

# ILLICIT FINANCIAL FLOWS: ILLICIT NARCOTICS TRANSITING WEST AFRICA

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**OECD DEVELOPMENT CO-OPERATION WORKING PAPER 64**

Authorised for publication by Jorge Moreira da Silva, Director, Development Co-operation Directorate



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Please cite this paper as: Shaw, M. (2019), “Illicit financial flows: Illicit narcotics transiting West Africa”, OECD Development Co-operation Working Papers, No 64 OECD Publishing, Paris.

# Abstract

This paper explores the flow of illicit narcotics transiting West Africa. It is divided into four sections, providing an overview of the nature and scope of the illicit narcotic economy, the networks and actors involved and its development impacts, including its resulting illicit financial flows, the movement and impact of those financial flows, both to buy protection and to invest drug profits from West Africa, and finally, it provides concluding remarks that could inform future policy action. The paper is based on a review of the available secondary literature and interviews, and focuses on the cocaine trade due to the preponderance of available information and data compared to other types of drug trafficking. Comparisons or distinctions are also drawn between other illicit narcotics and emerging trends are highlighted where credible evidence is available.

# Acknowledgements

The recent OECD Report, *Illicit Financial Flows: The Economy of Illicit Trade in West Africa* (2018), underlines the importance of better understanding the links between illicit financial flows (IFFs), development, and globalisation, and works to develop new ways to examine these interconnections. This report contributes to a strategy of the OECD Development Co-operation Directorate to increase data and evidence in the area of IFFs to help address the risks they pose to development. As part of this approach, thirteen illicit economies were analysed, five of which were examined in detail.

This case study on illicit narcotics transiting West Africa is an important contribution to this work, and constitutes one of five case studies produced by the OECD. It was authored by Mark Shaw of the Global Initiative against Transnational Organised Crime. Launched under the leadership of the OECD Development Assistance Committee (DAC), through its subsidiary body the Anti-Corruption Task Team (ACTT), this work was led by the OECD Secretariat, with substantive editorial support and direction by Catherine Anderson, Team Lead of Governance for Development, and Claire Naval, Policy Analyst, of the OECD Development Co-operation Directorate, Global Partnerships and Policies Division. Our thanks also go to the members of the Reference Group and to Peer Reviewers for, respectively, guiding decisions related to the choice of the case studies and providing valuable comments, inputs and expertise.

The other four IFF case studies focus on the role of Al Qaeda and its affiliates in the Islamic Maghreb; illicit trade in counterfeit, pirated and substandard goods in Ghana; human smuggling from West Africa to Europe; and the artisanal and small-scale gold-mining sector in Ghana and Liberia.

Please note that the primary research underlying this report was carried out in 2014-15. Consequently, the problems and the nature of any suggested policy responses may have since changed or evolved. Efforts have been made, where the data is available, to update the analysis and reflect current trends.

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# 1 Introduction

Although illicit drug trafficking through West Africa has been extensively discussed in empirical and scholarly literature, its impact on the region has proven difficult to quantify, due to unreliable or contradictory evidence, and this in turn has undermined the efficacy of relevant policy debates. Despite these difficulties, the growing consensus is that this illicit trade poses far greater political and development challenges than initially assessed. This paper looks at the available evidence on the nature and scope of this illicit industry, the actors involved and its impacts on the development of the West Africa Region. This work also reflects existing efforts to stem the trade and draws some conclusions for future policy.

Since the mid-2000s, an increasing number of reports have highlighted the growing phenomenon of drug trafficking in the region. These challenges emerged as traffickers from Latin America began to use West Africa as a transit point for shipping cocaine to Europe (UNODC, 2013a, 2013b, 2011a, 2007; WACD, 2014). Previously drug trafficking was thought to have had only a marginal impact on the socio-economic and political dynamics of the region. Local political elites argued that drug trafficking was not a major problem for the region, and that outsiders were prioritising the issue for their own interests. In particular, they observed, drugs are not widely consumed in the region, and source and consumption countries lie elsewhere (WA-CivSoc-130515).<sup>1</sup> Given this prevailing narrative, a 2014 report of the West Africa Commission on Drugs (WACD), “Not Just in Transit,” was seemingly important. This report, led by prominent regional leaders, underscored the detrimental link between drug trafficking and the political, economic and social development of West African countries (WACD, 2014), although empirical challenges still remain in defining the nature of organised crime and illicit trafficking, and in assessing scale and impact in West Africa and across the African Continent more broadly (Ellis and Shaw, 2015).

# 2 Nature and scope of narcotics trafficking in West Africa

This section examines the nature and scale of illicit narcotics in West Africa. It takes a historical overview of the drug trade, including the rise in methamphetamine production, and illustrates the scope and quantity of drug seizures, as well as the methods used to calculate them.

## An overview of the trade

Licit and illicit trade, as well as legal and illegal practices, are deeply intertwined. Both the volume and the geographic spread of illicit trade have continued to grow, despite recent regulatory and technological advances. This applies to a range of commodities, including illicit narcotics (Hall, 2012). The lines between producer, transit and consumer states have become increasingly blurred. Illegal economies have their own distinct profiles and relationships to the licit economy, depending on their location (Hudson, 2014). Although global trends have impacted West Africa, the region exhibits some distinctive features due to its unique political economy.

Contrary to popular belief, the illicit drug trade in West Africa started long before cocaine began transiting the region in the early 2000s. There is evidence that Nigerian criminal networks used the region as a transit zone for heroin from Asia to Europe, southern Africa and Latin America from the 1970s (Shaw, 2002; Ellis, 2009; UNODC, 2009b; Alemika, 2013). Lebanese networks were trafficking drugs through the region as early as the 1950s and became extensively engaged in the 1980s (US Senate Caucus on International Narcotics Control, 2013; WA-UNODC-020615).

Long-established hashish trade routes from Morocco eastwards have also been in existence, although without much impact on coastal states. Morocco was the largest producer of cannabis in the world around 2007 (UNODC, 2007). Trafficking routes run south, through Mauritania, and then eastwards, transiting through northern Mali and Niger. State involvement in the trade has been frequently alleged (Boukhars, 2012). Well-armed convoys have moved along the route for decades (Mazzitelli, 2007). Although the cocaine trade has followed a similar route in recent years, there appears to be little mixing between convoys carrying these two different substances (Shaw and Reitano, 2014).

Although heroin networks were once largely confined to Nigeria and Ghana, they began to spread to the West African coastal states (Aning, 2007; Bernstein, 2007; Ellis, 2009). The development of global Nigerian criminal networks in the 1980s, which paralleled the decline of the Nigerian state, was widely noted by global law enforcement networks (US Congressional Research Service, 2009). Heroin trafficking built the know-how that the networks later used to establish other trafficking networks, and heroin trafficking in West Africa today is less significant than it was, partly due to its declining use in Europe and the growth of Mexican-produced heroin for the North American market (Ellis, 2009). Greater profits from cocaine trafficking may also have contributed to crowding out the heroin trade from West Africa, although large seizures and drug prevalence statistics show that heroin trafficking along the East African littoral is on the rise (Reitano et al., 2015).



Authorities have seized increasingly large quantities of methamphetamine (meth), intercepted couriers between West Africa and Asia, and discovered a number of laboratories producing meth. These events suggest a nascent trade in the production and trafficking of amphetamine-type substances (ATS) developing in West Africa, apparently led by West African actors (UNODC, 2013b). These drugs are routed to Asian markets, either directly by air, or through South Africa, which has long been a hub for the production and use of ATS stimulants in Africa (UNODC, 2013b; USA-Gov-LE-120515; WA-UNODC-020615; WA-UNODC-290615; Lewis, 2015).

