions, but will not do much to close the capacity gaps and functional holes exploited by criminals (Williams, 2002: 176-178, 180). High levels of corruption in the government are contagious and reduce its legitimacy and damage the relationship between the government and the citizens. It furthermore has negative implications for the legitimate economic sector of states, by discouraging domestic and foreign investment, as well as aid donors (Madsen, 2009: 21-22). But corruption does not only target state institutions. The private sector is also targeted in order to infiltrate and assume control over legitimate business as cover, or to ensure cooperation of financial institutions.¹⁶

Hence, the state can be seen as the victim of the IGPE, inasmuch as it is exploited and threatened by patterns of global illicit market patterns.

It has been indicated throughout this thesis so far that not every state is susceptible to transnational illicit activity in the same way and that some states are more strongly affected by these activities than others. The next section will consequently discuss why this is and how it is used for the purpose of transnational criminal business, dealing directly with the research question of this thesis: How are criminal actors within the IGPE able to use the state?

¹⁵ Williams (2002: 177) uses the example of Russia, for the first, which he considers a captured state, where criminals provide the muscle, support and protection for politicians and businesses, businessmen provide the access to resources and the legitimate economy, while politicians provide the legitimacy and the cloak for criminal activities. Examples for the second are Japan during the cold war and Italy between 1950 and 1980. An example for the third are the criminal enterprises run by the military in Nigeria in the 1980s and 1990s.

¹⁶ An overview of targets and objectives of corruption as described by Williams (2002: 175) can be found in Appendix 2.

2.3.5 The State as Facilitator of the Illicit

The state does not only create, regulate and provide the locale for the illicit, it also facilitates the illicit, firstly of course by providing the legal and geographical frame. But it can also play the role of a facilitator by providing a favourable environment for illicit activity as will be argued below.

“It became increasingly clear throughout the 1980s and the 1990s that the rise of transnational organized crime was inextricably connected with the weakness of many states in the international system (Williams, 2002: 169-170).

Consequently, the (perceived) surge of illicit transnational activities and TOC in the 1990s is argued to be linked to the general decline of the nation-state and the rise of non-state actors in the processes of globalisation. As mentioned before, characteristics of the contemporary GPE, like freer global flow of goods, interconnectedness, technological advances and also the political side of globalisation, like the global neo-liberal consensus for deregulation, and privatisation, have left states less autonomous, impeding their sovereignty, and made borders more porous. Mittelman (1999) argues that all states are somehow “tacit partners in market relations” (Mittelman, 1999: np), differing only in the extent and their particular position in the globalisation matrix. He identifies a tendency toward a courtesan role of the state: facilitating global market forces instead of providing for the needs of its citizens. Most states are in some way and to some extent in this role. Only very powerful states, like the US, can steer the processes, but even these are less autonomous than before (Mittelman, 1999: np). This notion of a general retreat of the state is not shared by all. While most authors agree that states are no longer the only relevant actors in international politics and that they have become more restricted in their capacities and abilities, the extent to which this development is reversible, is strongly contested. Others do not see such a strong retreat of the state, but say that the “global division of labor and expanding power of global production and finance have increased the accountability of states to global markets and nonstate entities” (Friman/Andreas, 1999: 4). Friman and Andreas (1999) suggest a more nuanced view, wherein the retreat of the state is seen as more selective in nature, rather than general, and the state reasserts its dominance and persists in relation to the global economy. Additionally, the effects of globalisation on states, their responses (retreat or reassertion) vary from state to state, depending on their characteristics and position in the GPE. Friman and Andreas (1999) argue that the debate over the retreat of the state lacks sufficient historical perspective and a historical baseline against which to adequately assess state power and its fluidity.

Similarly, Williams (2002) points out that state weakness and its link with organised crime is not a new phenomenon. This is exemplified by the rise of the Italian mafia in the nineteenth century, which was facilitated by the state's inability to provide protection and arbitration for businesses; a vacuum filled by the mafia. Likewise,

“during the 1970s and 1980s, the weakness of the Colombian state and its lack of control over territory nominally under its jurisdiction was a major factor in explaining the rise of Colombia as the corporate headquarters of the South American cocaine industry” (Williams, 2002: 170).

The collapse of the SU, the consequent emergence of new states and the resultant upsurge of criminal organisation is an even more extreme example, which further indicates that transitional states in particular are vulnerable to TOC. They are characterised “by the collapse and reestablishment of state structures” (Williams, 2002: 170), major political, economic and social paradigm shifts and often “a reorientation of relationships with the outside world” (Williams, 2002: 170). The resulting weaknesses and vulnerabilities of these states are easily and readily exploited by TOC (Williams, 2002: 169-170). Hence, these weaknesses cannot generally be blamed on external globalisation processes and their effects. However, pre-existing misrule and corruption, and other aspects of state weakness, can make it harder to deal with and be exacerbated by change in the GPE, as well as hinder the combating of illicit activities (Le Pere/Vickers, forthcoming: 6). “Whatever the short- or long-term causes of weakness, however, weak states tend to share certain characteristics” (Williams, 2002: 170): low level of state legitimacy; weak border controls; ineffective rule of law; personal interests being put ahead of public interest by institutions and their representatives; low levels of business regulation and protection; lack of social control through effective and fair criminal justice systems; ineffective and inefficient functioning, for example a lack of provision for the citizens and inability to protect the citizens. “These weaknesses provide a greenhouse effect for organized crime” (Williams, 2002: 170), which “tends to develop in response to a particular combination of opportunities on the one side and pressures and incentives on the other” (Williams, 2002: 171). Williams (2002) translates these weaknesses into a set of seven *capacity gaps*, meaning areas where the state is incapable, due to a variety of reasons, to fulfil certain basic functions. Hence, these capacity gaps lead to particular *functional holes*.

“Capacity gaps and functional holes are exploited by criminal organizations in one of two ways – either by filling them and, in effect, substituting or compensating for the state, or by exploiting the room for maneuver that they provide” (Williams, 2002: 171).

For example, lack of capacity for social control, possibly due to a lack of funds, leads to an ineffective criminal justice system, allowing criminal organisations to operate with near im-

punity. These capacity gaps and functional holes will be described in more detail in Chapter IV, before applying them to the case study. Table 2 illustrates the capacity gaps, functional holes and their implications for organised crime.

Table 2: Capacity gaps, functional holes, and transnational organised crime (Williams, 2002: 171)

Capacity gaps	Functional holes	Implications for organised crime
Social control	Ineffective criminal justice system	Organised crime operates with impunity
Social welfare	Lack of provision for citizens	Migration to illegal economy Organised crime recruitment Paternalism substitute for state
Business regulation	Lack of regulatory framework	Organised crime as arbitrator, protector and debt collector
Oversight and accountability	Lack of control and transparency	Opportunity for extensive use of corruption Hijacking of privatisation processes
Border control	Weak interdiction capability	Use state for transshipment of various illegal products
Legitimacy	Lack of authority and affiliation	Build on patron-client links and other relationships that are more important than loyalty to the state
Electoral norms and patterns	Campaign financing	Opportunity to influence election outcomes and cut deals with politicians

Where these gaps and holes are not big enough or are beginning to close, organised crime can still use one of the tools in its repertoire, for example, corruption or violence, to pry or keep them open.

Although Williams (2002) exempts the causes for state weaknesses from his analysis of how these are used by organised crime, the political-economy approach taken in this thesis cannot and should not do this. The causes and their historical and geographic context are a crucial part of any analysis aiming to achieve a meaningful understanding of the relationship between the IGPE and the state, its social, political and economic arrangements, as well as the events in Guinea-Bissau in particular. In the context of state weakness and its link to organised crime, “Africa must rank as the paradigm case of how state weakness has created and fostered an enabling environment for the emergence and growth of criminality and transnational crime” (Le Pere/Vickers, forthcoming: 6). Consequently, it is necessary to discuss the state in Africa in relation to the illicit in a separate section. However, the limited space of this thesis and the vast amount of literature on the subject, allow for only a brief discussion, but do not negate the existence of other lines of argumentation and opinion.

2.3.5.1 The State in Africa and the Illicit

The characteristics of the socio-political environment in many African states, some would even say in most or all, provide “almost ideal conditions for the rapid penetration and spread

of transnational crime” (Le Pere/Vickers, forthcoming: 7). The social characteristics include that young adults (15-29) make up more than half of the adult population in more than thirty countries, many of which have experienced violence, conflict and migration (forced or otherwise). Together with the high level of unemployment, inequality, poverty, HIV/AIDS pandemic, drought, famine, high level of human insecurity, high levels of politicised ethnic diversity, social fragmentation and exclusion of groups, it is not surprising that criminal activity emerges as a rational survival strategy (Le Pere/Vickers, forthcoming: 7-10). The political systems are often characterised by and based on systems of patrimonialism rather than moral authority or public consensus. Under patrimonial rule, authority and its legitimacy are based on a system of patronage: the dependency of the client on the resources and services controlled by the patron, who in exchange derives his authority from support by the client. All patron-client relationships are personal, thereby blurring the line between public and private (Erdmann/Engel, 2006: 18). Le Pere and Vickers (forthcoming) also attest to an “intimate interdependence among state and private sector elite” (Le Pere/Vickers, forthcoming: 9). In this context, the state has often only an instrumental role, and resources are used to enhance power, rather than on social welfare in African states. In such an environment, seeking political office is often one of the only ways to achieve some personal wealth. This personalisation of power and authority has severe implications for the functioning of the state, from effective bureaucracies, to the judicial system, social welfare, health and education. It is simply easier to use public office (from president to an office clerk) for personal gain if it is the only available option for the citizens. Long-term state investment in elevating the economic conditions for citizens is therefore not always in the best interest of rulers (Reno, 2000: 439). The consequences for the economy can also be seen in the emergence of large parallel economies, which “have placed substantial resources outside the reach of the central state” (Le Pere/Vickers, forthcoming: 9), as well as in a dependency on the extraction and export of natural resources. In turn this also negatively affects the relationship between the citizens and the state, who have little trust and confidence in the state to provide for or protect them. Additionally, many states face further threats from internal and external conflicts, further undermining the state’s capacity to successfully resist illicit market forces.

While states in Africa are not necessarily more corrupt and more criminal than others, “the interaction between the practice of power, war, economic accumulation and illicit activities of various types forms a particular political trajectory which can be fully appreciated only if it is addressed in historical depth” (Bayart et al, 1999: xvi). However, “the combination of positions of public office with positions of accumulation” (Bayart et al, 1999: 8),

in its most extreme forms also dubbed as kleptocracies, is not generally a new development. It has existed as a feature during colonial rule, in the national movements and the post-colonial rule. Nevertheless, Bayart et al (1999) suggest that through the insertion of African states into the international system a new form of “politique du ventre” (politics of the belly) within an international context is developing. This is different or new in two respects: good governance is more important to donors now and certain practices are not tolerated anymore; profound changes in the international economy, for example, the globalisation of trade and market deregulation, or the rise of certain smuggling trades have taken place. Earlier, positions of public office were connected to positions of accumulation through their legitimacy in international circles, especially during the cold war, when kleptocrats like Mobutu of Zaire were legitimised and kept in power by their allies. Now, their relationship exists in the context of internationalisation and the growth of organised crime, an environment providing new opportunities for illegal activities. Politics of deregulation and privatisation of the state, as well as economic crises and loss of legitimacy have on the one hand diminished the capacities of most states in Africa. On the other hand, they have motivated and made room for alternative means for how “Africans manage to survive and stake their place in the maelstrom of globalization” (Bayart et al, 1999: 116). As a result, Africa’s social systems are divided into the legal body (or a legal fiction) which is the partner of international organizations and aid donors, and “the real fabric of society” (Bayart et al, 1999: 20).

Some states

“are characterized by the existence of a hidden and collective structure of power which surrounds, and even controls, the official tenants of state power. Hidden power-brokers of this sort are able to use to their advantage the privatization of legitimate means of coercion, and even use with impunity private and illegitimate organs of coercion in the form of paramilitary organizations or even criminal gangs” (Bayart et al, 1999: 20-21).

These use public enterprises, financial institutions, and regulatory bodies for their own profit. The real power of the head of state varies; he or she might be the main beneficiary or just a front and be disposed of when necessary (Bayart et al, 1999: 20-23).

William Reno (2000) uses the very similar notion of shadow states. He however contests the view that these developed as a response to, or as a consequence of, changes in the global economy, but sees them as a form of personal rule (Reno, 2000: 434). While he does not agree with Bayart et al on the external causes, he recognises the global illicit markets as an important source of revenue for shadow states, together with extractive industries, replac-

ing official development aid. This corresponds with Williams' (2002) aforementioned notion of the political-criminal nexus.¹⁷

The heading of this section described the state as a facilitator of the illicit. On the one hand, this does not mean that every state deliberately and directly creates the conditions under which crime thrives. It rather means that organised crime is enabled by conditions found within states. Whether these are directly created or perpetuated by the state or indirect consequences of globalisation processes, geographic location, misrule, neo-liberal reforms, transition processes, conflict, or poverty, has to be determined on a case by case basis. On the other hand, neither does it imply a simply passive role of the state as a victim. A state can also develop into an accomplice and benefactor of the illicit. The author also hopes to have shown that particular regional, local and historical particularities in the social, political and economic arrangements play an important role in the relationship between the IGPE and a specific state, and that these have to be taken into account.

2.3.6 Analytical Framework

Following the discussion in the previous sections, the IGPE-State relationship can be described as complex and manifested in multiple roles played by the state. However, this research is primarily concerned with the role of the state as facilitator in the IGPE. The social, political and economic arrangements, as well as the other roles of the state are key to the understanding of the development of capacity gaps and functional holes and add to the country's vulnerability and its usefulness to TOC groups. The relevance of these additional factors is reflected in the descriptive first part of the two-fold approach taken in this study in the third chapter. Nevertheless, it has to be strongly emphasised that these factors will not form part of the primary analysis of this thesis, which only considers the state as defined in Williams' (2002) analytical framework.

Consequently, the primary research question and the supplementary research questions of this thesis will be answered using the analytical framework by Williams (2002) for a structured step-by-step analysis of Guinea-Bissau's role as a transshipment state. The possible existence of a hidden power structure will be incorporated into this framework as a complementary indicator for the existence of capacity gaps and functional holes. In order to answer the first supplementary research question, Guinea-Bissau will be examined for the existence of capacity gaps and resultant functional holes.¹⁸ If they exist, the second supplementary research question will be answered by analysing if and how they were or are being ex-

¹⁷ See 2.3.4: p.33.

¹⁸ See 2.3.5: p.36.

ploited by the drug-traffickers, using Williams' (2002) framework as a guiding reference. In doing so, this thesis aims to provide a „building block' to the field of GPE and to possibly provide a frame of reference to anticipate and possibly prevent similar developments and trends.

2.4 Conclusion

This chapter set out to critically discuss the theoretical concepts introduced in the first chapter, to achieve a definition of the IGPE and to discuss the frameworks which will be used to examine the relationship between the IGPE and the state. The discussion of several theoretical concepts, particularly TOC, showed the need for alternative approaches, and a political-economy approach, examining the market and political authority, was suggested. Consequently, the IGPE was defined as concerning the social, political and economic arrangements that affect the global systems of illicit production, exchange and distribution, and the mix of values reflected therein. The IGPE is to be seen as the illicit dimension of the overall GPE and as such is interconnected, interdependent and interactive with its licit dimension. The analysis of the particular market-authority relationship should start by identifying the market and its characteristics, or its geography, the authorities involved and the balance of power over outcomes between political authority and the market. Additionally, the importance of analysing this configuration within its historical context was emphasised. The IGPE consists of a multitude of actors, states, criminals, for example, drug traffickers, international organisations, like Interpol and UNODC, as well as NGOs and individuals. The role of the state, as political authority, and its relationship with the IGPE was described as multi-dimensional and multidirectional, as it is creator, regulator, actor, locale, victim, facilitator, accomplice and benefactor of the IGPE.¹⁹ For the purpose of this thesis only the latter role of the state will be assessed when analysing the case study. Seven capacity gaps and functional holes of states were identified, all of which can facilitate the utilisation of a state by criminal actors in the IGPE, such as cocaine traffickers.

The following third chapter of this thesis will firstly examine the social, political and economic arrangements of the global cocaine trade and its historical development. Secondly, a historical background of Guinea-Bissau will be provided.

¹⁹ An illustration of the suggested structure and relationships of the IGPE can be found in Appendix 1: The GPE, IGPE and the state.

Chapter III: Case Study - The Global Cocaine Trade and Guinea-Bissau - Contextualisation

3.1 Introduction

The previous chapter indicated that the first step in analysing the market-authority relationship should be to „map’ the market, its characteristics, its geography, the authorities involved and the balance of power over outcomes between political authority and the market. Additionally, the importance of analysing this configuration within its historical context - how the particular social, political and economic arrangements were shaped - was emphasised. This chapter therefore represents the first part of the two-fold approach taken in this thesis. Hence, in the first section of this chapter, the global cocaine trade, its history, development, actors and structure will be analysed. The second section will give an overview of Guinea-Bissau’s history and its contemporary political economy. Finally, the third section will bring the two together by providing a brief narrative on the emergence of Guinea-Bissau as a transshipment state in the global cocaine trade.

3.2 The Global Cocaine Trade

“Erythroxylum coca²⁰ is a peculiarly ordinary-looking shrub native to South America. [...] And yet coca has started wars, prompted invasions, embarrassed politicians, toppled governments, filled prisons, created billionaires and bankrupted countries, and both taken and possibly saved thousands of lives. And all this for one simple reason: because Erythroxylum coca [...] is the Earth’s leading source of cocaine” (Streatfeild, 2001: 1).

3.2.1 History

The term coca generally “refers to two distinct but closely related species of the genus *Erythroxylum*²¹, with a number of varieties each” (Montagne, 1991: 280). It is a bush of varying heights (up to three meters), ordinary-looking, as Streatfeild (2001) describes, and its leaves can be harvested three to six times a year for up to fifty years (Montagne, 1991: 280). The cultivation and use of the coca leaf is “historically concentrated in the Andean region [particularly Peru and Bolivia], emerging as early as 3000 B.C.” (UNODC, 2007b: 3) and had spread to Central America and the Caribbean by the time the Spanish explorers and conquerors arrived in the 16th century. Traditionally, the leaves are chewed or simply kept in the mouth for their effects, which include the prevention of altitude sickness, suppression of

²⁰ Italic in original.

²¹ Italic in original.

hunger and tiredness, and increased stamina and strength. They were also used for cultural and religious purposes and ceremonies. Besides pressure from the Catholic Church to ban the use of coca, as it associated it with indigenous religious beliefs and saw it as the work of the devil, the economic interests of the Spanish colonists prevailed. They had quickly discovered that its use was allowing the indigenous workers they were exploiting to work harder, requiring less food and therefore making it more profitable. Due to this, coca use and its cultivation became even more widespread. It furthermore became an important source of revenue for the colonists, who treated it like any other agricultural plant. But its cultivation and use stayed limited to South and Central America and hardly any international trade ensued, mainly because the leaf perishes easily and is therefore difficult to transport (UNODC, 2007b: 5-6). This can be seen as an example of how a change in the distribution of power, first in the security structure, with the arrival of Spaniards, affects the other structures of power, particularly production, which in turn allows those in power to change the options available to others, in this case the indigenous population, for their own interests. Furthermore, it shows how power derived from the security and production structure prevailed over power derived from ideas and beliefs in the form of the Catholic Church.

The situation, however, changed dramatically when the cocaine alkaloid, the active element responsible for the leaf's psychoactive effects, was discovered and extracted in its pure crystalline or powder form in 1860. This enabled industrial manufacture, first in Germany, the Netherlands and Switzerland, and later in the US and in South America. Its cultivation also spread to some Asian countries, like Ceylon, Java and Taiwan. "The popularity of cocaine in Western societies increased dramatically following the publication of a paper by Sigmund Freud, who experimented with cocaine and wrote a widely-publicized paper entitled "Über Coca" in 1884" (UNODC, 2007b: 7), in which he outlined the beneficial properties of cocaine "presenting the drug as a medical panacea with practically no side effects or danger of addiction" (UNODC, 2007b: 7). The discovery of its use as a local anaesthetic in 1885 further increased the demand for it.²² Besides its use as an anaesthetic, cocaine became popular in a variety of patent medicines, as a palliative tonic for sinusitis and hay fever, among others, and also as an alleged cure for addictions to morphine, opium and alcohol. Furthermore, its recreational use was on the rise and it was sold mixed with wine, whiskey and soft drinks, the most famous of which is, of course, Coca-Cola (UNODC, 2007b: 9). The increased production, especially on Java, which took over from Peru as the main producer in 1902, and refined processing techniques, resulted in a price collapse and

²² See Appendix 3: Coca leaf exports from Peru, 1877-1905.

the markets in Europe and the US were flooded with cocaine (Streatfeild, 2001: 130-131). In an effort to link this development with the theoretical foundations of the field of GPE discussed in the previous chapter, it can be argued that the development outlined above shows how the discovery of the cocaine alkaloid, a change in the knowledge structure, can have significant effects on the production structure.

Casualty numbers from overdoses, medical and recreational, and long-term addiction began to rise sharply, and warnings were published in medical journals. “This might have led to the drug’s disappearance from the public consciousness but for one thing: everyone had noticed that cocaine was fun” (Streatfeild, 2001: 133). Meanwhile, cocaine had been replaced as a surgical anaesthetic by synthetics like Novocaine. This, however, had no effect on the still rising demand for cocaine, pointing to the recreational and non-surgical use of cocaine (Streatfeild, 2001: 133). The negative side effects of cocaine became more publicised when it became more affordable and its use spread to urban areas and impoverished parts of society.²³ While upper class users were described as unfortunate habitués, lower class users were described as addicts and drunks. Consequently, an apparent causal relationship between cocaine and crime was established and became deeply engrained in Western societies. Especially the combination of drugs, crime and African-Americans, whether or not it existed, was spread widely by a racist media in the US and resulted, together with knowledge of health risk and side effects, in more and more states (in the US) restricting the use and sale of cocaine to medical reasons. This corresponds with the ‘criminality of the other’ discussed in the previous chapter, although here the other is not the foreigner, but the African-American population and the lower class in general. However, the regulatory regimes introduced in some US states were insufficient, as they were easily bypassed by doctors and pharmacists. More effective, especially against the patent-cure industry, was the ‘Pure Food and Drug Act’, passed in 1906, which forced manufacturers to list the ingredients of their product on its packaging. In 1914, the ‘Harrison Act’ and several amendments limited the legal use of cocaine to surgical situations (Streatfeild, 2001: 130-134, 139; UNODC, 2007b: 9). These Acts can be described as the first step in the process of criminalisation, which will be further examined in the next section. Once again, this development shows how changes in knowledge, cocaine’s health risks, on the one hand, and belief, like drugs are ‘fun’, on the other, affect other structures. Additionally, it can be argued that the particular social, political and economic arrangements of the time - racial discrimination,

²³ In the beginning most habitual cocaine users, or habitués, were members of the upper classes of society, particularly doctors and pharmacists who were experimenting with the drug (UNODC, 2007b: 9).

class differences and engrained prejudices and fears - reflect the values and the distribution of power.

3.2.2 The Criminalisation of Cocaine

The trafficking of drugs on an international scale “arguably began during the 19th century with the smuggling of opium from India to China” (Montagne, 1991: 275). Inter- and intra-state trafficking increased strongly during the patent medicine era at the end of the 19th century. The first efforts to regulate and restrict drug use on an international level were taken at the Shanghai Opium Convention in 1909, leading to the International Opium Convention at The Hague in 1912, which focused on restricting the distribution of opium. The attention shifted from opium to cocaine in the early 1920s and the first efforts to control the international distribution of cocaine were made at the Geneva Convention in 1925. However, major producing countries like Peru did not want to limit their production of coca and the global depression in 1929 hampered efforts to limited cocaine production further, as producer countries did not want to miss out on the revenue and consumer countries feared increased prices. Aside from these barriers to achieving international drug control (IDC), the acceptance for the conventions was growing and domestic law-enforcement was increased in many countries. The 1931 ‘Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs’ was initially signed by forty-one countries and eventually ratified by sixty-seven countries, including the main exporters and importers. These efforts were successful in limiting and controlling the licit production, manufacture and distribution of these substances.²⁴ But as a result an illicit market for these substances emerged.

The UNODC (2007c) argues that the newly illicit markets for narcotics also provided organised criminal groups, particularly in the US, with a welcome alternative source of income after the end of alcohol prohibition. As a response to these developments, the League of Nations convened a conference in 1936, which concluded with the ‘Convention for the Suppression of the Illicit Traffic in Dangerous Drugs’, which was the first international treaty “explicitly on drug trafficking and the first to make certain drug offences international crimes” (UNODC, 2007b: 77). Article 2 (a) of the Convention outlaws

“[t]he manufacture, conversion, extraction, preparation, possession, offering, offering for sale, distribution, purchase, sale, delivery on any terms whatsoever, brokage, despatch, despatch in transit, transport, importation and exportation of narcotic drugs, contrary to the provisions of the said Conventions” (quoted in UNODC, 2007b: 77-78).

²⁴ See Appendix 4: Licit Coca leaf exports from Java and Peru, 1913-1935.

This convention was also the first to explicitly deal with drug-related crimes committed abroad and extradition requirements. But it was only signed and ratified by thirteen countries and not by, amongst others, the US, Germany and Japan (UNODC, 2007b: 64-78). In 1961 the „Single Convention on Narcotic Drugs’ was adopted, superseding all previous conventions. Henceforth, the cultivation of coca bushes was limited to scientific and pharmaceutical purposes. Furthermore, the chewing of coca leaves was declared drug abuse and its abolishment recommended (Montagne, 1991: 276).

The social and cultural changes in the 1960s lead to an increased use of narcotics for recreational purposes, particularly in North America and Western Europe and, as a result, US President Nixon declared the „War on drugs’ in 1971. Cocaine especially experienced a revival in this time and from 1971 the demand for illicit cocaine rose drastically, which is reflected in a dramatic increase in the illicit cultivation and manufacture of cocaine in Peru and Bolivia, the only countries authorized to grow coca for pharmaceutical purposes (see Figure 3).

In 1984, the General Assembly of the UN adopted the „Declaration on the Control of Drug Trafficking and Drug Abuse’, declaring that the

“illegal production of, illicit demand for, abuse of and illicit trafficking in drugs impede economic and social progress, constitute a grave threat to the security and development of many countries and people and should be combated by all moral, legal and institutional means, at the national, regional and international levels” (UNODC, 2007b: 95).

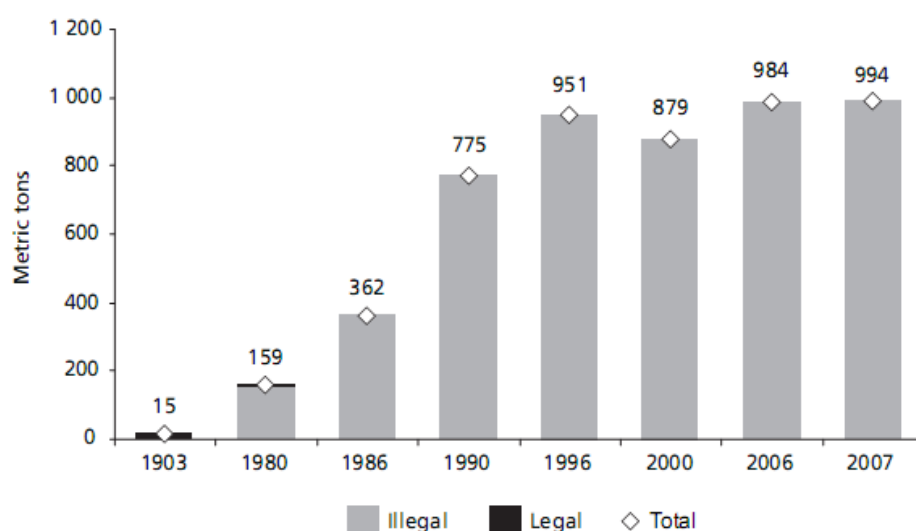


Figure 3: Global cocaine manufacture, legal and illegal, 1903-2007 (UNODC, 2007b: 139)

Despite renewed efforts to curb drug use and trafficking, including a drastic increase in the resources spent on law-enforcement and supply-interdiction, the overall increase of drug use

continued and “illegal coca-leaf production and resulting cocaine manufacture in the Andean region set a new record each year” (UNODC, 2007b: 95). Concerned with the “rising trend in the illicit production of, demand for and trafficking in narcotic drugs and psychotropic substances”, as well as the “increasing inroads into various social groups made by illicit traffic” (UN, 1988: 1), the „Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances’, was agreed on in 1988 and entered into force in 1990. It stated the concern of the signatories with the “links between illicit traffic and other related organized criminal activities which undermine the legitimate economies and threaten the stability, security and sovereignty of States”, as well as the fact that “illicit traffic generates large financial profits and wealth enabling transnational criminal organizations to penetrate, contaminate and corrupt the structure of government, legitimate commercial and financial business, and society at all its levels” (UN, 1988: 1). The convention aimed to eliminate the root causes of the global drug problem, including the demand and the enormous profits of illicit trafficking, by stricter measures and far-reaching requirements on the signatories. Further measures included closing safe havens for drug traffickers by extradition provisions, increased judicial cooperation and combating money-laundering, an essential part of the trafficking process (UN, 1988: 1; UNODC, 2007b: 98-99). The process of criminalisation described in this section corresponds closely with the theoretical framework discussed in the previous chapter.²⁵ Firstly, it confirms that the criminogenesis needs to be understood within wider social, political and economic settings. Secondly, the driving force behind the criminalisation was (and still is) the Western conviction that cocaine should be criminalised. These convictions could only be asserted in the form of an international prohibition regime due to Western dominance in the GPE. It furthermore corresponds with the state’s role as a creator and regulator of the IGPE²⁶, as well as the relationship between the overall GPE and the IGPE.

3.2.3 Effect of Criminalisation and Recent Developments

The establishment of an IDC regime starting in 1912 had two major effects. Firstly, the licit production and trade in cocaine declined strongly, as shown before, and the UNODC lauds it as “one of the oldest consensus-based multilateral systems in existence” (UNODC, 2007b: 1), predating the League of Nations, leading to internationally accepted principles and an increased awareness of the health and addiction risks of cocaine use. Secondly, however, it also led to “the emergence of a large and violent illicit drug industry, [which] has spared few

²⁵ See particularly Chapter II p. 13-14.

²⁶ See 2.3.1: p. 27.

countries” (UNODC, 2007b: 2). The value of the global cocaine retail market in 2008 was estimated at US\$ 88 billion, higher than the GDP of 123 out of 184 countries (UNODC, 2010b: 69). Still, the UNODC (2007b: 140) points out that besides the drastic growth rates of illicit cocaine production, the annual growth rates are still lower than the growth of licit production at the end of the 19th century, which can be interpreted as a positive effect of the IDC system.

From WWI until the late 1990s nearly all the raw material, the coca bush, was grown in Peru and Bolivia, while Colombia emerged as the primary location for processing the leaves into cocaine paste and pure cocaine powder in clandestine laboratories. The spread of clandestine laboratories and cultivation areas to other countries in South America was also facilitated by the construction of the Pan-American Highway. By 1997 Colombia took over as the main coca cultivation area, which later partly shifted back to Peru and Bolivia due to increased eradication efforts. Estimates show an overall decline of coca cultivation by 28% for 2000-2009. However, in general, the global production of cocaine can be described as fairly stable over the last decade, with changes on country level in response to natural and law-enforcement pressures.^{27 28} Increased international cooperation and domestic law-enforcement, particularly in South America have resulted in an increase of seizures, which in combination with the estimated decline of production, could mean that less cocaine is reaching the markets (UNODC, 2010b: 66- 68).^{29 30} Here, the role of the state as a locale for the IGPE is evident, as well as a shift from an actively enabling role to an increasingly regulating role, particularly in South America. Moreover, it asserts the theoretical assumptions made in the previous chapter about the mutually interdependent relationship between the GPE and the IGPE, as it illustrates how the political arrangements on national and international level affect the global systems of cocaine production, distribution and exchange.

Costa Sorti and De Grauwe (2009) identify four further significant developments in the cocaine markets: (1) retail prices in the US and Europe have significantly declined over the last 25 years; while (2) farm-gate prices for coca leaves in Peru and Bolivia have nearly doubled, leading to increased producer prices; (3) a strong decline in the margin between the

²⁷ See Appendices 6 and 7.

²⁸ The analysis of cocaine production is, however, complex and especially short-term estimates are therefore sometimes misleading. This is due to the variation of cocaine produced by the plant, depending on the plant, geographical and meteorological conditions, as well as increased productivity, because of improved farming, processing and refining techniques. Additionally, cultivation estimates are based on satellite and ground surveys, assuming an area-leaf yield and coca leaf to cocaine transformation ratio. Furthermore, estimates based on seizures of cocaine assume pure cocaine, while the purity of seized shipments varies strongly. Therefore, long-term estimates, indicating a trend, are more reliable (UNODC, 2010b: 66).

²⁹ See Appendices 8 and 9.

³⁰ It is, however, also possible that the production of cocaine was underestimated, which would mean a stable to increasing supply to the markets (UNODC, 2010b: 66- 68).

price paid to the producer and the wholesale price in the importing country – also called intermediation margin, or export-import margin; and (4) a worldwide relatively stable prevalence of cocaine (Costa Sorti/De Grauwe, 2009: 489). This happened despite the aforementioned fairly stable production, intensified supply containment and the increased amounts of seized cocaine, which in combination should have resulted in increasing retail prices. The answer to why this has happened can be found in the structure and functioning of the market, as well as external influences such as globalisation. This is relevant for this thesis as it allows further insight to the market-regulator relationship, the modus operandi of drug traffickers, as well as the influences of the overall GPE in the form of globalisation processes.

3.2.4 The Structure and Functioning of the Global Cocaine Markets

Montagne (1991: 276) suggests a description of the supply side of the global cocaine markets, the drug trafficking, as four functional phases: (1) cultivation and production; (2) export (smuggling); (3) distribution in the consumer country; and (4) the processing of the proceeds. On the demand side it could be said to include the acquisition and use of the drug, and possibly acquiring the necessary funds to finance the consumption. While the production side has already been covered in detail, it is phase two of the drug-trafficking that is of particular interest for this case study.

Cocaine is produced for two major markets, North America, with about 6.2 million users, and Europe, with about 4.5 million users, who together consume about two-thirds of cocaine consumed worldwide. The largest emerging market is South America. While the demand for cocaine in North America has been declining, the demand has been rising in Europe, as the number of users has doubled between 1998 and 2008. The main source of cocaine for Europe is still Colombia, but Venezuela is becoming increasingly important as a supplier. Cocaine for Europe is mostly transported by sea, often in sailing ships, but also on freighters and other motor vessels. Smaller quantities are also transported on commercial flights by so-called drug mules, who swallow condoms filled with cocaine. There are two main entry hubs to the European market: Spain and Portugal (South); and Netherlands and Belgium (North). The Southern hub is geographically and culturally close to Latin America, while Belgium and Netherlands have the biggest ports. “Trafficking of cocaine to Europe is, to a significant extent, organized by Colombian organized crime groups that forge alliances with various criminal groups operating in Europe” (UNODC, 2010b: 88). Other South American and Caribbean groups are involved to a lesser extent, as are North Africans and Balkans. West Africans act as retailers and small-scale importers and “the largest proportion

of non-Portuguese cocaine traffickers arrested in Portugal in 2008 were from Cape Verde (27%) and Guinea-Bissau (19%)” (UNODC, 2010b: 88).³¹

Two transit hubs in WA have emerged since about 2002. One is located around Guinea-Bissau, Guinea, Cape Verde, the Gambia and Senegal; the other is in the Gulf of Guinea and Bight of Benin (Ghana, Nigeria). The emergence of WA as a major hub for drug trafficking in the early 2000s can be linked to two global developments: (1) a shift of the cocaine market from North America to Europe; and (2) increased interdiction along traditional routes (UNODC, 2007: 18). Cocaine is transported towards the West African coast in „mother ships’ by Colombians and then offloaded into smaller vessels. Some cocaine is then carried onward via sea to Europe and some is left in WA as payment, which is then often trafficked by West African air couriers on own account to Europe (UNODC, 2010b: 83-84).³²

The wholesale prices between the producer country and the consumer country rise rapidly, especially outside of South America.³³ While the retail market price is determined by the import costs and “the producer market determines the supply of the drug for a given export price” (Costa Sorti/De Grauwe, 2009: 492), the price difference is determined by the intermediation costs. Costa Sorti and De Grauwe (2009) identify four intermediation costs. Firstly, the transport cost, which is a function of “the number of hours the trip from the exporting country to the importing country lasts and its price” influenced, for example, by the introduction of low cost flights, or faster boats. Secondly, the cost of seizures, which the authors describe as a function of “the supply reduction policies of the countries involved and the associated resources invested in supply reduction policies” (Costa Sorti/De Grauwe, 2009: 493). Thirdly, the cost of labour, where they assume a wage rate determined by the wage earned in the best alternative job plus risk premium (or shadow wage), which also depends on supply reduction measures. The risk premium was reduced by globalisation, through a higher supply of labour and a higher number of lower-level traffickers willing to accept high risks for small payment. The fourth intermediation cost is the profit margin of the higher-level traffickers, as the “resources invested in the export-import business should earn a rate of return of alternative activities plus a risk premium” (Costa Sorti/De Grauwe, 2009: 493). The UNODC estimates that of the proceeds of the European cocaine market, less than 1% goes to Andean coca farmers, about 1% to the processors and traffickers in Andean region, 25% to international traffickers between the Andes and entry points in Eu-

³¹ See Appendix 16

³² See Appendix 5 for a map of the main global cocaine flows.

³³ See Appendix 10 for Cocaine wholesale prices worldwide, 2008.

rope, 17% to traffickers between entry points and wholesalers in the final destination and 56% to the high number of wholesale dealers in the final market (UNODC, 2010b: 87-88). The structure and functioning of the global cocaine market described here allow for several inferences in relation to the theoretical discussions of the previous chapter. Firstly, it shows the existence of a global division of labour, characterised by differences in the cost of labour, risks and prices, which make the international trafficking the most profitable for the individuals involved. Secondly, it indicates the assertions made about the role of the state as a locale for the IGPE, ranging from home, transshipment, service, to market state.³⁴ Thirdly, it highlights once more, the social, economic and political arrangements affecting the production, exchange and distribution of cocaine.

3.2.4.1 The Effect of Globalisation on the Global Cocaine Trade

Costa Sorti and De Grauwe (2009) argue that it is mainly in the intermediation margin where the explanation for the earlier-mentioned relative retail price stability in the face of increased interdiction and containment efforts is to be found. They emphasise particularly three interconnected effects of globalisation on the market. Firstly, the market structure effect, meaning that globalisation tends to open markets in a very general way, increasing competition and therefore leading to a decrease between the retail and producer price. Secondly, the risk premium effect, wherein a larger supply of cheap labour with smaller risk averseness became available through the integration of more and more states into a GPE, resulting in a reduced risk premium and reduced intermediation margin. And thirdly, the efficiency effect, wherein lower transport, communication and information costs, enhanced technology and scientific knowledge, and also the general increase of trade allows for easier concealment of drug trade, lead to increased efficiency of intermediation and thereby lowered overall costs. These developments compensated for the increased interdiction risk as seen in the stable retail prices. However, the authors also acknowledge several alternative or contributing explanatory factors, such as the decreased purity of drug shipments and learning-by-doing effects on all levels of the supply chain increasing efficiency and reducing costs (Costa Sorti/De Grauwe, 2009: 493-494). This section contributes once more to the general purpose of this thesis, to examine the IGPE-State relationship, by highlighting the effects of change in the overall GPE on the IGPE, and thereby the state. Additionally, it supports the necessity to analyse them in relation to each other, as stressed in the second chapter. Moreover, it corresponds with the argument made by, amongst others, Mittelman

³⁴ See 2.3.3: p. 29-30.