## Cocaine trafficking

Cocaine trafficking was first noted as a significant challenge in West Africa in the mid-2000s due to evidence of a rising transit trade in cocaine. Several countries have been strongly linked to cocaine trafficking in the past. The initial period of reporting in the mid-2000s saw initial evidence of drug trafficking in fragile or post-conflict states, most notably Liberia and Sierra Leone (Vorrath, 2014), and including Guinea-Bissau, where high-level military personnel have given protection to traffickers (O'Regan and Thompson, 2013; Shaw, 2015). Consignments still transit these countries, although what appears to have been a period of reduced trafficking up to 2015 (POR-Gov-Diplo-280515; POR-Gov-Diplo-290515; Vorrath, 2014), is likely only the result of few seizures. More recent seizures in the region after the completion of the primary research underlying this paper suggest that the overall flow, including through Guinea-Bissau, may have slowed much less than originally assumed.<sup>2</sup> Cocaine is also most likely moving through the major ports in the region, including in Senegal, Ghana, Nigeria, Côte d'Ivoire, Togo and Benin (VIE-UNODC-290515). Guinea is still characterised by long-term and high-level penetration by drug traffickers (Gberie, 2015) and Cabo Verde has re-emerged as a significant transit point, following a lull when state activity appeared to divert traffickers elsewhere (UK-Gov-LE-220515; WA-EU-080515). Recent Brazilian police reports indicate that the "Northeast Region of Brazil has recently emerged as the 'main corridor' for transporting drugs towards Africa" (Varella, 2010; ASemana, 2015), using Cabo Verde as a transit country.

A 2015 Ghana-bound seizure from the Plurinational State of Bolivia illustrates both the ongoing dynamics of drug trafficking and the difficulties in combating it in West African countries. In March 2015, the cocaine was seized from a container in Santa Cruz. The drugs were reportedly bound for Ghana for onward movement to Burkina Faso, and then presumably onto Mali. A lawyer and businessman were arrested in Ghana in connection with the seizure (Bigg, 2015; WA-UNODC-290615), and spent only a short time in detention before being released. The case was dismissed for lack of evidence (WA-UNODC-020615; UK-Gov-LE-220515; UK-Gov-LE-220615).

The overall picture of cocaine trafficking through West Africa has arguably become less clear than in the mid- to-late 2000s (WA-EU-120515). While interviews at the time the primary research was carried out suggested that total volumes of cocaine trafficked through the region may have declined slightly, a recent spate of seizures in 2018 and 2019 suggests that flows may not in fact have slowed significantly. Drugs may be moving through the region's larger, fragile democracies and in containers rather than via the old network of small post-conflict states, such as Liberia and Sierra Leone. Guinea-Bissau, Guinea and Côte d'Ivoire are however likely to have remained as key points of transit. While it was assumed, given small seizures up until 2015, that traffickers may be resorting to smaller consignments to prevent large-scale loss in the event of a seizure, the evidence was not strong enough to draw conclusions (Howell and Atta-Asamoah, 2015). A series of large-scale seizures subsequent to the completion of the research in 2018 and 2019 suggests that this caution was merited.

Drug trafficking clearly benefits from weak governance or instability, as in Mali, although the region's dominant economies also remain important transit hubs. That in mind, future policy dialogues should focus as much on the impact of drugs on the region's more established democratic states, as they do on conflict states like Guinea-Bissau or Mali, and should work towards developing a better understanding of the

networks of actors involved and the political economy and governance dynamics that fuel narcotics trafficking across these countries.

### ***The extent of cocaine trafficking in the region***

In the mid-2000s, senior officials from the United Nations Office on Drugs and Crime (UNODC) signalled the problem of cocaine trafficking in the West Africa region. Many were sceptical of these accounts arguing that it was impractical for significant quantities of cocaine to be trafficked through the region.<sup>3</sup> Over time, further evidence, including many large seizures in the region, suggested that West Africa had assumed a relatively important place in the global drug trafficking economy. Figure 2.1 below highlights West Africa's role as a transit hub in the global cocaine trade between Latin America and Europe.

**Figure 2.1. West Africa as a transit hub for cocaine flows from Latin America, 2014**



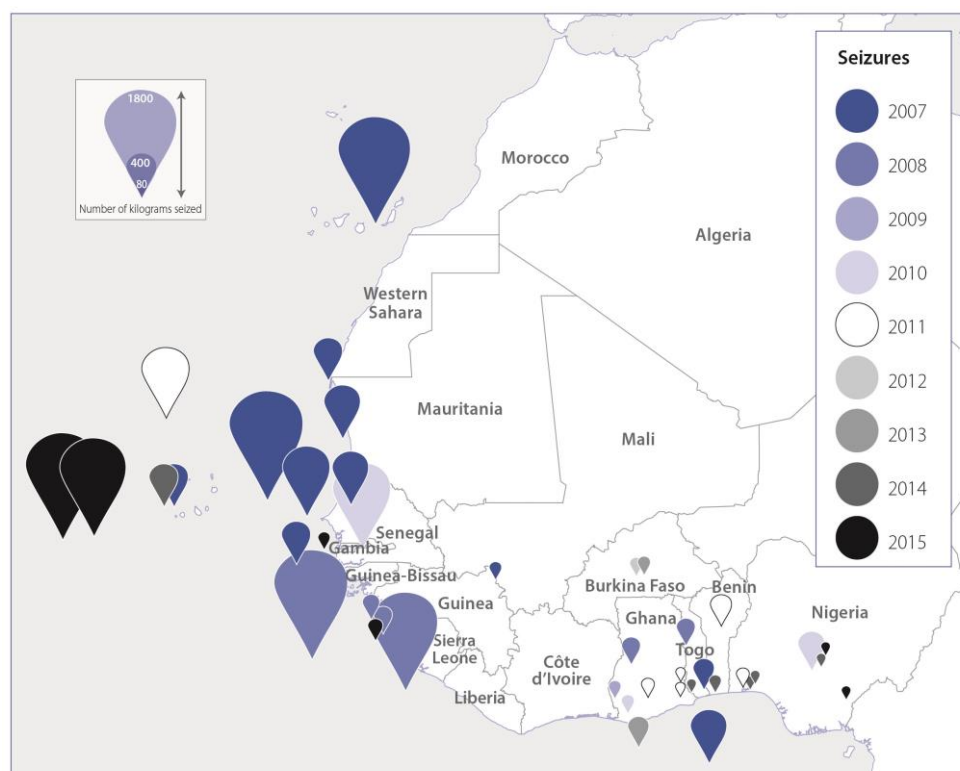
Source: Shaw, Reitano and Hunter (2014), *Comprehensive Assessment of Drug Trafficking and Organised Crime in West and Central Africa*, African Union, Addis Ababa. [https://au.int/sites/default/files/documents/30220-doc-organized\\_crime\\_in\\_west\\_and\\_central\\_africa\\_-\\_july\\_2014\\_-\\_abridged\\_summary\\_english.pdf](https://au.int/sites/default/files/documents/30220-doc-organized_crime_in_west_and_central_africa_-_july_2014_-_abridged_summary_english.pdf)