(1999), who maintains that the surge of TOC in the 1990s could only be explained in the context of globalisation.³⁵

It was briefly mentioned above that a shift in the global cocaine trading routes has led to the establishment of two transit hubs in WA and that Guinea-Bissau emerged as one of the main centres of one of these hubs. Hence, before this development is analysed in the last section of this chapter, the next section will provide an historic background, as well as key facts about the country and its political economy.

3.3 Guinea-Bissau

3.3.1 Country Facts

Due to the limited space of this thesis, the most relevant facts about Guinea-Bissau have been summarised in Table 3 below and a detailed map of Guinea-Bissau can be found in Appendix 11. It should be noted that, although not all of these facts are directly relevant for answering the research questions of this thesis, they are necessary in order to provide a certain background knowledge of Guinea-Bissau, which will further the understanding and analysis of the case study in Chapter IV.

In the context of this thesis it has to be mentioned that Guinea-Bissau is a signatory of both the 1961 „UN Single Convention on Narcotic Drugs’ and its amendments, as well as the 1988 „UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances’ (UNODC, 2010c, d). This indicates that the government has, or claims to have, at least the metapolitical authority to determine what is legal and what is illegal.

Table 3: Country Facts (data compiled from: BBC, 2010c; CIA Factbook, 2010; UNDP, 2009; UNODC, 2007: 14; UNODC, 2010c,d; World Bank, 2010)

Official Name	Size	Geographical Position	Geography	Capital
Republic of Guinea-Bissau	36,125 sq. km	West African coast, between Senegal in the North and Guinea (Conakry) in the South	350 km coastline, high number of small islands, mangrove swamps; low-lying inland, savannah (East)	Bissau
Population	Population in urban areas	Ethnic Groups	Languages	Religion
1.6 million	30%	Balanta (30%), Fula (20%), Manjaca (14%), Mandinga (13%), Papel (7%)	Portuguese (official); Crioulo ³⁶ and African languages widely used	Muslim (50%); Indigenous beliefs (40%); Christian (10%)

³⁵ See 2.2.3: p. 24.

³⁶ A mix between Portuguese and indigenous languages.

Administration	Executive	Legislative	Judiciary	Military and Police
9 Administrative regions	President (chief of state) Sanha, elected by popular vote for 5 years; Prime Minister (head of government) Gomes appointed by President	National Assembly (Assembleia Nacional Popular, ANP), elected for 4 years by popular vote	Supreme Court, 9 Regional Courts, 24 Sectoral Courts	5, 100 military in full service, 4,500 police (2005)
GDP	GDP growth	Major Economic sector	Main exports	Human Development Index
US\$ 430 million (2009), GDP per capita US\$ 273; one of the six poorest countries	3.3% (2009)	Agriculture (62% of GDP)	Peanuts, cashew nuts	173 (out of 182)

3.3.2 History of Guinea-Bissau

In line with the political-economy approach taken in this thesis, a brief overview of the history of Guinea-Bissau is necessary in order to understand the contemporary social, political and economic arrangements of the state. Nevertheless, the requirements for this research do not allow for an in-depth treatment of the country's history. Therefore, a more detailed timeline can be found in Appendix 12.

Guinea-Bissau is a former Portuguese colony. It gained independence in 1974 after a thirteen year-long armed liberation struggle, started in 1959 by the Partido Africano da Independência de Guiné e Cabo Verde (African Party for the Independence of Guinea-Bissau and Cape Verde, PAIGC). The PAIGC was formed in 1956 and was led by Amílcar Cabral, one of the few Cape Verdians and Guineans who had been allowed to study in Portugal. After initial peaceful demands and efforts for the independence of Guinea-Bissau and Cape Verde, the PAIGC started a thirteen year armed struggle for independence. While the urbanised Guineans were more politicised and aware of the colonial suppression, the majority of the population lived in more or less decentralised rural areas. The core of the guerrilla fighters was recruited from the urban areas and comprised sailors, workers and the like. But without the political mobilisation and support of the rural population any struggle would have been unsuccessful. By the time the fascist regime in Portugal broke down in 1974, the "situation was that of an independent state with part of its territory occupied" (Lopes, 1987: 37). The PAIGC had declared Guinea-Bissau independent unilaterally on the 24 September 1973, which was „officially’ granted by Portugal one year later (Lopes, 1987: 30-38). However, Amílcar Cabral was assassinated in January 1973, allegedly by dissidents in his own party; others hold the Portuguese political police responsible (Temudo, 2008: 247-248). He

was succeeded by his half-brother Luis Cabral, who became the first President of the independent Guinea-Bissau (Lobban/Karibe Mendy, 1997: 10).

The period from 1974 to 1980 was characterised by growing grievances and dissatisfaction in the majority rural population. Firstly, dissatisfaction grew in the army, 80% of which had been recruited from the Balanta ethnic group who were mostly peasants. Secondly, a demobilisation of the PAIGC, as newly-appointed government officials increasingly operated independently from party structures, led to grievances by party-members. Thirdly, resentments grew between the mainly Cape Verdian elite and officials on the one side, and Balanta and other ethnic groups on the other. These resentments have their roots in the colonial era, as the Portuguese had brought mainly Cape Verdians to the mainland to occupy public offices and had given them several advantages. Together with a personal rivalry between President Cabral and his Prime Minister, former head of the armed forces and hero of the struggle, Vieira, these developments culminated in a military coup led by Vieira in 1980.(Forrest, 1987: 97-105).

Throughout the 1980s Vieira managed to consolidate his personal rule, nevertheless discontent among soldiers and the peasantry remained under the surface and he had to face several military coup attempts in 1982 and again in 1986 (Forrest, 1987: 105-115). In the late 1980s and early 1990s Vieira responded to international pressure and adopted several SAPs and the first multi-party democratic elections were held in 1994, which the PAIGC won and Vieira was elected President. Opposition grew in the form of new parties, particularly the Balanta-based Party for Social Renovation (PRS) led by Kumba Yalá, but also from within the PAIGC, which split into two (Temudo, 2008: 249-250).

In 1997, the High Chief of the Armed Forces, Ansumane Mané, who had recently been dismissed due to accusations of involvement in cross-border arms trade with Casamance rebels, a separatist region in Senegal, attempted a coup two days after his dismissal and his being placed under house arrest. He had gathered support from a number of disgruntled war veterans, formed a military junta, called for the resignation of the president and for democratic elections. Initially the fighting was limited to a small number of military bases near the capital, but when Vieira called Senegalese and Guinean (Conakry) troops for help, the military mutiny by some high-ranking officers against a democratic regime turned into a civil war (Rudebeck, 1998: 484). The foreign invasion for one showed Vieira's isolation, but it also triggered growing support for the uprising in the rest of the military and the general population. The war remained mainly limited to the urban centres and the rural areas were only affected by refugees from the cities. Hence, aside from the Balanta who supported Ma-

né because of their links with the military, the majority of other groups tried to maintain a non-aligned position. The war destroyed a large part of the country's infrastructure and displaced hundreds of thousands of people. It was ended by negotiations and with the help of the regional peace-keeping force Economic Community of West African States (ECOWAS) in 1999. Vieira agreed to go into exile in Portugal and the PRS and its candidate Kumba Yalá won the following elections in 2000 (Temudo, 2008: 251-252).

After the elections fighting broke out again, this time between military factions supporting either Yalá or Mané, when the latter declared himself leader of the armed forces. Mané was eventually killed in the fighting. Yalá himself was ousted by a bloodless military coup in 2003. He had dissolved the parliament in 2002 and ruled by decree until the coup. Renewed parliamentary elections in 2004, which were considered free and fair, saw the return of the PAIGC to the majority. The government was formed under Prime Minister Carlos Gomes Junior. The presidential elections in 2005 were won by Vieira, who had returned from exile and stood as an independent candidate. Although the elections were judged to be free and fair internationally, the local sentiment suggests otherwise. Vieira consequently unsuccessfully tried to replace Gomes Junior with his long-term supporter Aristide Gomes. Legislative elections, originally scheduled for March were postponed to November 2008 due to a lack of funds and planning. They were further interrupted by an alleged coup attempt by the Head of the Navy Rear Admiral Jose Americo Bubo Na Tchuto. However, the final elections were considered free, fair and transparent, and were won by the PAIGC. In March 2009 a bombing at the military headquarters killed the armed forces Chief of Staff, General Batista Tagme Na Wai and in an alleged revenge attack soldiers attacked the Presidential Palace and assassinated Vieira, who was replaced constitutionally by the speaker of parliament. During the run-up for the presidential election political violence escalated and a presidential candidate and former minister were killed, allegedly while resisting arrest for a coup plot. Nevertheless, the elections themselves were peaceful, free and transparent, and were won by Sanha of the PAIGC who defeated former President Yala (Freedomhouse, 2010). On 1 April 2010 the army mutinied again and Prime Minister Gomes and the army Chief of Staff Gen Jose Zamora Induta were detained. The mutiny was orchestrated by the former Head of the Navy Na Tchuto and Vice Chief of Staff General Antonio Indja. While Gomes was released after a week Zamora Induta is still being held and was replaced by Indja. Na Tchuto and Ibraima Papa Camara, the former Navy Chief, had returned from exile in the Gambia disguised as fishermen after their failed coup in 2008. As a consequence of the re-

newed military mutiny and the remaining unresolved issues, the EU has recently announced its intention to end its mission to reform the country's security forces (BBC, 2010b).

3.3.3 Political-Economy of Contemporary Guinea-Bissau

The above overview of Guinea-Bissau's history and facts helps to identify several key characteristics of contemporary Guinea-Bissau, which will be structured along the lines of the social, political and economic arrangements of a political economy.

Socially speaking, Guinea-Bissau is characterised firstly by the fact that the majority of its population lives in rural areas. The social organisation of the rural areas in turn is traditionally decentralised and locally based. The challenge that this form of social structure represents for any kind of political mobilisation or control was experienced by African slave raiders, the Portuguese, the PAIGC and most post-independence governments. Most rulers, foreign and local, acknowledged this, tried to come to terms with it or profit from it. Therefore, local figures of authority, like village-elders and priests, were able to retain their authority, particularly in traditional dispute settlement, under changing forms of national governments and presidents (Galli, 1989: 371-375; Hawthorne, 2001: 1-2; 23-24; Lobban/Karibe Mendy, 1997: 6). Besides the decisive role the peasantry has played in most political power struggles and conflicts, the majority of the population has been denied access to the higher levels of state power throughout history.

“State leadership has been restricted to civilizados [...]. The essential distinguishing characteristic between civilizados and não-civilizados is literacy. Literacy in the Portuguese language has made it possible for the civilizado to act as intermediary between the Portuguese and Africans. It is what gave the civilizado his social standing. Today literacy gives this group political as well as social standing. Moreover, the group's political power is more than ever dependent on this intermediary function. To a large extent the state in Guinea-Bissau is financed by such foreign agencies as the World Bank, USAID, SIDA and so on” (Galli, 1989: 374-375).

As a result, government policies often neglect the rural areas and focus more on the needs of the elite and the urban centres. However, Galli (1989) rejects the dichotomy of a strong state and weak society in the Guinean context. She questions whether the Guinean peasants are by definition weak, even though they are obviously politically dominated.

“They are strong in terms of their individual and collective abilities to survive and even accumulate in situations that are deliberately structured against them. The 'strength' of the state lay precisely in its ability to undermine the very conditions of reproduction of Guinean peasants. However, in so weakening the capability of agriculture by neglect, the leadership progressively undermined its own position” (Galli, 1989: 374).

Temudo (2008) similarly points out that patron-client relations between the elite and the rural population are weak and sometimes even reversed in the case of Guinea-Bissau. This is due to the fact that “through their social and political systems, through agriculture and local trade networks and through the use of their own health specialists, peasants remain, for most of their basic needs, relatively independent of the state” (Temudo, 2008: 258). The peasantry is thereby empowered vis-à-vis the elite, exemplified by its role in the armed struggle and civil war, as well as mobilisation campaigns and traditional ceremonies held by those aspiring to political power. Galli (1989) makes the point that the political arrangements affecting production and distribution, made by the elites, have quite regularly throughout history undermined the social basis of power, the traditional social and economic arrangements (Galli, 1989: 374-375,379). As a consequence of these social settings, Guineans have also proven quite resilient against ethnic mobilisation since independence in the rural areas. Although resentment between Guineans and Cape Verdians, and between the Balanta and the Fula, due to their roles during colonialism and the armed struggle exists, a cohesion in the rural communities based on complex interdependencies and relations also exists. This cohesion can be regarded as the main distinguishing factor for the outcome of the civil war compared to the wars in Sierra-Leone and Liberia (Temudo, 2008: 260).

A second characteristic can be seen in the often extreme levels of poverty among the population. In 2006, 65.7% of the population lived in poverty and 21.6% in extreme poverty (Barry et al, 2006: 6). While the rural population is generally poorer than the urban population, “most families cannot survive with one income source, making the most common feature of livelihoods the diversification of strategies to make ends meet” (Gacitua-Mario et al, 2006: 64). Nevertheless, rural to urban migration has increased, partly as a result of internal displacement of people due to the civil war. Between 1975 and 2002, the urban population increased from 16% to 44%, most of whom are slum-dwellers, working in the informal economy (Gacitua-Mario et al, 2006: 63).

Guinea-Bissau has been an electoral democracy with a multi-party system since 1994, as mentioned before. All presidential and legislative elections since then have been considered free and fair, and the political parties are competitive (Freedom House, 2010). The PAIGC remains the most important political actor and has been in power throughout most of the post-independence period. It was, however, in opposition between 2000 and 2003. Its president, Gomes, is now the Prime Minister and it won an absolute majority (65 out of 100 seats) in the legislative elections in 2008. President Sanha is also a member of the PAIGC and was elected in 2009 in his third run for the presidency. He was also appointed

interim president after the civil war in 1999. The main opposition party is the PRS led by former President (2000-2003) Kumba Yalá. The PRS has a strong base in the Balanta ethnic group³⁷ and holds 28 seats in the ANP. However, it has recently experienced internal divisions and many leaders have left the party. The candidate who came in third in the 2009 presidential elections is Henrique Rosa, an independent candidate, who was interim president after the 2003 military coup (EU EOM, 2009: 10-11). Most constitutionally guaranteed rights and freedoms are generally respected, but the freedom of speech and press have been gravely violated on occasion, particularly in 2009 and during earlier military coups.³⁸ Voicing criticism of the military can lead to threats, harassment and violence. Nevertheless, Guinea-Bissau has one of the most pluralistic media landscapes in the region. Women's rights are guaranteed in the constitution, but many face traditional and social discrimination, are not always allowed to own property, have less access to education, and female genital mutilation is widespread (EU EOM, 2009: 27, 32).

Despite free and fair elections, the country has experienced nearly constant political instability, reflected in the fact that every president since independence, aside from the appointed interim presidents, has either been ousted, or killed in a military coup and the military intervenes regularly and heavily in the country's political affairs. In addition to the constant threat of a military coup, the government of Guinea-Bissau is restrained by its small budget of US\$125 million (in 2006), of which nearly 80% came from foreign aid (Mazzitelli, 2007: 1087). The heavy reliance of the government on foreign aid and support also represents an important characteristic of the Guinea-Bissau's political arrangements as the government is thereby limited in its available policy choices. Once again, this is an example of the influence of the GPE on the state.

The economic arrangements in Guinea-Bissau's political-economy are further characterised by a low level of industrialisation (CIA Factbook, 2010), subsistence agriculture, a large informal economy - 90% of the urban population is employed in the informal economy – and extremely low wages both in the formal and informal economy, resulting in a diversification of several income sources to make ends meet. The importance of established, traditional, informal local trade networks for the supply of basic foodstuffs should be emphasised here once more, as it goes to show the absence of official regulation of trade and the recourse to these methods taken by the population in the light of the government's inability to provide for its population (Gacitua-Mario et al, 2006: 64).

³⁷ Although it lost in its most populated stronghold in the 2008 elections.

³⁸ Former Prime Minister Fadul and a journalist were beaten and tortured, and a presidential candidate was killed in the run-up to the elections (Freedom House, 2010).

3.4 The Emergence of Guinea-Bissau as a Transshipment State for the Global Cocaine Trade

As indicated in the first chapter, the UNODC estimates the demand for cocaine in Europe to be between 135 and 145 tons a year (in 2007), one quarter of which is estimated to transit through WA (UNODC, 2007a: 10).³⁹ Two previously discussed developments in the IGPE of the cocaine markets are linked to this development: (1) a shift of the cocaine market from North America to Europe; (2) increased interdiction along traditional routes (UNODC, 2007a: 18).

However, the “roots of West Africa’s emergence as a major transit point for a more broadly based trade in illegal drugs may be traced to the 1960s” (Ellis, 2009: 174) and falls together with the creation of mass markets for illegal narcotics in Europe. From small-scale trade in cannabis products and heroin in the 1950s, the narcotics trade grew to a much larger scale in the 1980s, possibly linked to the global economic crisis, rapid economic decline in WA, and consequently SAPs, leading to cuts in public expenditure and reduction of the number of public servants. Resulting financial difficulties were “undoubtedly an incentive for some to make money by any means possible” (Ellis, 2009: 178) and also led to emigration and growing West African diasporas in the US, Europe, Asia and also Latin America. While other West Africans were also involved in international drug trade, Ellis (2009) highlights the role and global activities of Nigerian networks, and to a lesser extent Ghanaians, in the drug trade (Ellis, 2009: 174-190). These patterns correspond with the assumption made in this thesis that the IGPE is strongly influenced by developments in the overall GPE.

Until the late 1990s the drug smuggling in and via WA was mostly done by individual couriers on commercial flights. From then on the number of reports of very large consignments of drugs by ship or commercial containers heading to WA grew strongly. In 2000, a ship carrying 2.3 tons of cocaine was reportedly intercepted by Cape Verdian authorities en route from the Caribbean and in 2003 a ship with 7.5 tons was intercepted between Cape Verde and Senegal en route to Spain. The numbers of seizures and the amounts of cocaine seized show that the year 2005 represents another major change in the scale of the trafficking.⁴⁰ The fact that South American traffickers have taken up residence in several West African countries, including Guinea-Bissau, indicates a relocation of substantial parts of their business and a long-term engagement, as well as the comparative advantage of the region. The key local partners of the Latin Americans in the region are still Nigerians, with whom they have long-standing connections (Ellis, 2009: 190-194). The large cocaine consignments

³⁹ See Appendix 13 for a map of the location of cocaine seizures in WA.

⁴⁰ See Figure 1, p.1.

arrive in WA on commercial fishing or freight ‚mother-ships‘. “These ships are met at sea by African vessels with African crews, often with a Latin American “controller”. [...] The African vessels may continue northward or dock in West Africa, with the drugs to be transferred northward by other means” (UNODC, 2008: 11). Law-enforcement officials also report a number of small aircraft modified for transatlantic flights carrying cocaine from South America to WA. From WA on, there seem to be two parallel flows of cocaine to Europe:

“One, mainly involving large maritime and private air shipments, is owned and managed by South Americans. In exchange for logistic assistance with these shipments, West Africans are paid in cocaine. This has created a second flow, as West Africans also traffic these drugs to Europe, usually via commercial air flights” (UNODC, 2008: 3).

Additionally, seizures of stockpiles of cocaine on land indicate the relocation of parts of the wholesale market, controlled mainly by Colombians, to WA, which suggests a possible third, smaller flow of cocaine to Europe trafficked by individuals or networks other than those providing assistance to the Colombians, who buy at the local markets. Moreover, the UNODC (2008) also mentions the possibility that along with parts of the wholesale market, cocaine processing has moved to WA (UNODC, 2008: 12). The UNODC estimates that in 2006 27% of the overall cocaine supply to Europe transited WA. This estimate is based on sporadic seizures of large shipments off the West African coast, in WA, en route from South America and in European waters, as well as more regular arrests of air couriers on commercial flights (UNODC, 2009: 17). The value of the cocaine transiting WA in 2006 was an estimated US\$ 1.8 billion at West African wholesale level and US\$ 18 billion on European markets (Costa, 2007). Consequently, a ton of cocaine was worth about US\$50 million at wholesale level (UNODC, 2007a: 10).

Guinea-Bissau is only one amongst a number of West African countries that have emerged as transit points for cocaine trafficking. It seems, however, that it was particularly used by traffickers, as seizures in Guinea-Bissau were more than 100 kg in 2006 (674 kg) and 2007 (635 kg), while other countries have seized more than this amount only in one of those years (see Figure 4; UNODC, 2007a: 11).⁴¹ International law-enforcement officials were first able to confirm rumours of Guinea-Bissau’s usage by traffickers in 2005. According to reports, a ship had sunk off the coast of Guinea-Bissau and local fishermen had found packages of white powder in their nets. Not knowing what the substance was, they had tried using it as food seasoning and fertiliser. Shortly after however, a private plane with two Latin Americans and a West African arrived, who tried to buy back the packages of what turned

⁴¹ It has to be emphasised here again that these indicators only show the amounts seized. Therefore, the possibility exists that undetected shipments might paint a different picture.

out to be cocaine. They were subsequently arrested with large amounts of cash, but were released soon without reason. Shortly after this, another private jet allegedly landed in Spain with 100 kg cocaine traced to Guinea-Bissau (Worldpress, 2007). While Guinea-Bissau seems to be one of the major hubs for cocaine entering WA from South America, it lacks a regular commercial flight connection to Europe and makes it less suitable for couriers of cocaine. Therefore, drugs entering the country will often be re-routed to neighbouring countries like Senegal and Guinea (Conakry) with better international connectivity. This also explains the comparatively low number of Guineans arrested for cocaine trafficking on commercial flights to Europe. It is, however, noteworthy that Guinean (Bissau) nationals are the second largest group of foreigners (after Cape Verdians) to be arrested for drug trafficking in Portugal (12% in 2007),⁴² suggesting an importance of cultural and historical ties in the cocaine market (UNODC, 2008: 23, 27).

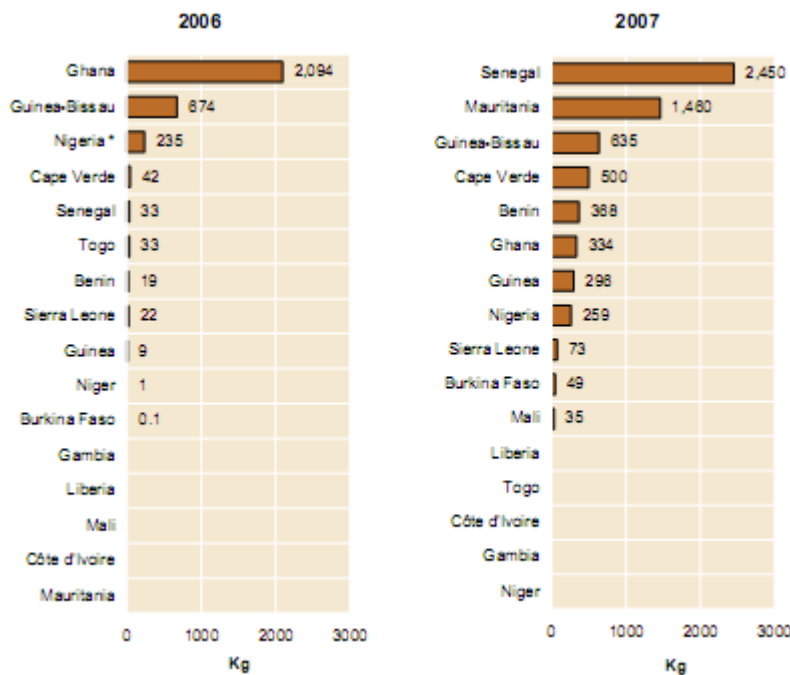


Figure 4: Kilograms of cocaine seized in West African countries in 2006 and 2007 (UNODC, 2007a: 11)

After the number of seizures peaked in 2007, both maritime and airport seizures stopped at the end of 2008⁴³. Reasons for this might be: firstly, the increased international awareness making successful trafficking harder, thereby increasing the transport costs and risk premium; secondly, political turmoil affecting the trafficking networks, such as the coups in Guinea (Conakry) and Guinea-Bissau; and thirdly, the disappearance of seized cocaine out of police custody without being returned to the Colombian „owners’, who might

⁴² See Appendices 15-17.

⁴³ See Appendix 18.

have terminated their relations with the West Africans. However, it is possible that smaller scale trafficking continued undetected and the UNODC suggests that the trafficking might have been increasing again in WA from late 2009 on, using different regional routes, for example, via Mali and the Saharan desert (UNODC, 2010a: 16).

Apart from the above-mentioned two changes in the global cocaine markets, several other contributing factors to the choice of WA in general and Guinea-Bissau in particular, can be deduced from the description of WA's insertion into the global cocaine market: firstly, the geographical location of WA en route between producers and consumers; secondly, geographical characteristics of Guinea-Bissau, with myriad small islands and mangrove swamps; thirdly, cultural and linguistic ties between the former colonies in the producing and transit countries, and the former colonial powers in the consumer countries; fourthly, the existence of regional organised crime networks and large West African diasporas in Europe; and fifthly, favourable political, social and economic conditions in the region. The political conditions, allowing TOC to use West African states as transit hubs, are the focus of this thesis and will be analysed in the following chapter on the case of Guinea-Bissau. Nevertheless, it has to be emphasised once more that these cannot be understood without the social, economic and historical characteristics of the region and Guinea-Bissau.

3.5 Conclusion

The aim of this chapter was to firstly „map' the global cocaine market and its historical development, bearing in mind the theoretical framework of the IGPE discussed in the previous chapter. Secondly, it was aimed at providing a contextualisation, or background, to the case study of Guinea-Bissau, as this state's relationship with the IGPE will be analysed in the following chapter, before linking the global cocaine trade and Guinea-Bissau together by providing a short overview of the country's emergence as a transshipment state.

The description of the global cocaine trade and its development outlined the social, political and economic arrangements affecting the global systems of illicit production, exchange and distribution, and the mix of values reflected therein, their development over time, as well as the effect of changes in power structures on these arrangements. The social arrangements can be said to range from the increasing demand for cocaine, first in the late 19th century and then again in the 1970s, to the availability of cheap and less risk-averse labour during the Spanish colonisation in South America and as a result of globalisation effects. Similarly, political arrangements were shown to include the interests of cocaine-producing countries before and during its criminalisation, the motives to campaign for its

criminalisation, as well as the international prohibition regimes and local to global law-enforcement measures. Thirdly, the economic arrangements contain elements such as prices and competition, as outlined above. These interacting arrangements were shown to influence the production, exchange and distribution of cocaine and reflect the changing values and underlying power structures. Additionally, the different roles of the state within the illicit global cocaine trade, as discussed in theory previously, were highlighted. Overall, this section can therefore be seen as a confirmation of theoretical assumptions and claims made in the second chapter, and consequently affirms the usefulness of the concept IGPE as a viable alternative approach to TOC.

The second part of this chapter showed that Guinea-Bissau is a transitional state, characterised by extreme poverty and political instability as well as geographically by a rugged, island-rich coastline.

The third part highlighted the effects of a change in the global cocaine markets on the development of WA and Guinea-Bissau into a transshipment hub, in combination with its geographic location, cultural linguistic connections and a long history of regional organised crime networks and large West African diasporas in Europe.

The following fourth chapter of this thesis will now use Williams' (2002) framework to answer the primary research question of this thesis.

Chapter IV: Case Study - Guinea-Bissau as a Facilitator of the Global Cocaine Trade – Capacity Gaps, Functional Holes and their Exploitation

4.1 Introduction

This chapter will conduct the analysis of the state of Guinea-Bissau in order to answer the primary research question:

Is the role of the state as a facilitator in the IGPE enabled by the existence of capacity gaps and functional holes?

As pointed out in Chapter I and discussed in Chapter II, this analysis will be guided by the two supplementary research questions formulated and by using Williams' (2002) framework⁴⁴:

- (1) Do capacity gaps and functional holes exist in Guinea-Bissau?
- (2) How are capacity gaps and functional holes in Guinea-Bissau used by cocaine traffickers in order to advance their activities?

Hence, this chapter will follow the order of capacity gaps as outlined by Williams (2002). Each section will briefly discuss the underlying assumption of the individual capacity gap, before assessing and analysing their existence in Guinea-Bissau. Finally, it will be evaluated if and how these are enabling the state's role as a facilitator for the global cocaine trade.

4.2 Capacity Gaps and Functional Holes of Guinea-Bissau

4.2.1 Social Control

The first capacity gap on Williams' list (2002), social control, and the resulting functional hole of an inefficient criminal justice system, is judged by Williams (2002) as being of "particular relevance to the development of organized crime" (Williams, 2002: 171). He defines social control in Durkheim's sense as "regulatory mechanisms to restrain criminal behaviour through both formal sanctions and social norms" (Williams, 2002: 172). Consequently, social control includes the laws outlining what is criminal, mechanisms for controlling the compliance to the state's laws, e.g. a police force, a judiciary determining the guilt and appropriate correctional measures for a perpetrator, and lastly correctional facilities or other ways to enforce correctional measures determined by a court. According to Williams (2002) gaps in these state capacities are very common in transitional states and provide room for organised (and other) crime. While most states (including transitional) have laws criminalising the possession and sale of drugs, laws that are efficiently designed to deal with the side

⁴⁴ See 2.3.5: p. 36.

effects of organised crime, like racketeering, money laundering and corruption, do not always exist. If the appropriate laws exist, it becomes a matter of effective law-enforcement with appropriate training, equipment and manpower, all of which depend on the availability of resources, which are often scarce and otherwise used in states-in-transition. If efficient law-enforcement capabilities exist, it is up to the judiciary to ensure an efficient, effective, equitable and impartial prosecution of suspects. If the judiciary does not ensure these, it is possible that criminals walk free, or are able to use corruption to avoid conviction. Lastly, even if the judiciary is capable, correctional measures must be implemented, meaning the presence of secure prisons with enough and reliable personnel. Functional holes in any of these social control capabilities lower the risks for organised criminals to be detected, arrested, prosecuted and possibly incarcerated. If these holes are severe, criminals can operate with near impunity (Williams, 2002: 171-172). With regard to the writing of Bayart et al (1999) one aspect of the judicial system should be specifically mentioned, its equitability, meaning that the laws, their enforcement, prosecution and punishments, apply equally to all. This includes that holders of power cannot use legitimate means of coercion for private ends, at least not without punishment.

4.2.1.1 Capacity Gap and Functional Holes

It was mentioned in the section on limitations and delimitations that much of the literature on Guinea-Bissau is only available in Portuguese.⁴⁵ Hence, the legal situation in the country is difficult to assess. According to the US Department of State “[p]enalties for possessing, using, or trafficking in illegal drugs in Guinea-Bissau are severe, and convicted offenders can expect long jail sentences and heavy fines” (US DoS, 2010). Additionally, there was no reference found in the literature available to the author of this thesis that Guinea-Bissau lacks the necessary legislation concerning drug trafficking. Moreover, the country is a signatory to the ‘Single Convention of 1961’ and the 1988 ‘UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances’.⁴⁶ Therefore, it can be assumed that Guinea-Bissau has the appropriate legislation.

The law-enforcement capability of the state is not generally hindered by a lack of personnel. A total of 4,500 police sets the ratio of 284 law-enforcement officers per 100,000 citizens (2006), which is only slightly below the European average. Of these, 3,000 are gendarmes under the Ministry of Defence for rural areas and 1,500 are policemen under the Ministry of Interior. However, the police are badly and irregularly paid, have a history of ill-

⁴⁵ See 1.4.2: p.10.

⁴⁶ See 3.3.1: p.51.

discipline and are not well trained. Even the low wages put such a strain on the budget that the equipment and funding for investigations and operations is reduced to a minimum (UNODC, 2007a: 14-15). UNODC executive director Costa gives an account from his visit to the country in 2007:

“The police lack not only computers, but even radios and phones. Even if these were available, there is no electricity to power them. At the main police station in Bissau, on door frames there are hand written signs - "narcotic squad", "homicide squad" etc. Inside I only saw old desks, a broken chair and an old manual typewriter, without a ribbon. Officers have even no paper or pencils to take notes. A burned out car sits in the middle of the court-yard, cops forced to reach a crime scene by taxis. In a recent, widely publicized chase, a police car ran out of gas” (Costa, 2007).

Additionally, some police missions are severely understaffed, such as the judicial police, which are supposed to deal with drug trafficking with sixty officers, one vehicle and often no fuel (UNODC, 2007a: 14). This is echoed in a 2005 survey on the most trusted institutions in Guinea-Bissau, which shows that only 1.56% of respondents rank the police as the most trusted institution, while 4.7% rank it as the second most trusted institution⁴⁷ and only 27.40% would turn to the police in cases of conflict, where traditional authorities are most important (Gacitua-Mario et al, 2006: 35, 37). This situation is evidence of a severe functional hole in the law-enforcement part of the criminal justice system and therefore indicates a gap in the state’s capability to maintain social order. Moreover, the judiciary also suffers from insufficient resources and a lack of trained personnel, hindering efficient, effective and fair prosecution and sentencing of suspected criminals. This is reflected in the low levels of trust of the population in the judiciary, as only 3.9% rank it as the most trusted institution (3.43% as second). The aggregate indicator for rule of law in 2008 shows that Guinea-Bissau is among the five per cent worst-ranked countries (World Bank, 2009: 6). Even if criminals are convicted by a court, there are no prisons.⁴⁸ The country’s only prison was destroyed during the civil war and the existing detention facilities are improvised. Costa (2007) describes the capital’s only detention facility as: “a private home with no toilets, an open fire in the front-yard as a kitchen, and improvised rusty bars on the windows” (Costa, 2007). At night, when the police guarding the facilities go home, prisoners are more or less free to come and go as they want. Consequently, “judges expediently refrain from passing jail sentences on offenders who have been proven guilty, or shy away from handing down severe sentences on dangerous offenders who might easily take vengeance upon them”

⁴⁷ The most trusted institutions were schools and health centers (Gacitua-Mario et al, 2006: 35).

⁴⁸ However, two new prison facilities have been (re-) established with the help of the UNODC in July 2010 (BBC, 2010c/UNODC, 2010f).

(UNODC, 2007a: 16). As a consequence, Guinea-Bissau has by far the lowest inmate to population ratio in WA of 6:100,000 (average WA 38:100,000; UNODC, 2007a: 15-16).

This account of the state of Guinea-Bissau's capacity to maintain the social order reveals a severe capacity gap and subsequent functional holes, most of which can be seen to be the result of insufficient funds available to the state and a general low government efficiency.⁴⁹ The functional holes identified here are: inefficient and ineffective law-enforcement; inefficient and ineffective judiciary; and an inefficient and ineffective correctional system. Additionally, the low and irregularly paid wages of those employed in the security sector and generally high levels of poverty open the door to corruption, which is the main tool of TOC. As mentioned in the previous chapter, Transparency International's Corruption Perceptions Index (2009) ranks the country at 162 out of 180 countries, lower than the Democratic Republic of Congo. The results of the above-mentioned 2005 survey could also be interpreted as an indication of corruption, as trust in police and the percentage of those who would turn to the police in case of conflict are higher in the more affluent parts of the population (Gacitua-Mario, 2006: 35, 37).

Before analysing how cocaine traffickers exploit these functional holes, one aspect of the state's capacity gap in social control that contributes strongly to the way in which cocaine traffickers use Guinea-Bissau has to be briefly discussed - the military.

Guinea-Bissau has one of the highest armed forces to citizen ratio in Africa. This is a legacy of the independence war and the civil war. In 1999 Guinea-Bissau had 17,000 uniformed military and police personnel with a military budget amounting to US\$ 7.5 million in 2003. "The army has a bloated officer corps: one officer for about four men. Normally, it's one officer for 10-20 men" (BBC, 2010b). The soldiers are, however, badly paid and under-resourced. "Between 2003 and 2005, the army demobilized 7,782 persons and a military census recorded 5,100 personnel in full-time active service in May 2005. Relative to the size of its population, the country remains however one of the most militarized in West Africa" (UNODC, 2007a: 14). As shown in the previous chapter, the military frequently interferes in the politics of the country and has so far removed every president since independence from office. Several attempts to demobilise and reform the security sector were met with military coups throughout history. A security sector reform was started in 2007 with the support of the EU, which was, however, discontinued after the coup attempt in April 2010 (BBC, 2010b). Overall, the military continues to be an important political actor and uses its power derived from the security structure, to speak in Susan Strange's terms, to change the politi-

⁴⁹ World Bank governance indicators rank the governance efficiency of Guinea-Bissau in the lowest 10% of countries (World Bank, 2009: 4).

cal, social and economic arrangements in order to further its members', particularly its leaders', aims. This interference can be explained by a variety of factors: grievances about low pay; lack of acknowledgement of its contribution to the rise of political leaders; reflection of ethnic and rural grievances (especially Balanta); and personal conflicts between military and political leaders. Military leaders have repeatedly used the loyalty of their soldiers to settle power struggles with the political leadership. The best examples of this are former President Vieira, who himself was a liberation war veteran, and former High Chief of the Armed Forces Mané. While after most successful military coups political power was quickly returned to the constitutional institutions (Vieira and his 29 year rule after a coup being the exception), governments have been at the mercy of the military, which "sees itself as the guarantor of safety, and does not believe politicians have the ability to control the country" (BBC, 2010b). In doing so, the military seems to be operating with impunity, exemplified by the fact that one of the orchestrators of this year's army mutiny, former Vice Chief, now Chief of Staff General Antonio Indja, is still in his new position and his predecessor still detained.⁵⁰

Criticising the military is dangerous and several journalists, judges, police and politicians who have done so have been threatened, harassed, detained, tortured and killed. For example, in March 2009, former Prime Minister Jose Fadul was beaten and tortured for allegedly criticising the military (Freedom House, 2010). There are many more examples of the military's transgression into politics and the apparent impunity to these actions. However, as these are related to the cocaine trade they will be used in the following section to illustrate the cocaine traffickers' use of Guinea-Bissau and its capacity gaps. Suffice it to say for now that the military's interference in politics and the impunity of its actions add strongly to the state's capacity gap in social control and impede the rule of law further. It represents an entity over which other state institutions have little to no control. In the terms of Bayart et al (1999) the military could be argued to constitute a hidden power structure, which, although not wanting to rule directly, uses the legitimate means of coercion at its disposal for private or personal means.

4.2.1.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

According to Williams (2002), the implication of a gap in the state's capacity to exercise social control for TOC is that criminals can operate with impunity. They can achieve this by exploiting the capacity gap in two ways: by using the room left by the gap to manoeuvre more freely; and by filling the gap the state has left.

⁵⁰ See 3.3.2: p. 54; Appendix 12: Timeline of Guinea-Bissau.

From the above description of the state of the law-enforcement it is safe to assume that the under-resourced, under-equipped and under-trained police of Guinea-Bissau leave ample room for drug traffickers to do their business undetected. This is amplified by the geographic characteristics of the country, as only a fraction of the over eighty small islands are occupied and swamps and rivers make the coastal areas nearly inaccessible by car. "There are also hundreds of landing strips for light aircraft, built by the Portuguese during the 13-year war for independence from 1961" (Telegraph, 2007). The first implication for the cocaine traffickers of the capacity gap is this low detection ability of the Guinean police, which is illustrated by the fact that most seizures in Guinea-Bissau or in connection to Guinea-Bissau, were either made by international law-enforcement off the coast or resulted from tips from international law-enforcement (UNODC, 2007a: 7). One of the biggest seizures made by the police is evidence of the implications of the lack of equipment and resources of the police for the cocaine traffickers. In 2007, a convoy of vehicles carrying nearly three tons of cocaine was intercepted by police. But only 635 kg could be seized, as the police cars ran out of petrol while chasing the traffickers (Telegraph, 2007). Not only is the traffickers' risk of detection extremely low; even if detected they can easily avoid arrest due to the lack of equipment of the police. These risks for the traffickers are further mitigated by the use of corruption and the role of the military.