Estimates on the scale of cocaine trafficking in the region are drawn from UNODC figures derived predominantly from seizures (UNODC, 2005; Mazzitelli, 2007; UNODC, 2013a, 2009a; Aning and Pokoo, 2014; WACD, 2014). Published figures show that from 2004-09, UNODC estimates of cocaine transiting the region increased from 15-35 tonnes (t), reaching their peak in 2006 and 2007, at 43 and 67 tonnes respectively. At the same time, estimates of cocaine in Europe also slowly increased, before beginning to decline (UNODC, 2011a). According to the most recent estimates, consumption has plateaued since 2009 (UK-Gov-LE-220515) and ranges from 20-40 tonnes (UNODC, 2014a, 2013a, 2012, 2011a). Specifically, UNODC analysts in the region now believe that 35-40 tonnes of cocaine move through West Africa each year (WA-UNODC-020615), constituting over 20% of the estimated total volume of cocaine thought to be trafficked to Europe, at 172 tonnes and 140 tonnes, in 2010 and 2013, respectively (UNODC, 2011a and

2014a). These estimates (unpublished) are based on seizures from flights landing in Europe from West Africa, which in turn account for about 18% of all seizures made in European airports.<sup>4</sup>

Reported seizures published up to 2011 show marked increases in drugs seized from containers (UNODC, 2013b) in that year. As illustrated in Figure 2.2 significant seizures were made, mainly on the western side of the West African coast, in 2007 and 2008. These then declined to relatively smaller seizures concentrated on the eastern side of the coastal littoral, before rising again, as evidenced by large seizures in 2015. A lack of seizures or inconsistencies in reporting is largely blamed on corruption within regional law enforcement and political elites (SEN-EUGov-Justice-120515; SEN-GIABA-130515; WA-CivSoc-130515; WA-EUsec-120515; WA-UNODC-020615; UK-Gov-LE-220515).

**Figure 2.2. Cocaine seizures in or near West Africa to 2015**



Source: Shaw, Reitano and Hunter (2014), *Comprehensive Assessment of Drug Trafficking and Organised Crime in West and Central Africa*, African Union, Addis Ababa. [https://au.int/sites/default/files/documents/30220-doc-organized\\_crime\\_in\\_west\\_and\\_central\\_africa\\_-\\_july\\_2014\\_-\\_abridged\\_summary\\_english.pdf](https://au.int/sites/default/files/documents/30220-doc-organized_crime_in_west_and_central_africa_-_july_2014_-_abridged_summary_english.pdf), with modifications from the author.

Interviews with many law enforcement and other practitioners in the region underscore that assessing the extent of the drug flow is challenging, if not impossible. As seizure rates of cocaine have declined, the scale of the flow has proven more and more difficult to establish and is widely debated (Carrier and Klantschnig, 2012), and although seizures continue to be made in the region, many are not reported. Often case files and drugs disappear during investigations (SEN-EUGov-Justice-120515). As a result, senior law enforcement officials both inside and outside the region tends to treat seizure-based estimates with a level of scepticism (WA-EU-080515; UK-Gov-LE-220515). Some observers now suggest the focus on seizures, and by implication on measuring flows this way, has obscured our understanding of the complexities of networks engaged in trafficking in the region (UK-Gov-Policy-220615).<sup>5</sup> UNODC has also become more cautious about publishing estimates after some countries criticised numbers.

### Box 2.1. The rise in methamphetamine production

The production and trafficking of methamphetamine is growth industry in West Africa, particularly in Ghana and Nigeria. Meth production began about the same time cocaine trafficking intensified, and the trade appears to rely on networks established through heroin and cocaine trafficking suggesting a connection between the two or a graduation of the networks involved. Several meth seizures have been recorded since 2009, as shown in Table 2.1. During this period, five meth laboratories were discovered and dismantled in Nigeria, and a further seven laboratories were found and dismantled in the broader region from 2012-15 (WA-UNODC-020615). Large seizures on the Mali-Senegal border – 80 kilogrammes in February and 90 kilogrammes in May 2015 – show laboratories may also be manufacturing meth in or near Bamako, Mali (WA-UNODC-290615).

Meth can be manufactured with basic equipment and chemical knowledge, and the profit margin is huge. One kilogramme of meth costs around USD 1 500 to manufacture, but can sell for as much as USD 150 000 in Asia (Lewis, 2015). One kilogramme of 99% pure locally produced meth sells for as little as USD 7 500 in Lagos and over USD 150 000 in Southeast Asian countries such as Malaysia. Although drug trafficking organisations started meth production by bringing South American “cooks” to Nigeria, Nigerians have steadily learned production methods and weaned themselves off of their teachers (INL, 2015). Precursor chemicals – ephedrine and pseudoephedrine – are imported from India and People’s Republic of China into Africa, and onwards to laboratory operators, and the scale of legal imports exceed legitimately declared requirements Porous borders facilitate their movement across borders and into areas of low state control (INCB 2013, Lewis, 2015, USA-Gov-LE-120515; Dakar Platform, 2015).

**Table 2.1. Summary information on meth manufacture in West Africa**

2009	May: First indications of meth manufacture found in Guinea	2009	May: First indications of meth manufacture found in Guinea	2009
2010	Plans for manufacture of meth uncovered in Liberia	2010	Plans for manufacture of meth uncovered in Liberia	2010
2011	July: First seizure of a meth lab in Nigeria	2011	July: First seizure of a meth lab in Nigeria	2011
2012	February: Second meth laboratory seized near Lagos	2012	February: Second meth laboratory seized near Lagos	2012
2013	January: A third large-scale meth laboratory seized near Lagos December: Another laboratory found in Lagos	2013	January: A third large-scale meth laboratory seized near Lagos December: Another laboratory found in Lagos	2013
2015	February: Two meth laboratories dismantled in Nigeria; and 174 kilograms of meth seized in Lagos Airport June: Three meth laboratories dismantled in Nigeria. By the end of 2015, a further 25 300 kilogrammes were seized at Paris-Charles de Gaulle Airport, en route from Nigeria to Malaysia	2015	February: Two meth laboratories dismantled in Nigeria; and 174 kilograms of meth seized in Lagos Airport June: Three meth laboratories dismantled in Nigeria. By the end of 2015, a further 25 300 kilogrammes were seized at Paris-Charles de Gaulle Airport, en route from Nigeria to Malaysia	2015

Source: WA-UNODC-290615; WA-UNODC-020615 and Dakar Platform 2015

# 3 Networks and actors facilitating cocaine trafficking

How drugs are moved from West Africa to Europe remains unclear. Cocaine first came to West Africa via air and sea. In the late 2000s, small planes transported cocaine over the Atlantic. Some of the more prominent incidents were recorded in Sierra Leone and Guinea-Bissau. A notorious Air Cocaine incident saw a Boeing 737 allegedly transporting drugs destroyed by traffickers in Mali (Lacher, 2012; O'Regan and Thompson, 2013). No recent cases of small aircraft have come to light, although, according to one key informant, new airstrips have recently been constructed in northern Mali (UK-Gov-Analyst-230615).

Cocaine trafficking through West Africa is thought to occur via three main methods:

**Containers:** Seaborne transport – unloading ships off the coast and transporting drugs by container is considered the most common method of smuggling cocaine to the region, although the evidence that drugs are reaching Europe in shipping containers is mixed. According to one official with extensive work experience in the region “the best way to smuggle large quantities of drugs is to hide them in legitimate commercial flows (VIE-UNODC-290515). This suggests the use of some major ports along the West African coastline, rather than boats or aircraft to transit illicit drugs through the smaller post-conflict countries in the region (VIE-UNODC-290515; UK-Gov-LE-220515). Yet in 2012, a large-scale European Union (EU) operation to target containers from West Africa found no drugs (VIE-UNODC-290515). Some local and international practitioners say the lack of detection could be due to cocaine first being warehoused and then put in new containers for shipping to Europe (UK-Gov-LE-220515; USA-Gov-LE-120515).