"The entire GDP of a small country like Guinea-Bissau was only US\$ 304 million in 2006, or the equivalent of six tons of cocaine at wholesale level in Europe" (UNODC, 2007a: 10). In combination with the amount of cocaine estimated to be transiting through WA and in relation to the high poverty levels and low pay for the police, army and judiciary, this indicates how easy it is for well-funded Colombian cartels to buy impunity and cooperation. Traffickers can offer officials more than they would earn in their whole life, giving them extreme leverage over the state. (Costa, 2007) "The cartels have purchased such impunity that gangs of pony-tailed Colombians wander openly on the streets of the capital, Bissau, drive luxury cars and carouse in restaurants" (Telegraph, 2007). The Telegraph also quotes a foreign diplomat, who said about the Colombians: "Often they don't even bother going armed when they are transporting drugs here - that is how confident they feel" (quoted in Telegraph, 2007). Two Colombians, at least one of whom is allegedly an official of the Colombian guerrilla group, the Revolutionary Armed Forces of Colombia (FARC), were arrested in April 2007 while smuggling 674 kg of cocaine. However, they were both released on bail without legal reason and have since disappeared. The former head of the judicial police, da Silva, claims that he was first reprimanded and then fired by the Interior Min-

ister for his investigations into the case (Ellis, 2009: 192). When the cocaine seized in the previously mentioned drug bust was to be officially burned, several policemen allegedly tried to walk off with blocks of cocaine under their jackets (Telegraph, 2007). These examples show several implications of the functional holes identified above: firstly, the low payment of police and judiciary gives the wealthy traffickers huge leverage over them and allows them to buy impunity; secondly, corruption seems to extend to the highest levels of government; and thirdly, a lack of separation of power allows members of the executive to exert influence over judicial matters. Moreover, the derelict correctional system would allow even low-level local traffickers to simply walk out of „prison’, not to mention higher-level foreigners. This means that there is hardly any judicial risk for TOC in Guinea-Bissau.

Apart from the implications of the functional holes described so far, the biggest hole to manoeuvre is provided by the military. The involvement of the military, from regular soldiers to generals, in the cocaine trade seems to be extensive. Much, if not most, of the cocaine entering Guinea-Bissau via private planes, enters through small military airstrips, where it is guarded by soldiers, who can also act as local couriers. The 635 kg cocaine seized in 2007 mentioned above, was seized from two military officers. After their arrest they came under military jurisdiction, but according to the UNODC (2007a: 15) there is no information regarding their prosecution. The 674 kg of cocaine seized in another bust mysteriously disappeared after it had been transferred from the judicial police to a vault in the Ministry of Finance, where several men in army uniforms opened the vault to „count’ the cocaine. This is not the only instance where cocaine seizures have „disappeared’ or were re-seized from the police by the military (UNODC, 2010a: 18). Threats against journalists, investigators, prosecutors, judges and government officials, including the attorney general and the justice minister, who report, investigate or allege military involvement in the cocaine trade, further testify to the existence of a connection and the involvement of high-ranking officers (UNODC, 2010a: 18). Behind most of these threats were allegedly the former navy chief Na Tchuto and armed forces Chief General Batista Tagme Na Wai, who were also repeatedly alleged to be linked to cocaine traffickers (Vincent, 2007). After his failed coup attempt in 2007, possibly in an effort to defend his position and access to funds through the cocaine trade, Na Tchuto fled the country to the Gambia, but returned in late 2009 to seek refuge at the UN Peace-Building Support Office. He then allegedly emerged from the UN building to join the 2010 army mutiny, which he orchestrated. Na Wai’s death in a bombing in 2009 led to the murder of President Vieira. While there is no clear evidence that these coup plots were related to the cocaine trade, “given evidence of corruption and the relative

sizes of the contraband and the economy, virtually every political conflict has criminal undertones” (UNODC, 2010a: 18). In April 2010, the US Treasury Department announced that it had designated Na Tchuto and Ibraima Papa Camara, current Air Force Chief of Staff, “as drug kingpins due to their significant roles in international narcotics trafficking” (US Treasury, 2010). As a consequence, all their US assets were frozen, it became illegal for US citizens to do business with them and they were banned from travelling to the US (US Treasury, 2010).

The military, its characteristics and the role it plays in post-independence Guinea-Bissau has clearly provided South American traffickers with powerful local allies, who can operate outside the legal barriers of the country and can offer the traffickers access, logistics, intelligence, protection and impunity. Furthermore, this account of the military’s involvement in the cocaine trade can be seen as a confirmation of the existence of a hidden power structure as per Bayart et al’s (1999) definition.⁵¹

The importance of this capacity gap is also acknowledged by the international community, through its support in the building of prisons, provision of training for police, and financial and organisational support for a security sector reform (BBC, 2010b,c,d; UNODC, 2010b,c). Overall, the capacity gap and functional holes identified in this section already provide more than ample room for cocaine traffickers in which manoeuvre and to fill, largely by providing financial incentives the state cannot match.

4.2.2 Social Welfare

The second capacity gap identified by Williams (2002) concerns social welfare. A gap in this capacity results in a lack of provision for the citizens. “While other dimensions of weakness offer opportunities for criminal behavior, this type of weakness creates pressures and incentives for citizens to engage in criminal activities” (Williams, 2002: 173). Particularly in a context where economic hardship affect large parts of a society “illicit means of advancement offer opportunities that are simply not available in the licit economy” (Williams, 2002: 173) and open a fresh low risk-averse labour pool for recruitment by TOC.⁵² On the other hand, this functional hole can also be exploited by TOC using paternalism to earn the support and gratitude of the population by filling the hole left by the state (Williams, 2002: 173).

⁵¹ See 2.3.5.1 p. 38.

⁵² See 3.2.4 p. 49.

4.2.2.1 Capacity Gap and Functional Holes

As the third chapter has provided an extensive description of the socio-economic situation in Guinea-Bissau, only the key facts will be recounted here.⁵³ The vast majority of the population lives in poverty and most families have to rely on several incomes and subsistence agriculture in order to meet their basic needs. Only a minority is employed in the formal economy, mainly in the public sector, which consumes most of the state's financial resources. Especially the rural population has often been neglected by the government. Mazzitelli, (2007) describes Guinea-Bissau as being in a "socio-economic situation of structural emergency. [...] The state is virtually incapable of providing any services to its citizens, including security and justice" (Mazzitelli, 2007: 1087).

In the absence of strong state institutions, the population has strengthened their local networks and has learned how to count on their own forces to search for solutions to their problems. Local institutions (from neighborhood associations to the local schools and the traditional authorities) therefore perform many functions (mutual help, leisure, collective security, conflict resolution, and so on), some of which could be handled by the state" (Gacitua-Mario et al, 2006: 25).

Additionally, as pointed out in the third chapter, frustrations over neglect by the government have contributed to several of the military coups, or at least to the support given to the leader of a coup. Hence, the existence of a capacity gap in social welfare and the resultant functional hole of a lack of provision for the citizens in Guinea-Bissau can be asserted.

4.2.2.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

One aspect of how this capacity gap has been used by cocaine traffickers has already been discussed in the section on social control. The low and irregular pay of soldiers, police, the judiciary and the public sector in general has provided incentives for them to earn extra money by selling cocaine or helping the traffickers. Prime Minister Gomes makes this point as well:

"How do they [international community] expect policemen who are not getting paid to hand in bags of drugs and receive nothing in return? How do they expect civilians to come forward with information when we can offer them no incentives and when people at all levels of society are profiting by facilitating the drug trade?" (quoted in Worldpress, 2007)

While not much was found in the literature on the level of the direct involvement of „regular“, meaning non-military, non-public sector, Guineans in the cocaine trade, it could be speculated that the high return on the risk of cocaine trafficking or selling of cocaine provides incentives to move from the informal to the illicit, or to at least turn a blind eye to il-

⁵³ See 3.3.3 p. 55-57.

licit activity.⁵⁴ When local fishermen found packets of cocaine floating in the water and subsequently sold them back to the traffickers, they made the catch of a lifetime.⁵⁵ A local describes what they bought with their earnings: "Some bought new four-wheel drives, others bought fleets of taxis and moved into town to start businesses. I wish I'd found some too - I wouldn't be stuck here anymore" (quoted in Telegraph, 2007). Particularly for unemployed youth this constitutes a temptation, one indication for which is the rising number of local addicts to cheap crack cocaine (Telegraph, 2007). A more direct indicator of the use of this functional hole is the number of Guineans arrested for cocaine trafficking on commercial flights to Europe. While the number of Guinean couriers arrested is much smaller than in neighbouring countries, this is probably due to the country's irregular flight connection to Europe. However, it shows that there are many Guineans who are desperate enough to take the high-risk assignment of couriering cocaine on commercial flights.⁵⁶

There is so far no evidence that the drug traffickers use forms of paternalism to gain support, which could be because they simply do not need to. Additionally, they might be unable to do so, as local social networks have for a long time acted as a substitute for the state and proven resilient against almost every attempt to break, substitute or use them, from African and European slave traders, to colonialists and national-level politicians.

Therefore, the existence of a capacity gap and resultant functional holes in social welfare can be asserted. However, while they are certainly being exploited by the drug traffickers, there would be even more potential for exploitation, if necessary for business.

4.2.3 Business Regulation

A capacity gap in business regulation refers to "the failure of some states to provide adequate and appropriate regulatory frameworks for business" (Williams, 2002: 172), which includes protection of property rights, contract enforcement and arbitration of disputes. TOC can use these functional holes for several purposes: it enables entry into the licit business world for money-laundering and legitimate fronts, for example, for shipping; and it can provide criminals with extra revenue, through protection rackets and substituting other state functions (Williams, 2002: 172).

4.2.3.1 Capacity Gap and Functional Holes

Before looking at specific functional holes, it has to be emphasised once more that the majority of Guinea-Bissau's economy is informal, which by definition exempts it from any

⁵⁴ See 1.4.2: p. 10.

⁵⁵ See 3.4: p. 59.

⁵⁶ See Appendices 15-17 for nationalities arrested for cocaine trafficking in Europe.

state regulation of business. The existence of such a large informal sector, and therefore a legal grey area, could be argued to constitute a capacity gap in business regulation. Even the formal economy is not well and efficiently regulated. The World Bank ranks Guinea-Bissau's regulatory quality in the ten worst per cent of countries (World Bank, 2009: 5) and in the overall 2010 Doing Business Index the country is ranked third last and in most categories below the regional average. In the category „protection of investors' it is ranked 132 out of 183 and in „contract enforcement' it is ranked 143. It would take approximately 1140 days from filing for enforcement to trial, judgement and final enforcement of the judgement (Doing Business, 2010: 30, 41, 77). The reason for this is probably the lack of resources available to the state, hindering more effective and efficient business regulation. Therefore, there is a capacity gap in the regulation of business in Guinea-Bissau.

4.2.3.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

In the literature and further research on this topic no evidence of the use of this capacity gap and functional holes by cocaine traffickers has been found. This could be due to several reasons. Firstly, Guinea-Bissau is so far just a transshipment state and although several South Americans have settled in the country, their interest in being there is focused on keeping an eye on their shipments. Secondly, there is no need for TOC to establish links to the licit economy in the country for purposes of having a legitimate front business or money laundering. The former is not needed as they can operate with impunity anyway and the latter is not necessary as their profit is not made in Guinea-Bissau directly. In addition, money laundering in WA is more centred in Nigeria and Ghana (Ellis, 2009: 173). Thirdly, the general low value of business in Guinea-Bissau does not make it profitable enough for TOC to engage in protection rackets, or substitute the state as arbitrator, protector or debt collector.

However, as shown in the previous section, the potential functional holes are big and while they are not being directly exploited at the moment, this could change in the future.

4.2.4 Oversight and Accountability

The fourth capacity gap identified by Williams (2002) refers to the state's capacity to establish oversight and accountability. Functional holes that can result from it are lack of control and accountability. These can be an opportunity for the extensive use of corruption and allow organised crime to hijack privatisation processes (Williams, 2002: 171).

4.2.4.1 Capacity Gap and Functional Holes

The capacity of the state to provide oversight and accountability is limited due to several factors. Firstly and foremost, a lack of resources available to the state which has led to low

and irregular pay of public servants, including senior officials. In combination with high levels of poverty, this provides strong incentives for officials to seek additional forms of income. Secondly, as a result of the first factor and general government inefficiency, the level of corruption extending to the highest state positions is pervasive and the interest to ensure accountability is consequently low. Thirdly, as discussed earlier,⁵⁷ the military operates in a more or less extra-judicial realm and can hardly ever be held accountable for its members' actions as demonstrated previously. The World Bank governance indicator on voice and accountability rank the country in the lower 25% of countries surveyed and for control of corruption it is in the lowest 10%. While the press is judged to be one of the freest in the region and could help to hold officials accountable, its freedom often ends when the military is concerned. This is illustrated by threats and harassment of journalists and members of other civil society organisations (Freedom House, 2010). Hence, the capacity gap and functional holes identified by Williams (2002) exist in Guinea-Bissau.

4.2.4.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

Cocaine traffickers certainly exploit this capacity gap, especially by using corruption to buy access, logistics, intelligence, protection and impunity from military officials in particular, but also from judges and police, as shown by the aforementioned release of the two Colombian traffickers. Additionally, TOC also benefits indirectly from these functional holes as its main partner, the military, can hardly be held accountable. TOC seems, however, not to be exploiting these functional holes to hijack privatisation processes, probably for the reasons discussed under 4.3.3.

Consequently, the capacity gap in oversight and accountability in Guinea-Bissau is being successfully exploited by the cocaine traffickers in order to reduce the risk of detection, arrest, prosecution and punishment.

4.2.5 Border Control

This capacity gap is strongly linked to the first capacity gap discussed and several aspects discussed there overlap. Border control is a core aspect of state sovereignty, determining what and who comes in and goes out. An existing gap leads to a weak interdiction capability, which attracts traffickers and can be easily exploited by them for the import and export, or both, of illicit products.

⁵⁷ See 4.2.1.1: p. 66-67.

4.2.5.1 Capacity Gap and Functional Holes

Regarding this capacity gap it helps to quote Mazzitelli (2007: 1087): “Border and territorial control are non-existent, because of a total lack of any kind of equipment and trained personnel”. The coast guard, for example, had one rusty ship in 2007 to patrol the rugged coastline and numerous islands and the airspace is also uncontrolled (Costa, 2007). The geographical characteristics of Guinea-Bissau represent an additional challenge, as noted by Prime Minister Gomes: “The drugs don't come from Guinea-Bissau and we don't consume them yet they are telling us we have to patrol our uninhabited islands when we can't even patrol the areas where our people live” (quoted in Worldpress, 2007). Therefore, the existence of this capacity gap in Guinea-Bissau can be confirmed and, to say the least, is wide open, just like the borders.

4.2.5.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

The cocaine traffickers have readily embraced these functional holes and it stands to reason that the non-existent border controls were one of the reasons why they first came to Guinea-Bissau, before becoming aware of the other capacity gaps. As described previously⁵⁸, the cocaine entering the country is mostly transported by bigger „mother-ships’ and then redistributed to smaller faster boats off the coast, which can easily outrun the coast-guard. Private planes are the second way that cocaine enters the country and those normally land on one of the hundreds of small airstrips built by the Portuguese during the liberation war or on military-controlled airports (Telegraph, 2007). Once more, the military’s involvement in the cocaine trade mitigates the remaining low risk of detection and hinders any border control efforts. The fact that most seizures linked to, or made in Guinea-Bissau were either made by international law-enforcement agencies off the coast or on land in Guinea-Bissau, indicates how easily cocaine enters and exits the country.

4.2.6 Legitimacy

According to Williams (2002) a lack of legitimacy of the state results in functional holes in authority and affiliation of the state and the government. These can be exploited by TOC by building on patron-client links and other relationships which are more important than loyalty to the state, e.g. by substituting the state’s functions such as the provision of security and arbitration (Williams, 2002: 171).

⁵⁸ See 3.2.4: p. 49.

4.2.6.1 Capacity Gap and Functional Holes

In a purely electoral sense the executive and legislative are legitimately and constitutionally elected representatives of the population. The 2009 presidential elections for example had 60% voter participation and the parliamentary elections in the previous year 82% (EU EOM, 2009: 39). Furthermore, there is no challenge to the territorial integrity of the state, externally or internally, and the military does not strive to permanently replace the government, just to occasionally replace the leadership with another elected government. Nevertheless, over the course of the post-independence history the majority of the population has been denied access to higher levels of state power on account of education, literacy and social origin. The political elite has often isolated itself from the majority and as a result government policies have often neglected the rural population (Galli, 1989: 374-375). This disassociation is reflected in the low trust the population has in the central government. Only 1.04% of respondents to a survey answered that the central government is their most trusted institution (Gacitua-Mario et al, 2006: 35). It is further reflected in the importance of previously discussed alternative social networks, traditional authorities and locally based social structures. Subsequent governments have acknowledged the importance of local structures and have left some responsibilities and authority held by local institutions, particularly judicial and dispute arbitration, untouched. (Temudo, 2008: 258).⁵⁹ Obviously, the much-discussed role of the military represents a functional hole, as the state's and government's legitimacy and authority do not extend far into its realm. Overall, it can be argued that a capacity gap concerning legitimacy exists in Guinea-Bissau. However, in resulting functional holes the state is already being substituted to some extent by other institutions, especially in the rural parts of the country.

4.2.6.2 Use of Capacity Gap and Functional Holes by Cocaine Traffickers

One clear indication of the cocaine traffickers' use of this capacity gap is their partnership with the military, which does not seem to accept the state's authority over it and is not loyal to its elected representatives. In an indirect way the traffickers can be argued to be building on the primary loyalty of ordinary soldiers to their superior officers, who in turn are involved in the drug trade. Other than this, no further evidence could be found in the literature that cocaine traffickers directly exploit this capacity gap and as argued in Chapter III⁶⁰, several different governments have failed in attempts to exploit local patron-client relationships permanently.

⁵⁹ See also 3.3.3 p. 55-57.

⁶⁰ See 3.3.3: p. 55-57.

4.2.7 Electoral Norms and Patterns

A capacity gap concerning electoral norms and patterns refers to regulations and legislation governing elections, as well as the procedures surrounding the actual holding of elections. A gap in this state capacity can result in specific functional holes: un-regulated campaign financing, flawed voter registration, flawed voting procedures, flawed vote-counting and generally elections that are not free, fair, equal and representative. The existence of such functional holes could allow TOC to exert influence on political parties, individual candidates and election results, in order to obtain favourable legislation or block unfavourable legislation, ensure tacit support of politicians through funding, receive favours in return for votes and to create obligations for new government members (Williams, 2002: 171, 175).

4.2.7.1 Capacity Gap and Functional Holes

As mentioned before, all parliamentary and presidential elections in Guinea-Bissau since 1994 have been declared free and fair by international observers, despite the fact that three of the four presidential elections had to be held because the president had been removed by a military coup. The European Union Election Observation Mission (EU EOM), which monitored the 2009 presidential elections, assessed the legal framework and came to the conclusion that it “provided for a democratic and inclusive democratic process and respected the fundamental rights for conducting an election in line with international principles” (EU EOM, 2009: 3). Both rounds of the election, organised by the National Election Commission (CNE) transparently and efficiently, were peaceful, orderly, free and fair. Some minor incidents of attempts at double voting, polling stations closing early and ballot boxes being sealed improperly were the exception. In the campaign phase, freedom of expression was generally respected and political rallies were peaceful. But the campaigning was described as rather timid, probably due to the previous incidents of violence and assassination of President Vieira, which also explains the lower voter participation compared to the parliamentary elections in 2008. The campaigning for the second round of elections was still peaceful, but more aggressive, as opposition politicians accused the ruling party’s candidate of using state resources during his campaign and not all candidates were able to campaign in all parts of the country due to a lack of financing (EU EOM, 2009: 3-4).

Overall, it can be concluded that no major capacity gap exists concerning electoral norms and processes in Guinea-Bissau that could immediately be exploited by cocaine traffickers. Nevertheless, it has to be emphasised that so far there has not been a need for the traffickers to exploit electoral processes and influence results in their favour, as government

policies do not directly hinder their operations and the practical implementation of policies that would affect them is mitigated by their use of other capacity gaps.

4.3 Analysis

Considering this examination of the state of Guinea-Bissau, the first supplementary research question of this thesis can now be answered. Six out of the seven capacity gaps identified by Williams (2002) exist in the case study and Table 4 (p. 80) provides a concise overview of the results of this analysis.

With regard to the first aspect of *social control*, legislation, only vague information was found. It indicates, however, that appropriate legislation does exist in Guinea-Bissau. Regarding the second aspect, it was found that while the police force does not lack manpower, it is severely under-resourced, under-equipped, under-trained, and is badly and irregularly paid, resulting in inefficient and ineffective law-enforcement. Concerning the third aspect, this examination showed that the judiciary, due to a lack of resources, training, equipment and pay, cannot ensure efficient, effective, equitable and impartial prosecution of suspects. Even if these first three functional holes did not exist, the correctional system of Guinea-Bissau was found to be derelict, as there are no prisons and other correctional facilities cannot hold suspects or convicts. The role of the military was described as an aggravating factor, as it constantly involves itself in politics, can hardly be held accountable for its extra-constitutional and illegal activities and has repeatedly prevented political involvement in its affairs. It was argued that the military can be described as a hidden power structure, which represents an indicator for a particularly large capacity gap. Additionally, the low and irregular pay of police, army and judiciary personnel was considered as an open door for corruption, further widening the capacity gap in social control. Consequently, in answering the second supplementary research question it was shown that cocaine traffickers exploit these functional holes to advance their activities. Firstly, they take advantage of the very low risk of detection. Secondly, it was found that even if they are detected, they face hardly any risk of arrest, prosecution or punishment. Particularly, the involvement of the military, up to the highest officers, in the cocaine trade, provides them with protection and impunity and, in combination with the easy use of corruption, mitigates any risk left. Consequently, the capacity gap in social control can be described as the most important and valuable to cocaine traffickers, and its existence in Guinea-Bissau enables the role of the state as a facilitator in the IGPE.

The second capacity gap, *social welfare*, defined as the provision for citizens, was also found to exist in the case of Guinea-Bissau. Amid rampant poverty, high levels of unemployment, and low wages, the state is incapable of providing any services to its citizens, who consequently rely on alternative sources of support. Cocaine traffickers use this capacity gap by substituting for the state by offering alternative sources of relatively high income through corruption, recruitment as couriers and dealers, for logistics, protection and the like. Hence, the gap in the state's capacity of social welfare further enables the role of the state as a facilitator in the IGPE.

Business regulation, referred to as meaning "adequate and appropriate regulatory frameworks for business" (Williams, 2002: 172), was found to be another capacity gap of the state of Guinea-Bissau. This is mainly due to the large informal economy of the country. In addition, the ability of the state to regulate and enforce regulations in the formal economy was found to be very low. Despite the existence of a capacity gap, TOC does so far not seem to be exploiting it, possibly because there is no necessity for establishing links with the local economy to advance their activities. It was, however, pointed out that this could change in the future. Therefore, the existence of this capacity gap does, so far, not enable the role of the state as facilitator of the IGPE in the case of Guinea-Bissau.

The gap in the capacity of the state to establish *oversight and accountability* was found to be existent in the case study as well. A general low level of government efficiency, a lack of resources and particularly the role of the military as a hidden power structure, have led to this assessment. Cocaine traffickers exploit this capacity gap directly through their use of corruption, and indirectly, as their main partner, the military is not held accountable for its actions. Consequently, the role of Guinea-Bissau facilitator in the IGPE is enabled by the existence of this capacity gap.

Border control was found to be non-existent and therefore one of the „widest' capacity gaps in Guinea-Bissau. This is due to the reasons described under the related first gap and specifically the role of the military and the geographic characteristics of the country. The use of this gap is illustrated by the use of Guinea-Bissau as a transshipment state, where cocaine is easily brought in and taken out again, often with the support and protection of the military. Hence, this gap certainly enables, if not even started, the role of the state as facilitator of the IGPE in the case of Guinea-Bissau.




The sixth capacity gap, *legitimacy*, was found to exist in Guinea-Bissau as well, leading to functional holes in authority of and affiliation to the state. This is illustrated by a disassociation of the political elite from the majority of the population, a lack of trust of the

population in the state, as well as the fact that the government seems to have no authority over the military. TOC exploits this capacity gap primarily through their partnership with the military. Therefore, this gap enables the role of the state as a facilitator in the IGPE.

The seventh and last gap examined, *electoral norms and patterns*, was the only one not existent in Guinea-Bissau, as all parliamentary and presidential elections since 1994 have been declared free and fair. It was, however, pointed out that cocaine traffickers could use other capacity gaps to change this, if the necessity arose for them to influence elections.

Throughout this analysis it has become clear that one characteristic of Guinea-Bissau plays a particularly crucial role in its utilisation by cocaine traffickers: the military. It provides the traffickers with access, logistics, intelligence and protection. It clearly represents what Bayart et al (1999) call a hidden power structure⁶¹ and furthermore shows that the state or at least the military as part of it, not only facilitates TOC, but can be a benefactor and accomplice. The lack of sufficient resources emerged as the primary reason for the existence of most of the capacity gaps in Guinea-Bissau, strongly correlated to the rampant poverty and low development in the country. The use of corruption as a primary tool was also made easier by these factors. The results of this analysis of the case study allow answering the primary research question with a yes, the role of the state as a facilitator in the IGPE is enabled by the existence of capacity gaps and functional holes.

Table 4: Capacity Gaps, functional holes and their use by cocaine traffickers in Guinea-Bissau (own depiction based on Williams, 2002: 171)

Capacity gaps	Existent in GB	Functional holes	Use by cocaine traffickers
Social control		<ul style="list-style-type: none"> - ineffective/inefficient law enforcement - ineffective/inefficient judiciary - ineffective/inefficient correctional system - military as hidden power structure outside state control 	<ul style="list-style-type: none"> - very low risk of detection - operate with impunity - protection and support through partnership with military
Social welfare		<ul style="list-style-type: none"> - widespread poverty, unemployment, low and irregular pay - state incapable of providing any service to citizens 	<ul style="list-style-type: none"> - offer alternative source of income - incentives for corruption and involvement in highly profitable cocaine trade - recruitment of couriers
Business regulation		<ul style="list-style-type: none"> - large informal sector without any official regulation - highly inefficient regulation in formal sector 	<ul style="list-style-type: none"> - no evidence of use by traffickers - potential for exploitation existent

⁶¹ See 2.3.5.1: p. 38.

Oversight and accountability	✓	<ul style="list-style-type: none"> - highly limited accountability and transparency - high levels of corruption - military not accountable 	<ul style="list-style-type: none"> - extensive use of corruption - impunity for military collaborators
Border control	✓	<ul style="list-style-type: none"> - border control non-existent - military controls numerous small airstrips - isolation of political elite from rural majority - traditional leaders with authority in judicial matters 	<ul style="list-style-type: none"> - use state for transshipment of cocaine - very low risk of detection - use of military airstrips - use of military for access, logistics, intelligence, protection and impunity - use of corruption pervasive
Legitimacy	✓	<ul style="list-style-type: none"> - locally based social networks and allegiances often more important and trusted than the government - role of the military 	
Electoral norms and patterns	✗	<ul style="list-style-type: none"> - elections free, fair and internationally monitored 	<ul style="list-style-type: none"> - no need to influence elections considering the use of other capacity gaps

4.4 Conclusion

This chapter set out to answer the primary research question of this thesis with the help of two supplementary research questions using the analytical framework by Williams (2002). The analysis found that six out of seven capacity gaps identified by Williams (2002) exist in Guinea-Bissau. The most important capacity gap for the cocaine traffickers is social control. The „wideness’ of this gap also explains why the traffickers do not need to use other gaps more, despite their potential for exploitation. Moreover, its relevance in the case of Guinea-Bissau highlights the claim made in the second chapter that TOC operates in the void between a state’s metapolitical authority to criminalise products and activities and its ability to enforce its laws.⁶² Considering the general definition of the study of GPE as the relationship between market and authority, this analysis has furthermore shown how the failure of the Guinean state to act as a regulator is exploited by illicit market forces. Additionally, the relevance and usefulness of the political-economy approach taken in this research is further affirmed. The social, political and economic arrangements of Guinea-Bissau, described in this chapter and the previous chapter, clearly affect the illicit distribution and exchange (not so much production in Guinea-Bissau) of cocaine, inasmuch as their specific configuration explains and opens the capacity gaps used by the cocaine traffickers. Overall, this successful analysis of the case study shows the usefulness of Williams’ (2002) framework for assessing

⁶² See 2.3.1: p.27.

the role of a state as a facilitator in the IGPE and thereby contributes to bringing the illicit into the field of GPE.

The final chapter of this thesis will now summarise the motivation, aims, purpose, the theoretical framework and approach taken, and the findings of this research. It will furthermore attempt to assess possible implications for Guinea-Bissau and provide indications for the study of the illicit in the GPE and suggestions for future research.

Chapter V: Conclusion

5.1 Introduction

This final chapter aims to summarise and bring together the different aspects and findings of this thesis. The first part will therefore trace the progression of this research study, by briefly recapitulating the motivation, aims, purpose, research question and design of this study, as well as the theoretical framework and approach used. The second part of this chapter will evaluate this research study in general and the findings of the analysis of the case study. The third part of this final chapter will then discuss possible implications for Guinea-Bissau, the study of the illicit in the field of GPE and indicate possible areas for future research on the topic.

5.2 Progression of the Research Study

At the beginning of this thesis stood the appeal of the executive director of the UNODC made in 2007 to the international community to help Guinea-Bissau, which was being over-run by South American cocaine traffickers who used it, and possibly still do, as a transit hub for cocaine destined for the European markets. It was feared that Guinea-Bissau could develop into the first African narco-state, similar to Mexico or Colombia. This thesis aimed to locate and explain the situation in Guinea-Bissau within the field of GPE, which is based on the claim that politics and economics cannot be understood in separation of each other and can briefly be defined as studying the relationship between markets and authority. While the literature review showed that several authors within the field of GPE have written on TOC in the context of the GPE, it was found to be necessary to develop a more precise and detailed conceptualisation of the illicit in the GPE. The relevance of this study was argued to lie in the dramatic appeals by the UNODC for Guinea-Bissau, highlighting the need to analyse the country's role in the global cocaine trade more closely, as well as the reasons for this development. Secondly, it was pointed out that the illicit represents an under-studied issue in the field of GPE, which would benefit from a closer examination of the relationship between illicit markets and states. Hence, the underlying rationale of this study was to examine the relationship between the IGPE and the state, which would not only contribute to the field of GPE in general, but would provide a frame of reference for anticipating and possibly preventing similar developments and trends. Consequently, one aspect of the complex and multi-faceted IGPE-State relationship was chosen for the purpose of this study, the role of

the state as a facilitator in the IGPE and the primary research question was formulated as follows:

Is the role of the state as a facilitator in the IGPE enabled by the existence of capacity gaps and functional holes?

In a two-fold approach the first part was to analyse the political economy of the global cocaine trade and of the state of Guinea-Bissau, in order to provide the wider context for the second part and to contribute to the understanding of the market-authority relationship. The second part was then to analyse the role of Guinea-Bissau as a facilitator in the global cocaine trade by using Williams' (2002) framework, which was supported by the formulation of two supplementary research questions. The research design chosen for this thesis was a qualitative single-case study, for which Guinea-Bissau, a most-likely case of a facilitator, was selected.

Chapter II set out to discuss critically the theoretical foundation, framework, concepts and possible analytical tools for this thesis. During this discussion the necessity for an alternative approach to the illicit emerged and a political-economy approach suggested, examining the relationship between illicit markets and authorities. Based on Susan Strange's (1989; 1996) notion of GPE, the IGPE was defined as concerning the social, political and economic arrangements affecting the global systems of illicit production, exchange and distribution, and the mix of values reflected therein. The IGPE was argued to be seen as the illicit dimension of the overall GPE and as such interconnected, interdependent and interactive with its licit dimension. The IGPE consists of a multitude of actors: states, criminals, for example drug traffickers, international organisations, like Interpol and UNODC, as well as NGOs and individuals. The role of the state, as political authority, and its relationship with the IGPE was described as multidimensional and multidirectional, as it is creator, regulator, actor, locale, victim, facilitator, accomplice and benefactor of the IGPE.⁶³ For the purpose of this thesis only the latter role of the state was analysed. For this purpose seven capacity gaps and functional holes were identified, which if existent can facilitate the utilisation of a state by criminal actors in the IGPE, such as cocaine traffickers.

Following the theoretical foundation laid out before, the third chapter „mapped' the particular market-authority relationship under examination in the case study: the global cocaine trade. It firstly identified the actors involved, as well as the social, political and economic arrangements and their development affecting and characterising the cocaine trade

⁶³ An illustration of the suggested structure and relationships of the IGPE can be found in Appendix 1: The GPE, IGPE and the state.

and the unit of analysis, Guinea-Bissau. This chapter served as the first part of the approach taken in this thesis and as contextualisation for the primary analysis in the fourth chapter.

The fourth chapter consequently used Williams' (2002) framework to analyse the case study, Guinea-Bissau, and its role as a facilitator in the global cocaine trade.

5.3 Evaluation of the Research Study

This final evaluation of the research study will summarise the findings of the two parts of this research before evaluating the overall result.

The first part was to treat the IGPE in a descriptive fashion by „mapping' the political economy of the global cocaine trade in order to provide a contextualisation and to contribute to the underlying rationale of this study. Additionally, it can be seen as a way in which to evaluate the benefit of bringing the illicit into the GPE and the theoretical assumptions made in the second chapter.

During this „mapping', the development of the social, political and economic arrangements affecting the global systems of production, exchange and distribution of cocaine, as well as the effects of changes in the power structures on these arrangements were highlighted. The social arrangements can be said to range from the increasing demand for cocaine first in the late 19th century and then again in the 1970s, to the availability of cheap and less risk-averse labour during the Spanish colonisation in South America and as a result of globalisation effects. The political arrangements include the ruling structure in Latin America before colonisation, during colonial rule, the interests of cocaine-producing countries before and during its criminalisation, the motives to campaign for its criminalisation, as well as the international prohibition regimes and local to global law-enforcement measures. The economic arrangements contain elements such as prices and competition, as well as, for example, the exploitation of labourers during colonial rule and their use of coca leaves. These interacting arrangements influence the production, exchange and distribution of cocaine and are a reflection of the changing values and underlying power structures. The failure of attempts by the Catholic Church, which can be argued to derive its structural power from beliefs and ideas, to have the chewing of coca leaves banned during the colonial period are an example of how power structures interact and can come into conflict over changing the social, political and economic arrangements, or the range of choices open to others. Probably the most important example of the effect of changes in the political economy of the global cocaine trade on the global systems of production, exchange and distribution in the context of this thesis, are the increased interdiction efforts (political) and increased demand

in Europe (social and economic). These changes led to the establishment of new trafficking routes via WA.

Furthermore, this part was also able to assert the theoretical assumptions made on the structure of the IGPE. Firstly, the interdependencies and interactive nature of the licit and illicit dimensions of the GPE, in the case of the cocaine trade, were shown. The effect of changes in the overall social, political and economic arrangements and changes in the power structures on the illicit dimension was shown, for example, the effects of aspects of globalisation such as technological innovations, on the production, exchange and distribution of cocaine. This affirms that the illicit cannot be understood without the licit dimension of the GPE. Secondly, the multiple roles played by states and non-state actors in the IGPE were highlighted as well as the influence that developments and arrangements in the GPE have on them. Non-state actors in the cocaine trade described here were, for example: scientists, who discovered the process for cocaine extraction; companies who dealt in cocaine before it was criminalised; criminals (TOC), who dealt with it afterwards; consumers, who create a demand; and international organisations, such as the UN, who facilitated the criminalisation, etc. Multiple roles played by the state were also identified in the cocaine trade. States, starting in the US, passed legislation criminalising cocaine, thereby creating its illicitness, and therefore had to enforce these laws, acting as regulators. States are also the locale for the licit and illicit market activity regarding cocaine. Coca bushes are grown, harvested and their leaves processed to extract cocaine in Latin American states, the product is then distributed and consumed worldwide, although mainly in Europe and North America, often via the territory of third states. This confirms the assumption that there are home, host, transshipment and service states in the global cocaine trade. The state's role as a victim was highlighted by the example of Mexico, as well as the (perceived) threat to the state from a cocaine epidemic leading to its criminalisation. Finally, the role of the state as a facilitator was confirmed several times, as particularly before the international criminalisation many states actively supported and benefitted from the production of coca leaves and cocaine.

Overall, the first part of the approach taken in this thesis successfully affirmed the theoretical assumptions made in the second chapter and illustrated the merits of a political-economy approach to the illicit and of analysing the situation in one country within a wider global context. Moreover, the findings of this part contribute to the field of GPE in general as a building-block: firstly, by underlining its core assumption that the political cannot be understood without the economic; and secondly, by adding further insight of the processes and developments in the GPE, as well as their implications and effects.

The second and main analytical part of this thesis aimed to analyse the role of the state as a facilitator in the IGPE, by analysing the case study of Guinea-Bissau as a transshipment state for the global cocaine trade using Williams' (2002) framework. Firstly, the state of Guinea-Bissau was analysed for the existence of seven capacity gaps and their resultant functional holes, before assessing whether these enabled the state's role as a facilitator for the global cocaine trade. The analysis found that six out of the seven capacity gaps exist in Guinea-Bissau and that five out of these six gaps are being used by the cocaine traffickers.⁶⁴ Particularly the capacity gap in social control was found to facilitate the illicit activities of cocaine traffickers and even the non-used capacity gap business regulation has the potential to be used in the future. Throughout the analysis the military emerged as an important accomplice and benefactor of the cocaine traffickers. Consequently, the primary research question can be answered with: yes, in the case of Guinea-Bissau, the role of the state as a facilitator is enabled by the existence of capacity gaps and functional holes. This shows that assessing a state for the existence of capacity gaps can reveal certain characteristics of this state, which lend themselves to the exploitation by TOC. Consequently, this study contributes to a better understanding of why and how states develop into facilitators in the IGPE and provides a frame of reference for the future assessment of other states, which either already are facilitators or which are feared to be running the risk of developing into facilitators. Moreover, by successfully assessing one aspect of the IGPE-State relationship, this study also constitutes one „building-block' of a theory of the illicit within the field of GPE.

5.4 Implications and Recommendations for Future Research

Several implications and recommendations for future research can be deduced from this evaluation. Firstly, as the benefits of bringing the illicit into GPE and political-economy approaches to the illicit were successfully shown in this thesis, a more in-depth engagement with the underlying theoretical foundation than possible in the restricted time and space of this thesis, would be valuable. Secondly, as this thesis only looked closely at one of the suggested multiple roles of the state in the IGPE, further examination and analysis of the other roles, relationships and dynamics of the state and the IGPE is warranted. Thirdly, as this research study tested its assumptions on a single case study, Guinea-Bissau and the cocaine trade, more case studies are necessary in order to confirm the findings made here, e.g. comparative studies of several countries in WA, South American countries such as Mexico, or European transit countries such as Spain. Fourthly, as pointed out in the previous section,

⁶⁴ See Table 4: p. 80.

other factors than the capacity gaps in Williams' (2002) framework also have an enabling effect for illicit activities, such as geographic location and characteristics, and cultural and linguistic ties. Consequently, the possibility of incorporating those factors into a more comprehensive framework could be explored. Lastly, the fear of, amongst others, the UNODC, was expressed that Guinea-Bissau could turn into the first African narco-state; into a criminal state. While this thesis analysed the existence and use of capacity gaps, the extent of their use and the possible consequences from increased instability to a possible criminalisation of the state was not explicitly measured here. This could prove a worthwhile area for future research.