**Couriers:** A secondary method of trafficking cocaine is by using couriers on flights from the region. Paris is the most common destination for flights from West Africa to Europe, followed by London and Amsterdam. But there are many smaller connections linking the region to Europe. Bulk consignments of cocaine are stored in West Africa and then broken up into smaller packages for transport by couriers (Mazatelli, 2007; UK-Gov-LE-220515). Given the many direct weekly flights between West Africa and Europe, policing this level of traffic is challenging. For example, there are 94 weekly flights between Nigeria and Europe. Charles de Gaulle Airport in Paris, France, receives 73 flights per week from countries in the Economic Community of West African States (ECOWAS).<sup>6</sup>

**Overland:** The third method of transportation is overland from West African coastal countries via the Sahel, through Libya and then onwards to Europe, including via the Middle East (UNODC, 2011a). Little is known about the extent of cocaine trafficking through the Sahel (UK-Gov-LE-220515; USA-Gov-LE-120515). Interviews with smugglers and traffickers in the region in 2012 showed that cocaine consignments were crossing the Sahara (Shaw and Mangan, 2014; Tinti, Shaw and Reitano, 2014). They also suggested high-level involvement in Mali prior to the 2012 coup, and the involvement of the security apparatus of several other countries (Bøås, 2013; Briscoe, 2014). Most believe this route is now less frequently used due to instability in Libya (UK-Gov-Analyst-230615) and the French anti-terrorism operation across the Sahel (WA-EUsec-120515). Drug consignments are now likely to be moved west through Mauritania and then by boat to Europe. Hashish remains the most widely trafficked drug across the Sahel. It is trafficked in much greater quantities than cocaine, moving south from Morocco, then west to east through the Sahel,



before transiting to Europe via Libya or Egypt (personal communication, Niger intelligence official; Shaw and Reitano, 2014).

## The networks and actors involved

Unlike drug trafficking networks in Latin America and elsewhere, traffickers in West Africa are thought to be part of fluid networks, organised by function, rather than hierarchical organisations led by individuals. There are few, if any, kingpins in West Africa: “[Networks] operate informally in a social context. The line between informal and formal is blurred and they are difficult to define as they are organised by family and kinship” (SEN-EUGov-Justice-120515). Despite this fluidity, three clear functions in the cocaine trade can be readily identified: traffickers, entrepreneurs/facilitators and protectors (Mazzitelli, 2007; Shaw, 2015; SEN-GIABA-130515).

### Traffickers

Two broad networks of traffickers can be identified: Latin American traffickers themselves; and a growing network of West Africans (mainly Nigerians) whose connections span Latin America and Europe. The distinction between these two sets of trafficking actors is also consistent with the market for other drugs, notably heroin flows from Afghanistan (FATF, 2014).<sup>7</sup> At the same time, the shifting patterns of control between these two groups is critical to understanding a shift in the geographic points for cocaine transfer along the West African coast.

Latin American *Cartelitos*<sup>8</sup>, the smaller groups that formed when the main cartels splintered (WA-UNODC-020615), first made contact with West African local facilitators or entrepreneurs around 2001 or earlier. These first contacts were made in Conakry, Guinea, but rapidly shifted to other small countries in the region, including Guinea-Bissau and Sierra Leone. Either the two had previously made contact in Latin America or did so through European connections (Shaw, 2015).

In the early days of the trans-Atlantic cocaine trade, Latin Americans, not West Africans, were the prime movers of these goods, travelling to West Africa to seek alliances and secure protection (SEN-GIABA-130515). Small groups of traffickers moved to Conakry, then Bissau and elsewhere, to facilitate the drug shipments (Ellis, 2009; Shaw, 2015). There is some evidence of competition between the smaller, more flexible, groups involved, highlighting the extent to which the trade remains relatively fluid and able to adapt to changing circumstances, both in West Africa and in originating countries. Overtime, Latin Americans in West Africa were increasingly exposed, triggering a more aggressive response by international security actors. The physical presence of Latin Americans in the region is now less prevalent than it was, and although direct interaction between the *Cartelitos* and local networks still occur, the longer term trend appears related to the growing control of Nigerian networks on both sides of the Atlantic (UK-Gov-LE-220615). This shift is partly also a result of a growing Nigerian population in key Latin American cities. In São Paulo, Brazil, more than 1 000 Nigerian nationals are reportedly engaged in some way in the drug trade (UK-Gov-LE-220615). These networks follow the organisation of Nigerian criminal groups elsewhere. Local “representatives” buy drugs for transit and forwarding through West Africa (NIG-DrugTrafficker-100915). They have the know-how and experience in identifying and contacting authorities who appear most vulnerable to corruption on both continents. They then enlist these authorities to expand their trade. They know how to repurpose networks originally created for more other criminal activities, such as human trafficking or counterfeiting. A high capacity for adaptation and innovation is an important characteristic of Nigerian criminal groups. They are credited with introducing an “intermediate reloading” process. This consists of switching smugglers mid-journey to a series of mules who serve the entire West African region. Such a switch makes it more challenging to identify arrivals back to departures from São Paulo (Dakar Platform, 2015).

Why West Africa was chosen remains unclear, although imprisoned traffickers have cited several factors including increased consumption in Europe, the diversion of law enforcement attention elsewhere and the desire to find new routes with weaker law enforcement capacity (WA-UNODC-020615). A recently emerging trend is the shift in the transit point for cocaine. It is moving from the smaller post-conflict states such as Sierra Leone, Liberia and Guinea-Bissau to larger states with the port and air facilities for onward transfer of drug consignments. This is in line with the more general decline of the land-based trans-Saharan route (NE-Gov-LE-220915), in favour of re-containerising in West Africa for forward shipping to Europe.

### ***Entrepreneurs or facilitators***

Much has been written about the role of government officials in facilitating trafficking in West Africa (Alemika, 2013; WACD, 2014). There has been less focus on other key intermediaries including self-proclaimed businessmen who liaise with traffickers (SEN-EUGov-Justice-120515) and oversee individual transactions, arranging logistics and ensuring protection (see below). Criminal entrepreneurs are a relatively diverse group of actors with different nationalities (including from Lebanon and Europe) often involved in other legitimate businesses, such as running restaurants, garages or hotels. They may employ a diverse group of fixers to move drug consignments smoothly and take care of storage, ensuring the frequent turnover of these subsidiary actors to protect their illicit business (UK-Gov-Analyst-230615).

Despite the presence of these different criminal entrepreneurs or facilitators, here too, the overall trend is towards greater control of the trade by Nigerian criminal networks. Nigerian networks have a strong comparative advantage given the presence of diaspora in Latin America and Europe (UK-Gov-Analyst-230615; Ellis, 2015). Although these networks span across West Africa, they are strongest in Nigeria itself and in Ghana (Akeampong, 2005; Aning, 2007; Bernstein, 2007), which suggests increasing use of these states as transit points. Dakar in particular serves as a logistical hub for much of the drug trafficking in the region due to its advanced logistical and financial infrastructure, and low presence of indigenous organised crime groups to serve as competition. The Dakar Platform for Drugs and Organised Crime Liaison Officers has identified 50 Nigerian criminal groups operating in West Africa, 26 of which are present and active in Dakar. According to data collected for ongoing cases, these Nigerian groups have connections in South America and Europe through their diaspora networks, and appear to have organised journeys for at least 1 500 cocaine traffickers in 2014 alone, mainly from São Paulo airport in Brazil (Dakar Platform, 2015).

### ***Protectors***

Protectors are seldom involved in the illicit trade themselves, but effectively “tax” it to turn a blind eye. The evidence suggests that the process of buying protection varies from one context to the next. In Sierra Leone, for example, a large number of officials were paid off to ensure the smooth landing and transfer of drugs from aircraft. By contrast, in Guinea-Bissau, payments were made to a limited number of senior military or political officials who ensured protection (Shaw, 2015).

Paying off large numbers of low-level individuals to provide protection along a trading route is more complicated than securing protection through a single transaction, particularly where rule of law and regulation are weak. Thus protection networks in West Africa have evolved into a “move to the top”, with a limited number of payments made to highly-connected individuals who in turn pay off others.

## **The methods used**

The three broad groups of functionaries referenced above (traffickers, entrepreneurs/facilitators and protectors) co-operate to traffic cocaine throughout the region, and interact in different ways for each transaction (Mazzitelli, 2007). West Africa has proven a safe and useful middle ground for case based transactions, as confirmed by the seizure of high volumes of cash bound West Africa for Latin America

from West Africa (UK-Gov-LE-220615), and it is thought that the earlier illicit trade in heroin created the foundation for these networks, although both heroin and cocaine have different physical properties, which may impact how they are stored and moved. Cocaine has a relatively short storage life of about 12-18 months. Conversely, heroin can be stored for up to 20 years (UK-Gov-LE-220515).

Apart from its short shelf-life, cocaine is likely packaged into smaller volumes along the way to prevent detection and seizure which, in turn, suggests that warehousing for cocaine must be relatively temporary, possibly rented; it is not likely stored at more permanent and protected venues<sup>9</sup>. By contrast, manufacturing meth requires precursor chemicals, a degree of technical capacity and more permanent locations for laboratories. In conflict states such as Mali, law enforcement is stretched and capacity is low. Such an environment is more suitable than in stable states where costs of ensuring protection for a permanent structure are much higher. Again, this is borne out by recent trends in meth seizures. Thus, the rising prevalence of meth over cocaine may shift the game again, much as cocaine did in the 1990s. In either case, a clearer analysis of the actors and networks involved can give new insights beyond those drawn from seizure data. Such research would also enable more accurate assessments of the impact of trafficking on domestic politics and political processes, and the role of “protectors”.

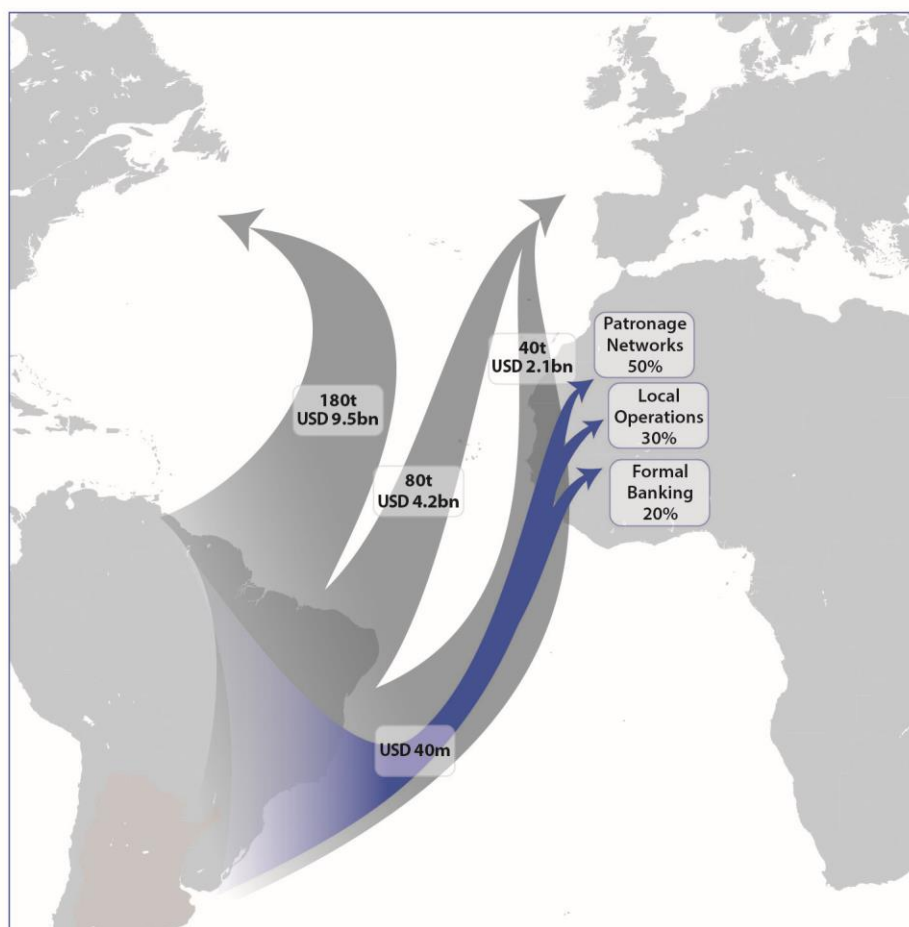


## **4** IFF implications and developmental impact of narcotics trafficking in West Africa

Both the volume of drugs, and the scale of IFFs relating to illicit drug trafficking in West Africa, are marginal compared with the scale of global flows. Nevertheless, their impact in West Africa has been significant. The wholesale price for 1 kilogramme of cocaine in Europe in 2010 – based on prices from 17 countries – was USD 52 763 (UNODC, 2011b). If approximately 40 tonnes of cocaine transits through West Africa, the drugs are worth an estimated USD 2.1 billion at European wholesale prices.<sup>10</sup> But how much of that money would stay in West Africa? And, importantly, how much could flow directly into political processes?

If, in one year, all the cocaine bound for Europe via West Africa (the estimated roughly 40 tonnes mentioned above) went through Guinea-Bissau, it would generate at minimum USD 40 million with a wholesale price of USD 2.1 billion. While it is impossible to test the accuracy of this figure, it does suggest that the profit remaining in Africa is relatively small, although still comparatively high given other sources of funding. If the wholesale European price of 1 tonne of cocaine was USD 52.7 million, then the USD 1 million facilitation fee requested for protection in Guinea-Bissau represented only 1.8% of the total wholesale value. More recent interviews in Guinea-Bissau suggest that protection fees have increased over time and so these calculations remain a relatively conservative estimate.

Figure 4.1. Drug flows and financial flows from Latin America (indicative, based on 2011 figures)



Source: Figure created by the author during the preparation of the case study.

Yet grasping the true impact of IFFs relating to illicit drug trafficking in West Africa requires an understanding how funds are distributed within the protection economy. If illicit profits are used to develop poor communities, they may have short-term benefits. By contrast, the impact of illicit money entering political systems can be more serious if confined within the elite. This can result in the subversion of political and development processes, as well as the rule of law, which in turn results in greater inequality and systems of patronage that benefit criminal actors.