5.5 Outlook for Guinea-Bissau

While the number and size of cocaine seizures in Guinea-Bissau and WA have decreased substantially in 2009, the UNODC suspects that the trade has continued on a much lower scale and has started to pick up again in 2010 (UNODC, 2010a: 16). Recent developments in Guinea-Bissau also do not paint too bright a picture for the future. Although the international community has been providing assistance in the form of training for police, building of prisons, financial assistance and support for the security sector reform, these have been discontinued partly after the army mutiny this year, as mentioned before.⁶⁵ Additionally, in a move that has caused an outcry from Guinea-Bissau's international partners, Bubo Na Tchuto, former head of the navy, alleged coup plotter (2008, 2010) and alleged drug kingpin⁶⁶, was reinstated to his former post. It was mentioned in the introduction that the biggest danger from the cocaine trade for Guinea-Bissau lies in the high value of the cocaine trade in comparison to the local economy and consequently its potential to pervert the economy. The use of corruption, operational and systemic, threatens to undermine the state, corrupt civil society and generally could exacerbate the existing capacity gaps and other weaknesses in Guinea-Bissau. Furthermore, the possibility of a contagion effect of crime exists, wherein breaking one law can lead to a lowered threshold for other crimes. Moreover, the continued association of Guinea-Bissau with drug-trafficking could negatively affect foreign investment and aid.⁶⁷ While the cocaine traffickers themselves have so far not resorted to violence to protect their business, the biggest danger for conflict can be seen in possible struggles between local allies over access to these revenues, particularly in the light of efforts to close the social control capacity gap (UNODC, 2010a: 18). Susan Strange (1989: 49) made the

⁶⁵ See: 4.2.1 p. 65.

⁶⁶ See: p. 54-55, 70.

⁶⁷ See 2.3.4 p. 30-33.

argument that it is not the sheer existence of a counter-authority that leads to violence. “[V]iolence is apt to ensue” only when the domain or rights of one authority are challenged by the other and this challenge is accepted. How far this year’s army mutiny is related to the cocaine trade is hard to say, but many in Guinea-Bissau are wary of a situation similar to the one prior to the outbreak of the civil war in 1999 (Vincent, 2007: 1). This means that even if the criminal justice system becomes more effective, those in danger of losing out might resort to violent means. Moreover, the problems lying at the root of most of the capacity gaps, a lack of resources, rampant poverty and general underdevelopment, remain. The statement by Prime Minister Gomes, quoted in part earlier, reflects his frustration with the country’s role in the cocaine trade:

"The drugs don't come from Guinea-Bissau and we don't consume them yet they are telling us we have to patrol our uninhabited islands when we can't even patrol the areas where our people live. [...] How do they expect policemen who are not getting paid to hand in bags of drugs and receive nothing in return? How do they expect civilians to come forward with information when we can offer them no incentives and when people at all levels of society are profiting by facilitating the drug trade?" (in: Worldpress, 2007)

This statement grasps most of the roles the state of Guinea-Bissau plays in the IGPE and the relationships between the state and illicit markets. The market for cocaine, which was criminalised and thus made illicit, responds to pressures, such as law-enforcement, and incentives, such as the demand for cocaine in Europe and the profitability of its trade. In order to maximise profit, traffickers have to minimise their risks and states, like Guinea-Bissau, can become incorporated into the IGPE as a victim, locale and facilitator, due to the characteristics of their political-economy. Unless there are changes in the IGPE, for example, a decriminalisation of cocaine or a drop in the demand for cocaine in Europe, or changes in the local political-economy, such as a successful reform of the military and anti-poverty measures, both of which seem unlikely considering the recent developments, Guinea-Bissau will, for the foreseeable future, remain a facilitator in the IGPE and be affected by the consequences.

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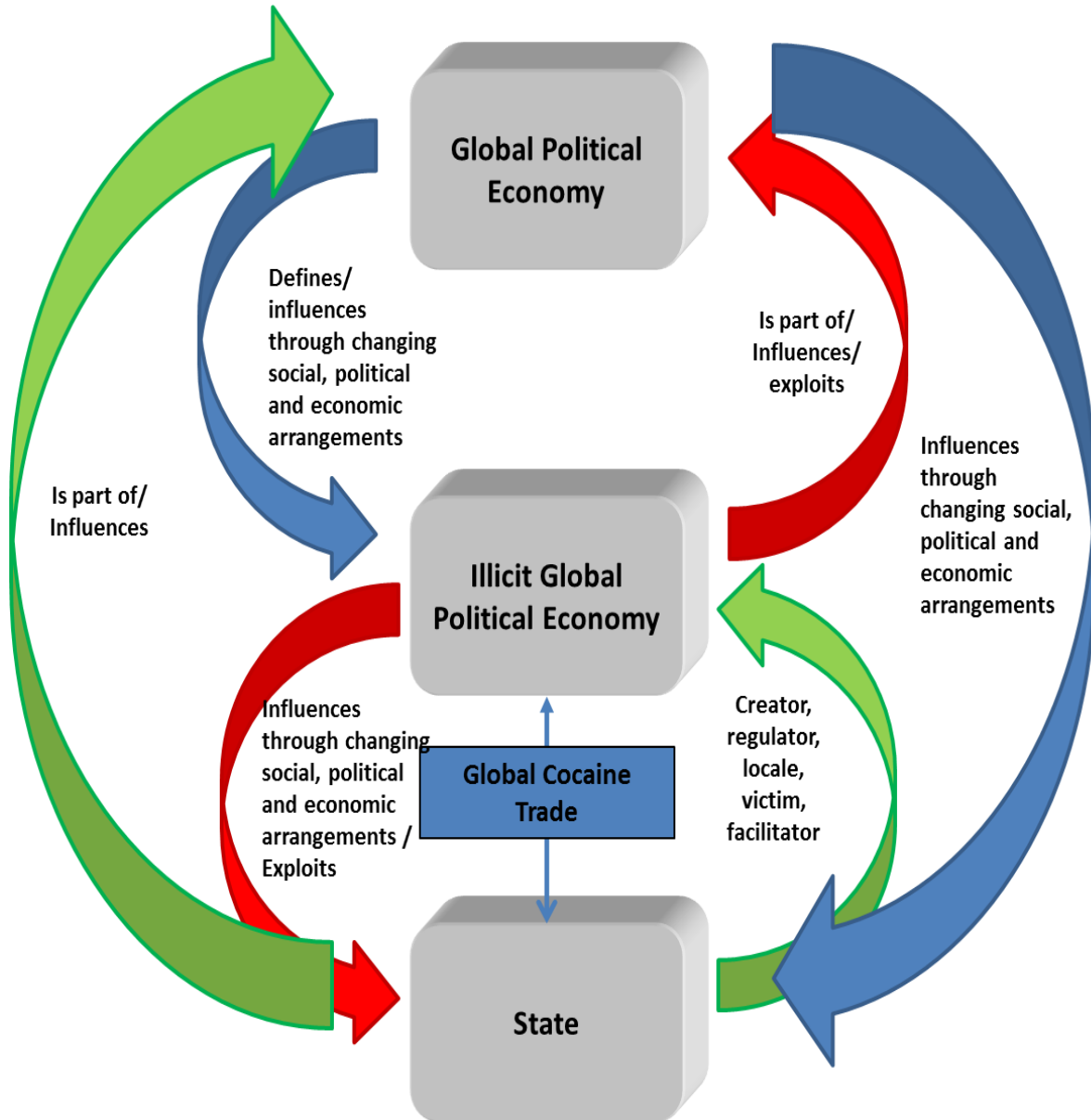
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Appendices

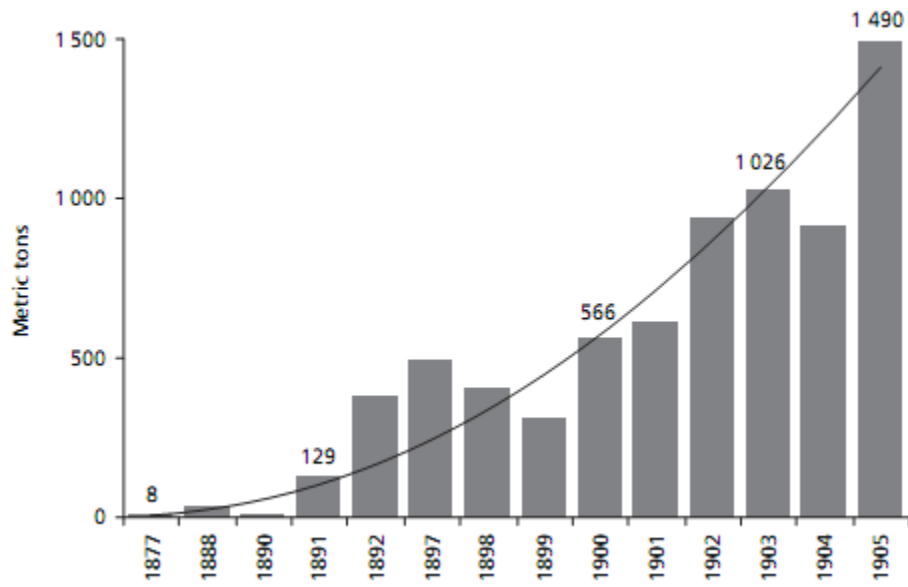
Appendix 1: GPE, IGPE and the state (own depiction)



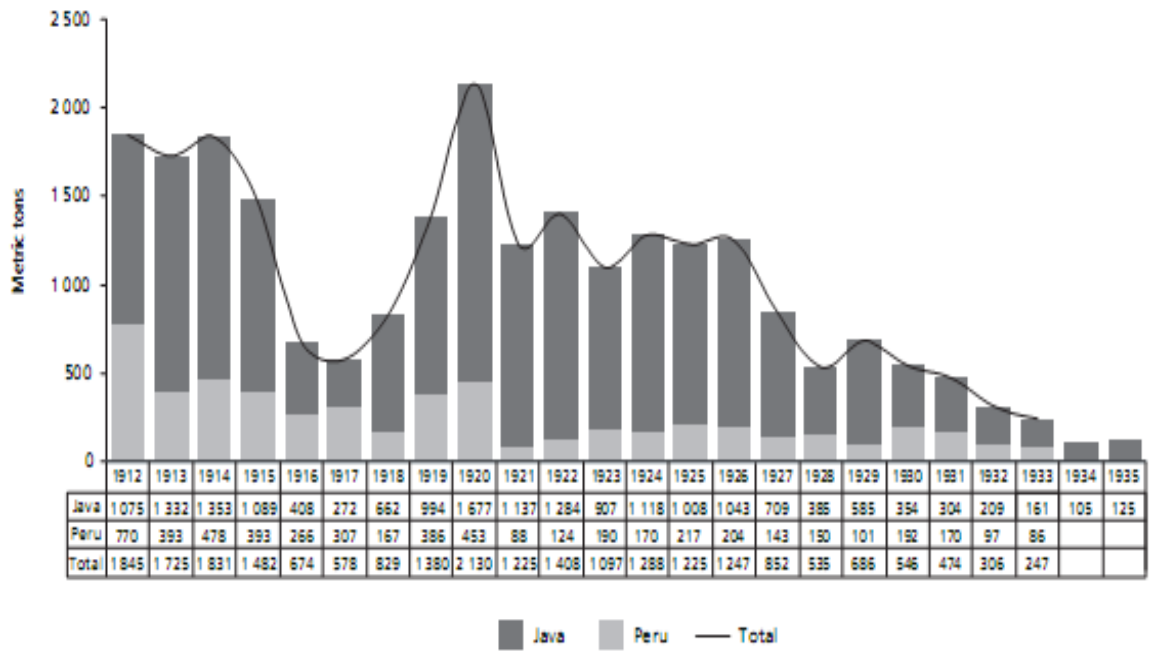
Appendix 2: Targets and objectives of corruption (Williams, 2002: 175)

Targets of corruption	Objective of corruption
Executive branch	<ul style="list-style-type: none"> - Create a safe haven - Obtain protection and support - Obtain information
Legislature	<ul style="list-style-type: none"> - Obtain favourable legislation - Block unfavourable initiatives - Obtain informal support groups
Political parties	<ul style="list-style-type: none"> - Ensure tacit support through funding - Receive favours in return for votes - Create obligations for new government members
Judiciary	<ul style="list-style-type: none"> - Obtain dismissal of cases - Obtain light sentences - Overturn guilty verdicts
Police	<ul style="list-style-type: none"> - Obtain information and advance warning - Obtain time for countermeasures - Create capacity for sabotage - Persuade police to act against rivals
Customs	<ul style="list-style-type: none"> - Neutralise inspections - Protect shipments of drugs - Obtain information on standard search procedures
Banks	<ul style="list-style-type: none"> - Obtain approval for money laundering - Meet “know-your-customer” requirements - Avoid filing of suspicious activity reports
Businesses	<ul style="list-style-type: none"> - Obtain opportunities for money laundering through legitimate companies - Develop opportunities for false invoicing - Develop legitimate cover for trafficking
Civil society	<ul style="list-style-type: none"> - Develop reputation for paternalism - Obtain legitimacy - Obtain public support - Acquire information
Media outlets	<ul style="list-style-type: none"> - Influence public debates - Develop lobbying capacity - Enhance legitimacy

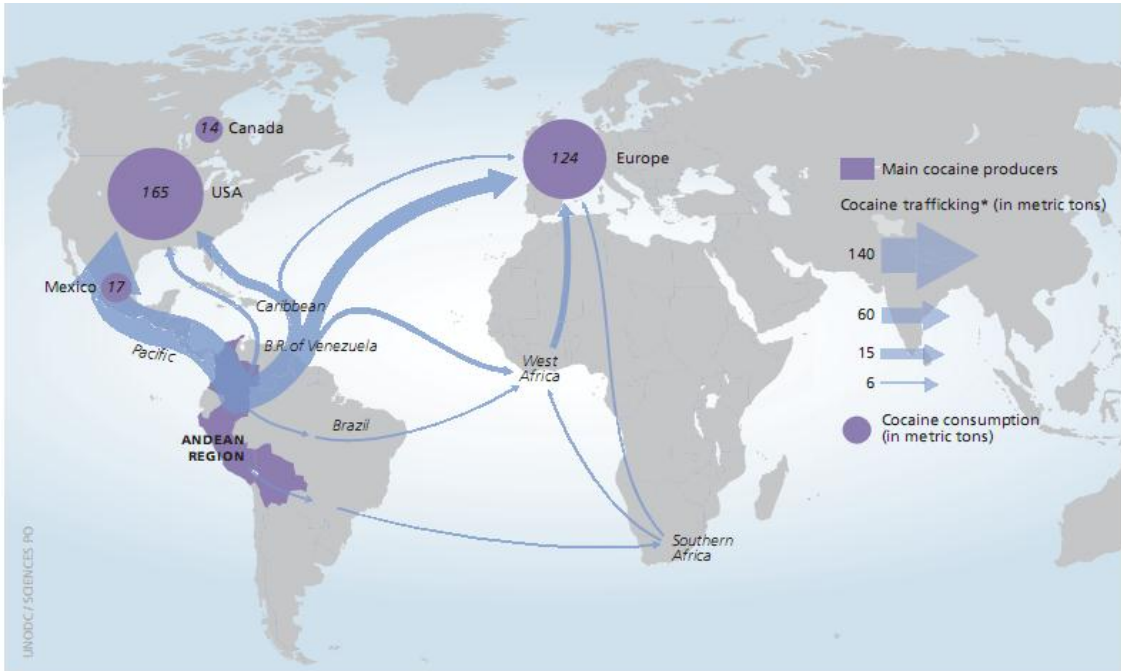
Appendix 3: Coca leaf exports from Peru, 1877-1905 (UNODC, 2007b: 7)



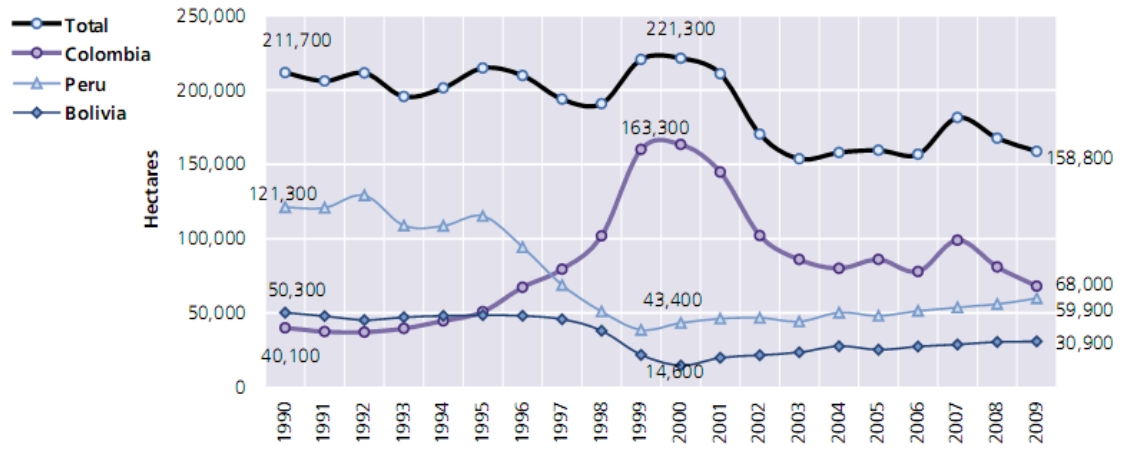
Appendix 4: Licit Coca leaf exports from Java and Peru 1913-1935 (UNODC, 2007b: 137)



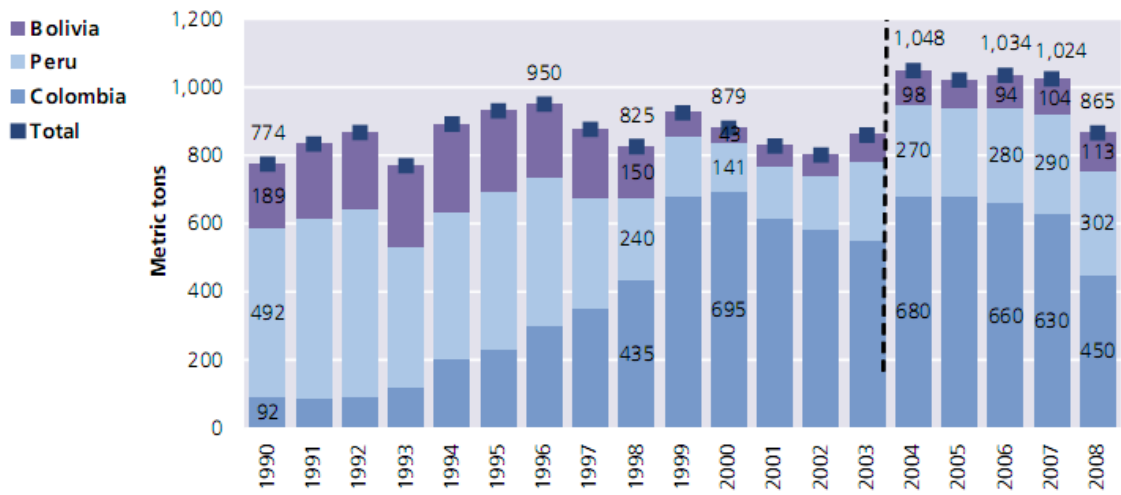
Appendix 5: Main global cocaine flows, 2008 (UNODC, 2010b: 70)



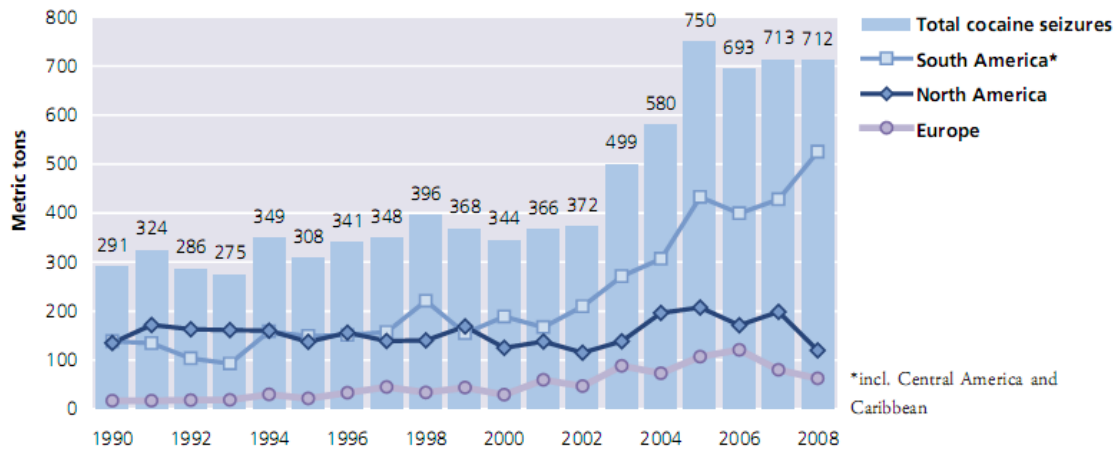
Appendix 6: Global coca cultivation (ha), 1990-2009 (UNODC, 2010b: 66)