Several analyses point to the influence and distortion of political systems and processes as the most damaging effects of illicit drug money (UNODC, 2013b; Aning and Pokoo, 2014; Briscoe, 2014; WACD, 2014; Ellis and Shaw, 2015). An impact analysis must look at how money moves through systems of political protection and patronage. But determining the direction of the funds from illicit trafficking in West Africa is extremely difficult. Most of the profits from the overall route are not made in West Africa, but rather at source and destination (SEN-GIABA-130515). There are few opportunities to make money from local distribution and dealing. Unlike in South Africa, where drug consumption is the highest on the continent,<sup>11</sup> there is little violence linked to conflict over drug turf in West Africa. The main damage, at least in the coastal states, is the corruption of political and institutional authorities. Countries like Guinea-Bissau have seen violence contained within elite networks, and high levels of political instability. Profits from drug trafficking appear to reach mainly high-level protectors who benefit directly from perpetuating the trade. In almost all cases, key figures are drawn from the security or political establishment.

Tracking transnational transactions of payments and profits from the drug trade is complicated (Figure 4.1). It uses a range of methods both within and external to the formal banking system. At the beginning of the 2000s, Latin-American cartels used to control the trade across each stage of the journey. They paid for protection by Nigerian criminal groups in goods rather than money. These Nigerian partners did not have any local prospects for selling a drug most potential consumers could not afford. They had to organise themselves in order to sell their cocaine to consumer countries (Dakar Platform, 2015). Now, transactions are completed in source countries, via growing West African communities that are based in production countries. The value of payments is made in complex arrangements offset by hawala systems. Legitimate trade is mispriced in a variety of fast-moving consumer goods in source, transit and destination countries (see Working Paper 65 on IFFs: Illicit trade in counterfeit and substandard goods) (UK-Gov-LE-220615). This presents challenges to law enforcement efforts to track or prevent these illicit flows. For example, in 2011, the Lebanese branch of an international bank was found to be involved in a complex scheme that moved illegal drugs from South America to Europe and the Middle East via West Africa. It laundered hundreds of millions of dollars each month through accounts held at the bank. It was also involved in trade-based money laundering involving consumer goods, including through used car dealerships in the United States (US Treasury, 2013).

Although the connection between criminal groups in Latin America and West Africa has grown, law enforcement co-operation has largely failed to keep pace. Most of this co-operation has been focused on the interdiction of drugs, rather than building capacity for effective investigation of illicit financial flows (IFFs). The capacity of West African actors to perform complex networks analysis, and track and trace both network connections and financial flows is considered poor (SEN-GIABA-130515; WA-EU-080515; SEN-EUGov-Justice-120515; UK-Gov-LE-220615).

## Protection payments

An estimated 40 tonnes of cocaine, with an estimated value of USD 2.1 billion, flow through the region each year (WA-UNODC-020615). There are also unquantifiable levels of heroin at a relatively low level, and a nascent but growing trade in meth production (UNODC, 2013a and 2013b). Of that, approximately three-quarters remains in the region to support local patronage networks or make local purchases, and West African actors themselves are thought to earn an estimated USD 40 million per year for local protection or facilitation of the drug trade<sup>12</sup>. The rest is invested externally. Transactions for the purchase of large consignments are almost certainly made outside West Africa, and little if any of these funds flow back into the region.

It is often said the total value of the drugs transiting the region dwarfs both the gross domestic product (GDP) of several small states, as well as government security defence budgets (WACD, 2014), although the quantum of funds actually remaining in the region as a result of protection payments is much smaller. The estimate of a minimum of USD 400 million for protection fees across a period of ten years is only a small proportion of the annual GDP of even some of the small states.<sup>13</sup> This volume of money is likely also distributed among relatively few people compared with the drug trade in producer or consumer countries. Thus, if 50-100 key politicians or security figures are involved across the region, each may have garnered around USD 4-8 million over a decade, or around USD 400 000 - 800 000 a year. In the case of Guinea-Bissau, for example, lower level officers are said to receive a fee as well. After other functionaries are paid, the final figures are low in comparison to drug trafficking standards elsewhere.

These broad estimates give some idea of the overall scale of IFFs from drug trafficking in the region, and although they are small, compared to overall profits of the international cocaine trade, they have arguably had an impact. The widespread corruption and participation of high-level state officials with perceived to have immunity from criminal acts, are extremely damaging to the fabric of the state and the rule of law. This impacts across society, creating a culture of permissive criminality. It allows criminal actors to gain a

sense of legitimacy with local communities, as the distinctions blur between criminal elements and the state (Reitano and Shaw, 2014).

## Disposing of money

Not enough is known about how money from drug trafficking is distributed or spent in West Africa, although some general conclusions can be drawn based on existing knowledge of West African societies and on evidence linking expenditure to drug trafficking. The funds are likely split in three broad ways: to fund patronage networks; on local commodities like cars, property or construction; and for laundering into banks, mainly outside West Africa and in OECD member countries.

**Maintaining patronage networks (approx. 50-60%):** Protectors paid to ensure the movement of illicit drugs do not spend the money only on themselves. The funds are cycled into patronage networks and to lower-level functionaries. They also find their way into communities, although not always as drug-related money. The example of a Ghanaian member of parliament arrested in the United States and convicted of drug trafficking, distributed largesse in his local constituency, buying tractors for farmers and handing out small sums of money. He remained popular even after his arrest and conviction (Attah, 2015). In Guinea-Bissau, money from drug trafficking was parcelled out in small amounts to soldiers and other functionaries to maintain their loyalty, the patronage network itself, and pay those who had facilitated the trafficking (Shaw, 2015). Maintaining patronage networks requires resources. In some cases, it may account for half of all illicit profits.

**Local expenditure (approx. 20-30%):** According to anecdotal evidence, drug trafficking in West Africa led to a small property and building boom, although this is hard to verify and quantify given there are no average prices for property in the region (GIABA, 2008). Across the region, for example, anecdotal evidence suggests the cocaine transit trade coincided with an increase in construction that many locals attribute to drug profits (WACD, 2014). In Guinea-Bissau, too, the author of this case study saw the new houses of military officers and political actors allegedly built with drug money. The purchase and import of several top-of-the-range motor vehicles, including Hummers and other four-wheel drives are also thought to be directly linked to the drug change, with many of these payments made in cash, and the funds not directly entering the banking system (GIABA, 2008). Regardless, as has been shown in many studies and contexts, criminal money artificially inflates domestic developing economies, and exacerbates problems of income inequality and financial exclusion. It also suppresses legitimate business, which is vital for economic health.

**Banking (approx. 15-25%):** The scale of funds garnered by West Africans through drug trafficking in the region is considered to be marginal compared to IFFs garnered from other illicit industries. Senior foreign law enforcement officials and local experts say some funds are banked in institutions outside the region and used for straightforward foreign transactions and purchases (SEN-GIABA-130515). In the case of Guinea-Bissau, for example, a prominent local member of the protection network reportedly paid his daughter's school fees in France, using a European account (DEA interview, 2012). Dubai is also a significant location for laundering the proceeds of West African drug profits, as well as heroin from the Afghan trade (UK-Gov-LE-220615). It is likely that only a quarter or less of total drug trafficking profits enter the financial system outside West Africa. However, there is no hard evidence to confirm this (SEN-GIABA-130515; DEA interview, 2012). Significantly, many networks through which cash is transferred, including some Lebanese networks, were established during the wars in Liberia and Sierra Leone, presumably to process diamond payments. These are now used to launder drug proceeds (UK-Gov-LE-220615). Funds are laundered into the official banking system through the cover provided by local businesses. This is particularly true for businesses that generate cash, such as cash crops in Ghana or the cashew nut trade in Guinea-Bissau (SEN-GIABA-130515).