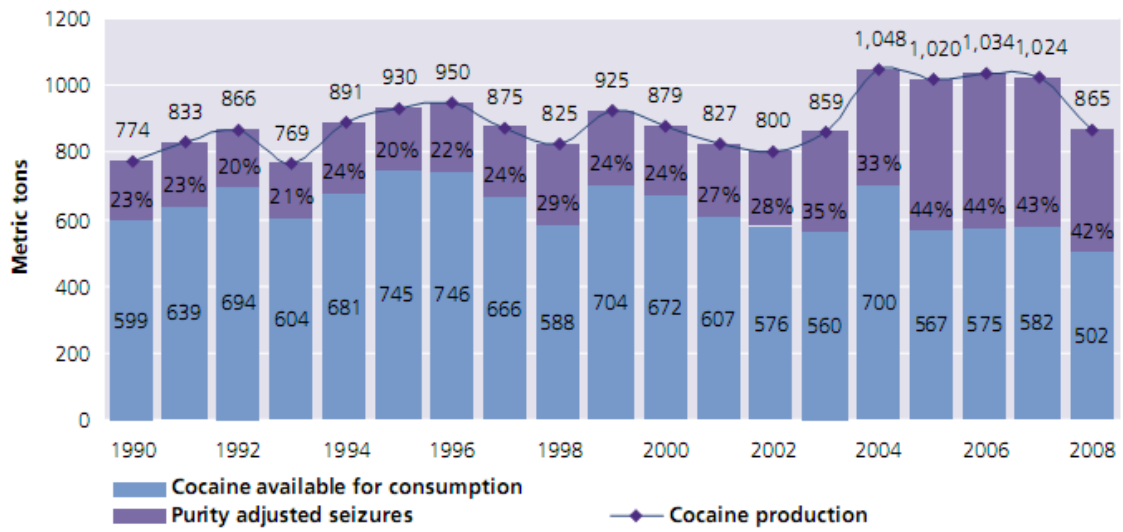
Appendix 7: Global cocaine production, 1990-2008 (UNODC, 2010b: 66)



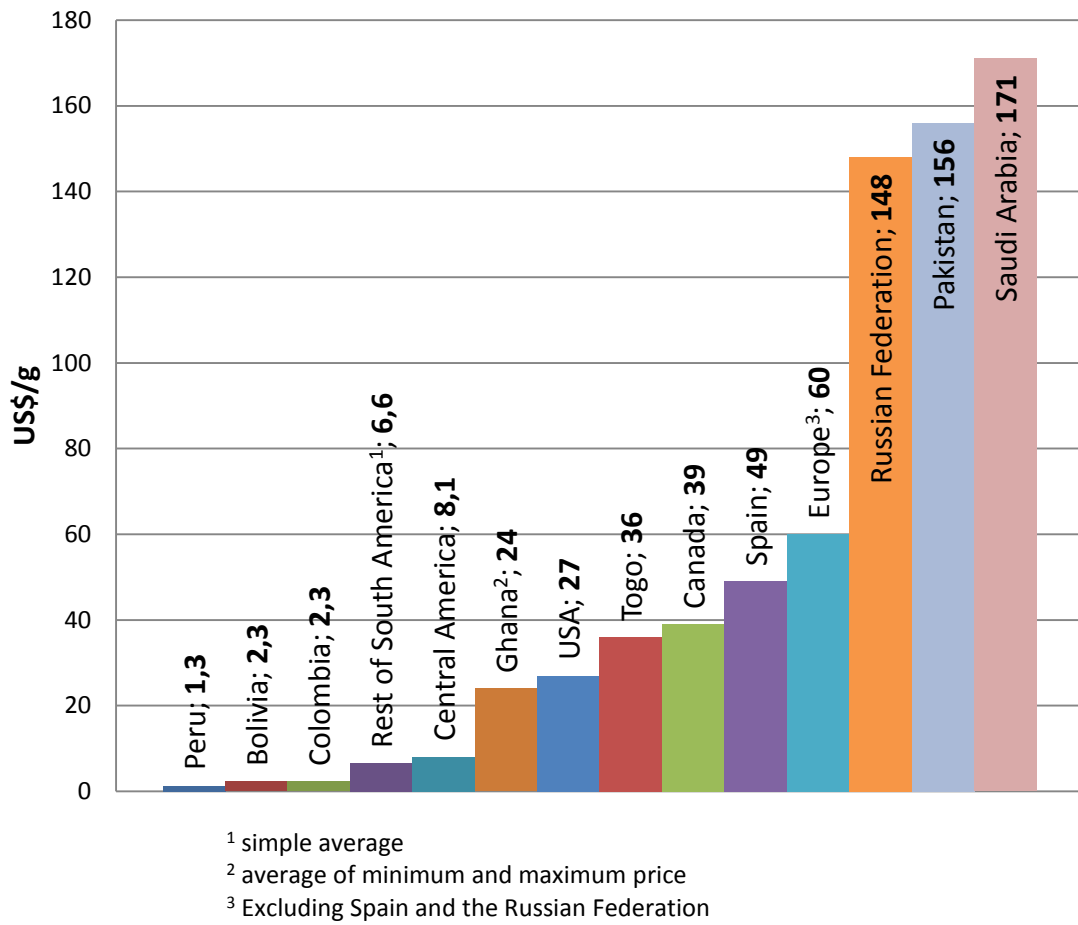
Appendix 8: Global cocaine seizures (unadjusted for purity), 1990-2008 (UNODC, 2010b: 67)



Appendix 9: Cocaine production, seizures and supply to markets, 1990-2008 (UNODC, 2010b: 68)



Appendix 10: Cocaine wholesale prices worldwide, 2008 (own representation according to UNODC, 2010b: 170)



Appendix 11: Map of Guinea-Bissau (UNODC, 2007b: 14)

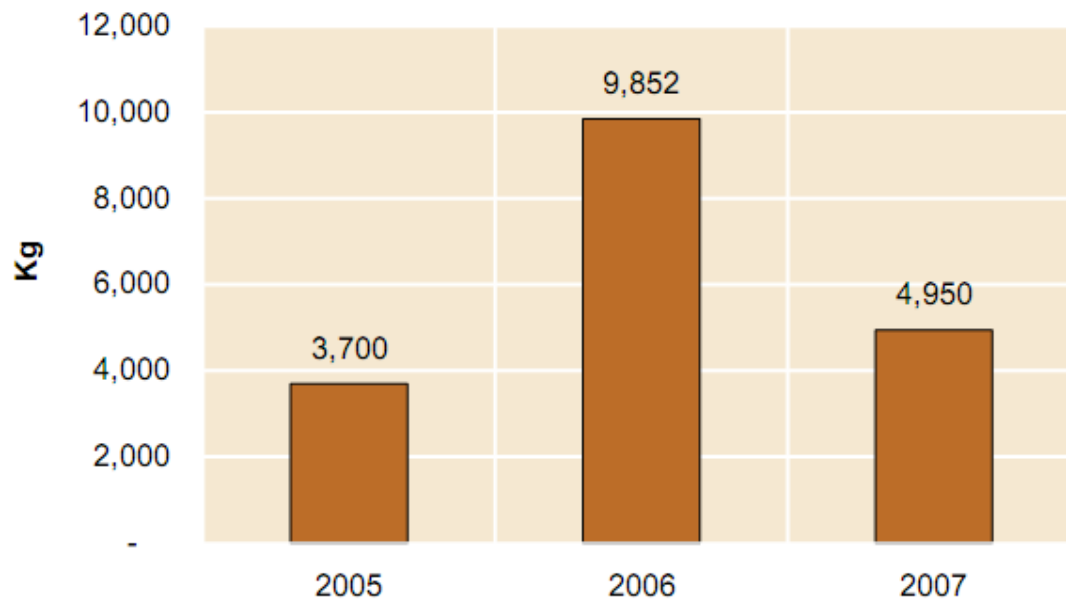


Appendix 12: Timeline Guinea-Bissau (Compiled from: BBC, 2010b; Forrest, 1987; Freedom House, 2010; Hawthorne, 2001; Lobban/Karibe Mendy, 1997; Lopes, 1987; Rudebeck, 1998; Temudo, 2008)

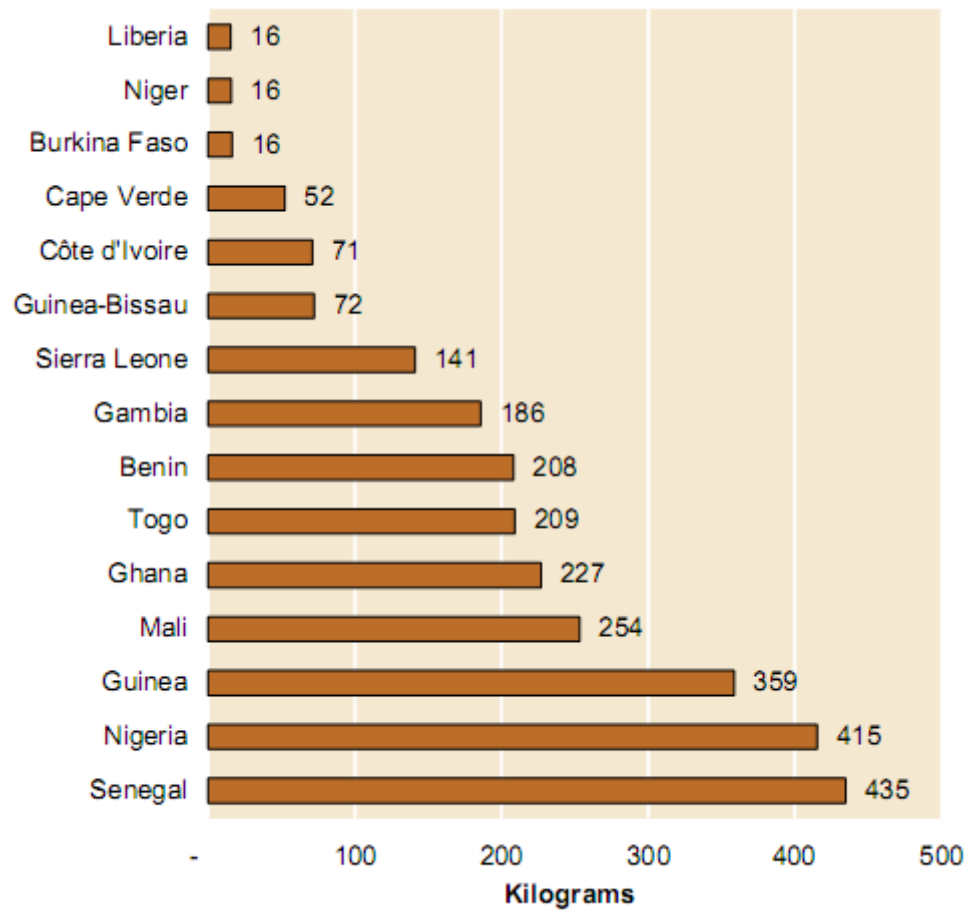
Before 1300	<ul style="list-style-type: none"> - Decentralised, state-less settlement patters, locally-based social structures - Affected by rise of interior tributary kingdoms of Mali, Ghana - Arab slave trade
1300s – 1400s	<ul style="list-style-type: none"> - Arrival of first Portuguese explorers on WA coast
1500 – 1700s	<ul style="list-style-type: none"> - Establishment of fortified Portuguese outposts on Cape Verdian islands, Bissau, Cacheu - Start and booming of Atlantic slave trade
1800 – 1915	<ul style="list-style-type: none"> - Abolishment of slave trade - Portuguese knowledge and penetration of interior only superficial - Reliance on interior kingdoms for slave trade and social control - 1880 Berlin Conference to demarcate colonial borders - Numerous brutal pacification expeditions to the interior - 1915 ‚full‘ colonial control established
1915 – 1956	<ul style="list-style-type: none"> - Colonial policy of assimilation, forced labour and exploitation - Exclusion of most Africans from political, social, economic rights - Continued resistance (passive defiance to uprisings) - Problematic for colonialists to secure workers other than forced labour - Failed attempts to transform traditional small scale agricultural production and trade
1956	<ul style="list-style-type: none"> - Formation of Partido Africano da Independência de Guiné e Cabo Verde (African Party for the Independence of Guinea-Bissau and Cape Verde, PAIGC) to peacefully appeal to colonialists and international community for independence
1959	<ul style="list-style-type: none"> - Beginning of armed struggle after Portuguese massacre of striking workers
1972	<ul style="list-style-type: none"> - Governmental structures set up and elections held in liberated territories
1973	<ul style="list-style-type: none"> - January: assassination of PAIGC leader Amilcar Cabral by dissidents (alleged responsibility of Portuguese security forces) - September 24: unilateral declaration of independence
1974	<ul style="list-style-type: none"> - Fascist regime in Portugal is overthrown - Independence granted to Guinea-Bissau and Cape Verde - First President Luis Cabral (Amilcar’s half-brother)
1974 - 1980	<ul style="list-style-type: none"> - Growing grievances and tensions between government - military, government - PAIGC, government - peasants, Cape-Verdian elite – Guineans, President Cabral – Prime Minister Vieira (hero of the armed struggle)
1980	<ul style="list-style-type: none"> - Military coup led by Vieira overthrows government - Separation of Guinea-Bissau and Cape Verde into two independent states
1980 – 1990	<ul style="list-style-type: none"> - Consolidation of Vieira’s and PAIGC power - Resurfacing grievances lead to several military coup attempts 1982-1986 - International pressure for liberalisation and democratisation lead to adoption of SAPs
1994	<ul style="list-style-type: none"> - First democratic multiparty elections won by Vieira and the PAIGC - Growing opposition and new parties, e.g. the Balanta based Party for Social Renovation (PRS) led by Kumba Yalá

	- Split in the PAIGC
1997	<ul style="list-style-type: none"> - Vieira signs security agreement with Senegal - High Chief of the Armed Forces, Ansumane Mané is dismissed after allegations of his involvement in arms smuggling to separatists in Senegalese region Casamance - Military coup attempt led by Mané prompts deployment of Senegalese and Guinean (Conakry) troops in support of Vieira and develops into civil war - Fighting mainly limited to urban areas; high number of internally displaced people; nearly entire infrastructure destroyed
1999	<ul style="list-style-type: none"> - End of civil war after ECOWAS negotiated and controlled settlement - Vieira goes into exile in Portugal
2000	<ul style="list-style-type: none"> - PRS wins parliamentary elections, Yalá is elected President - Fighting between military factions supporting either Yalá or Mané, after the latter declared himself leader of the armed forces - Mané killed in fighting
2002	- Yalá dissolves parliament and rule by decree
2003	<ul style="list-style-type: none"> - Yalá ousted in bloodless military coup - Sanha named interim president
2004	<ul style="list-style-type: none"> - Free and fair legislative elections won by PAIGC - Prime Minister Carlos Gomes Junior forms government
2005	<ul style="list-style-type: none"> - Presidential elections won by independent candidate Vieira, returned from exile - Vieira unsuccessfully tries to replace Gomes
2008	<ul style="list-style-type: none"> - Legislative elections postponed from March to November, due to a lack of funds and planning - Alleged coup attempt by Navy Chief Bubo Na Tchuto - Final elections judged free and fair won by PAIGC
2009	<ul style="list-style-type: none"> - Bombing at the military headquarters kills the armed forces chief of staff, General Batista Tagme Na Wai and allegedly in revenge soldiers attack the Presidential Palace and assassinate Vieira - Speaker of Parliament named interim president - Escalating violence during presidential election run-up - Presidential candidate and a former minister are killed allegedly while resisting arrest for a coup plot - Final elections, judged free and fair won by Sanha (Yalá second)
2010	<ul style="list-style-type: none"> - Army mutiny in April orchestrated by the former head of the navy Rear Admiral Bubo Na Tchuto and Vice Chief of Staff Gen Antonio Indja - Mutineers detain Prime Minister (later released) and Chief of Staff (still in detention), who is replaced by Indja

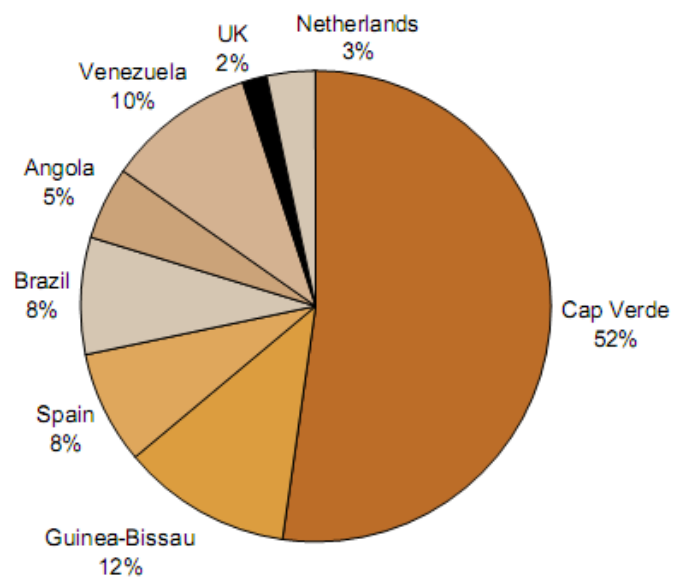
Appendix 14: Total of large cocaine seizures (above 100 kg) linked to Africa and made by European law-enforcement agencies (UNODC, 2008: 8)



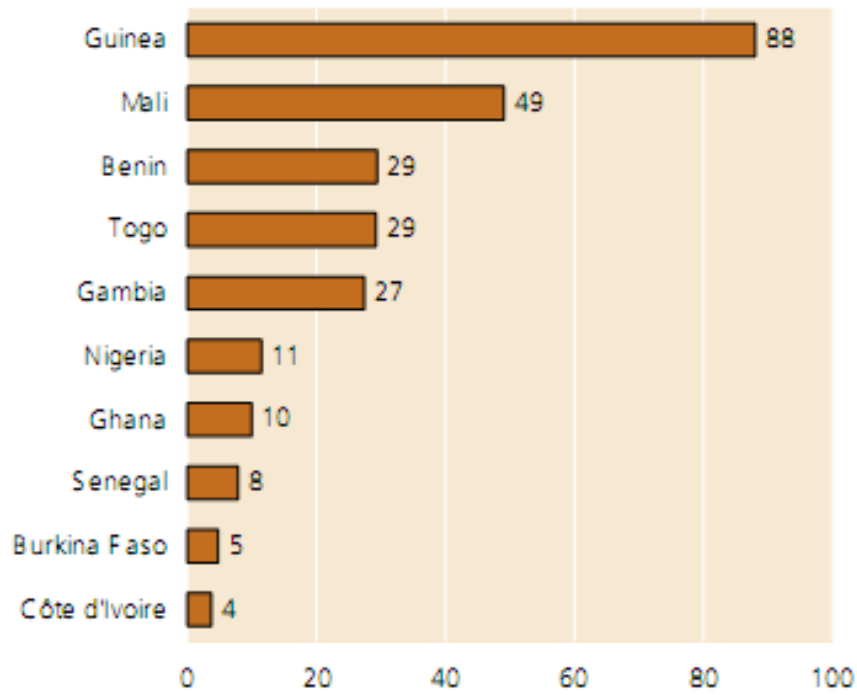
Appendix 15: Cocaine seizure volume on flights to Europe by embarkation country (January 2006-May 2008) (UNODC, 2008: 15)



Appendix 16: Citizenship of those arrested in Portugal for cocaine trafficking in 2007 (top eight foreign drug trafficking groups) (UNODC, 2008: 27)



Appendix 17: Detected cocaine couriers on flights to Europe per 100,00 international passengers by embarkation country (January 2006-May 2008) (UNODC, 2009: 15)



Appendix 18: Share of detected cocaine couriers in Europe whose flight originated in West Africa (UNODC, 2009: 16)