The three ways in which money from illicit drug trafficking is spent highlights much about social, political and economic relationships in the region. The distribution of funds is based on strong ties of trust and association, perhaps more so than elsewhere. Hawala systems that facilitate these money flows operate entirely on trust. Hundreds of thousands of dollars are transferred on the basis of a phone call. These linkages are not criminal

per se, and are maintained over time in communities and families, as well as in ethnic and language groups. They are central to shaping how societies at large work, and also how profits from drug trafficking are distributed within them (SEN-GIABA-130515).

## The impact of the trade on the local political economy

Significantly, most West African smuggling or commercial networks are not involved in the illicit drug trade. As Kate Meagher has argued,

*The bulk of smuggling activity [has been] dominated by legal goods, had nothing to do with war economies, and tended to reinforce rather than undermine state power, though with variable effects on political legitimacy. Yet these activities were represented by the development community and academic orthodoxy of the time as criminal networks based on violence and war that were inimical to state formation. (Meagher, 2014)*

Because drug money is moved in highly secretive ways, influence is sought from those at the apex of the political elite and the security establishment. The following conclusions can also be drawn:

- First, drugs do not make up a significant portion of smuggled goods from West Africa. Estimates for the whole of Africa have shown that faking the value of goods and services entering or leaving the continent dwarfs drug trafficking (TMF, 2015).
- Second, most illicit fees linked to protection of drug trafficking are spent inside West Africa itself. They are either used to maintain or strengthen patronage networks, or on personal acquisitions that promote status or well-being. Protection payments in smaller post-conflict states, where officials may not have external accounts, have generally been made in cash.
- Third, given the first two points, most transactions take place outside of the formal banking system and depend on relationships of trust.

These observations suggest that although IFFs from illicit drug business are small compared to those earned in Latin America or Europe, for example, they may have a comparatively large impact on domestic and regional political processes, including by fostering instability. This is because these flows corrupt high levels of the state and security establishment, and can shape patterns of political support as they move through patronage networks.

The vast majority of funds from the wider drug trade do not enter and are not invested in West Africa (GIABA, 2010b). As indicated, most profits in the value chain of the cocaine trade are not earned by those providing “protection” for the drugs in transit, but at two points within the market chain: at the point of sale to consumers, where mark-ups are high; and in purchasing from producers (from the farm gate) and then onward sale to West African wholesalers. These transactions take place outside West Africa. Although determining the scale of profit remains extremely difficult, only a comparatively small amount of money likely remains within the region, and is largely related to protection fees. Most profits are either remitted from the region or paid and invested further up (Latin America) or further down (Europe) the supply chain (GIABA, 2010a).

## Narcotics trafficking as a source of political instability and conflict

The discussion above has highlighted the degree to which relationships of trust define political and economic interactions in the region. The question to answer following this conclusion is how drug money impacts on political processes and causes instability. The answer depends in part on the context:

- In established (although potentially unstable) democracies, drug money can distort political processes by strengthening corrupt and criminal actors, as was the case in Nigeria and Ghana.

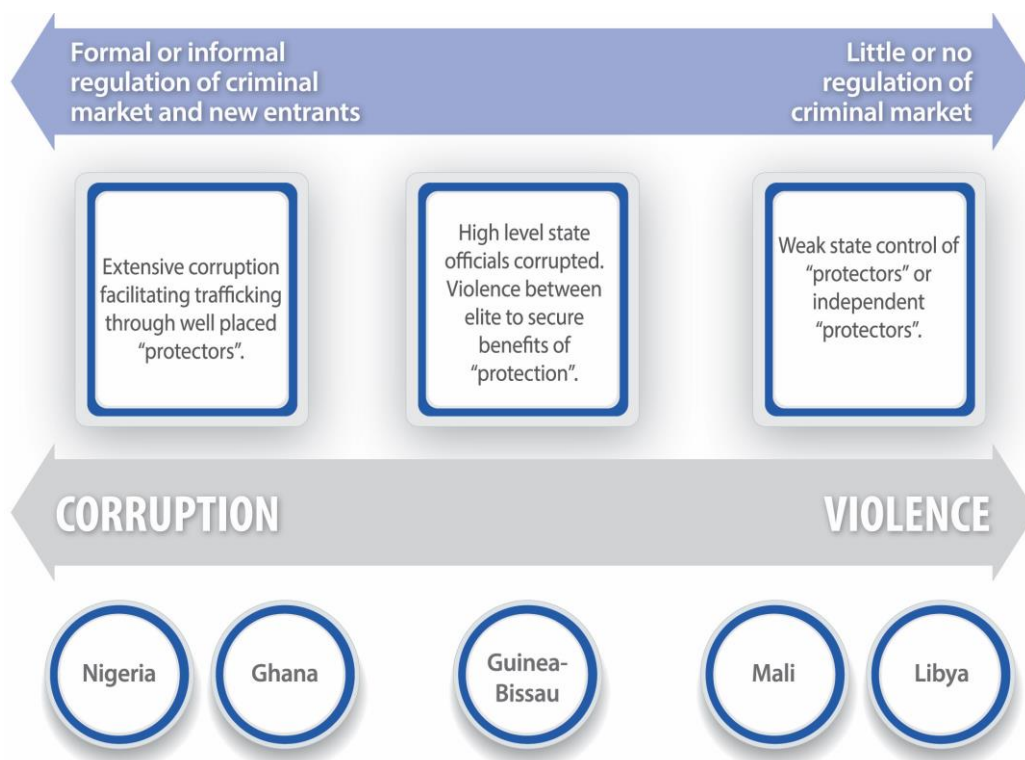
- In fragile economic and political settings with weak states and conflict or potential for conflict, control of illicit resources from drug trafficking can fuel violence and conflict, and pit actors against one another, as seen in Mali and among the political elite in Guinea-Bissau.

In both environments, protection economies often determine how illicit funds affect political, economic and conflict processes, and it is useful to explore how “protection” works. Protection economies must be seen along a spectrum – from those operating in democratic systems with relatively strong state institutions to those in conflict spaces where the state is weak or non-existent.

In systems where the ordinary functions of the state have broken down or are corrupted or corruptible, the protection of illicit transactions becomes a commodity in itself (Ellis and Shaw, 2015). Payment for such protection is priced into the transit trade of illicit drug trafficking. Corruption and violence are distinct tools with the same objective: achieving profit from the illicit market. Corruption oils the wheels of established, informally regulated criminal markets.

A constant balance between trust and violence also exists in any illegal market or system of illegal transactions, although well-established illicit markets rely less on violence and more on trust. Ethnic or community ties provide the bonds that secure trust within the market (Arlacchi, 1998). Violence may become counter-productive when it disrupts the overall functioning of the criminal economy and brings no benefit to any of the players. But in fragmented or unstable criminal markets that are not yet effectively regulated or established, violence is invoked as a key resource to eliminate competitors and secure market dominance, for example, when markets are internally unregulated and unstable (Shaw, 2016, Brownstein, Crimmins and Spunt, 2000; Schneider, 2013).

**Figure 4.2. The protection market spectrum**



Source: Figure created by the author during the preparation of the case study.

In West African democracies, engagement with criminal business through protection provides important advantages. People who act criminally gain legitimacy. As a regional law enforcement official commented:



“If they are the ones providing the livelihoods, they become the main attraction” (SEN-GIABA-130515). Those who accumulate resources can buy political office – and political office in turn offers a way to accumulate further resources (GHA-Analyst-190615). Resources can also be used to strengthen social ties through community or sporting associations, for example (SEN-GIABA-130515).

Loyalty to these patrons remains remarkably strong. In Nigeria, for example, communities remain loyal to leaders convicted of crimes (SEN-GIABA-130515). They may block their imprisonment, provide support during prison terms and welcome the offender back on their return.<sup>14</sup> In the case mentioned above of the Ghanaian politician convicted in the United States, people in his community protested his fate. As a local newspaper reported:

*No one knows for certain if, and for how long, [he] was involved in drug smuggling, and whether the proceeds funded his altruism and political career. People were happy to have such a generous benefactor and didn't question where...money came from. [One community member] said he...was just a great farmer ... the mood was more than sombre when [he] was arrested. It was as if Father Christmas had been taken away. In February, his constituency gathered to weed his seven-hundred-acre farm. Even five months after his arrest, at a rally held in his support, one placard read: "Cocaine or No Cocaine [he] Is Still Our MP". (Attah, 2015)*

In democratic, semi-democratic states and fragile states, criminal money distorts the political process. Members of parliament and other prominent political figures may act as gatekeepers for illegal activities. The illicit profits they generate help to secure their own function as protectors, including through funding elections. This allows criminal interests to be furthered directly and indirectly through national political processes. This process of self-resourcing also entrenches their position and the system they promote. Of course, this includes other corrupt practices besides drug trafficking. Even relatively small amounts can garner political influence: USD 100 000 is enough to ensure a significant local political constituency, for example (GHA-Analyst-190615).

In more fragile or conflict states, “protection” is offered more directly, through violence or the threat of it. Those able to perpetrate violence can market their services to protect illicit flows. For example, armed groups have protected the drug trade in northern Mali and southern Libya, “taxing” the through-flow of drugs organised by criminal entrepreneurs (Tinti, Shaw and Reitano, 2014; Reitano and Shaw, 2015). In conflict states, it may be hard for outsiders to distinguish the violence associated with control over criminal markets from that linked to political or ideological objectives. In many cases, they may be one and the same (Antil, 2014).

Using this analysis, “protection” metered out by corruption and/or violence facilitates the trade. Although presented here as a spectrum, with violence on one side and corruption on the other, it is probably more likely that both systems co-exist, but in varying degrees.

Where criminal markets are stable, with set rules and agreements around criminal practices, there is less violence (Arlacchi, 1998). These set rules may well co-exist with democratic systems, including some in West Africa, and although these rules may not conducive to functional and equitable democracies, they rules do reduce open and violent conflict. Nigerian criminal networks, perhaps more than most, seem to recognise the destructive impact of a fight for market share, and work to reduce conflict by means of internal bargaining and compromise (SEN-GIABA-130515; UK-Gov-LE-220615).

Political violence and instability, fuelled by the protection economies sustained by illicit drug flows, undercut development and create insecurity. This drives away investment, prompts skilled labour to migrate and reduces the life chances of ordinary people. These problems are particularly exacerbated in situations where state institutions are weak or where investment is channelled into perpetrating violence.

Less obvious is the long-term and pernicious impact of these drug trafficking protection economies on development. Even in established, if still fragile democracies, crime undermines the state's ability to bring about development by weakening the social contract between people and government (UNODC, 2005). When wealth is linked to success in the criminal economy rather than participation in productive enterprise,

public frustration and alienation may result. Illegal markets may reduce conflict in the short and medium term. In the longer term, they may foster rebellion, perpetuating political instability and further reducing the chances for sustainable development.



# 5 Concluding remarks

***Understanding the scale and impact of illicit narcotics remains a challenge.*** Various illegal drugs have moved through the region over the years, and it is difficult to accurately deduce drug volumes. In comparative terms, the money generated by drug trafficking in West Africa is relatively small: funds are predominantly received and invested or spent outside of the region. Based on our understanding of the operation of West African criminal protectors, most money is likely used to enable a lifestyle that reinforces prestige and facilitate the capacity to maintain patronage networks. A smaller portion is spent locally on property, construction or cars, and it is thought that the smallest amount is laundered into the official banking system.

With seizures of the contraband as the primary metric to measure the size of the flow, extrapolate data, and quantify the scope and scale of organised crime, there has been an over-emphasis on interdiction and disruption strategies, rather than genuine investigations into the networks perpetrating those flows. Moreover, seizures are an imperfect measure of the total quantity of drugs transiting the region, and are becoming less useful as an indicator of success in combating drug trafficking, due to the recognition that corruption and state complicity in criminal markets revolve around protecting the trade, including its network, rather than prosecuting it.

***Evidence suggests the need to shift from an emphasis on determining the volume of flows towards understanding the networks involved in trafficking.*** Understanding the networks in West Africa requires scrutinising three key actors: traffickers, entrepreneurs and protectors. These individuals cause the greatest damage to the political, economic and social fabric of West African societies, and are often seen as benefactors at local level and successful political operators at national level. Despite the relatively small sums of money involved, the impact on the region is considerable.

Democratic states in the region like Ghana and Nigeria appear to manage systems of illicit accumulation in ways that reduce violence around the criminal economy (Aning, 2007). But violence persists in states where many competitors, some with connections to the state, seek rents from criminal flows. Where conflict and control overlaps with ideological and territorial differences, disputes around the criminal economy can become entrenched. Where internal systems of self-regulation manage competition, violence is minimised. But where few systems of regulation exist, armed actors will compete to enter the “protection market”. Resource accumulation relies on successfully protecting the illicit flow, or segments of it. Without established systems or self-regulating networks, competition is managed through violence. At the same time, and along with other illicit activity, drug trafficking has corrupted politics. The ECOWAS region has emphasised the damaging impact of illicit flows on governance and rule of law in West African states; electoral politics allow the penetration of illicit flows into government.<sup>15</sup> The implications of these political and conflict dynamics for long-term development policy are profound.

***With a wide range of competing priorities and limited resources, security priorities and strategies tend to take precedence over development.*** Some states in the region have been required to prioritise security over development under the pressure of international donors to address cross-border criminal and terrorist threats. However, the failure to realise genuine development gains for the majority of the populations continues to undermine the legitimacy of states in the region amongst their citizens. This does little to reinforce the foundation of the rule of law that would be critical to reducing the influence of criminal markets in the long term. Moreover, where important state actors hold private interests over the public

good, strengthening their own patronage networks to maintain power and influence, including over the criminal economy, will shift development concerns off the agenda. State institutions that act as tools of patronage are unlikely to foster equitable development.

***This paper has not set out to formulate a set of prescriptive policy recommendations that might enhance the fight against drug trafficking and lessen its illicit financial outflows; but rather sought to illustrate a number of themes and policy issues warranting further research and attention.***

Several actions could be adopted: donors could promote interventions that reduce incentives for political elites to protect drug trafficking, including through targeted sanctions, travel bans, and strong support for political actors who renounce to the drug trade; electoral reform and campaign financing regulations could prevent the infiltration of illicit funds into the political processes; and focusing on areas where trafficking is embedded in local communities with a view to create alternative livelihoods for those involved in trafficking, might help to overcome the tendency to over-concentrate on security and justice-led strategies.

Yet, a principal finding of this work is that a refocusing of the discussion and resulting policy responses is needed with a view towards better understanding on the networks and incentives behind drug trafficking, and the structures of power and legitimacy that drug money generates. Irrespective of the policy responses adopted championing efforts to build integrity from the top will be key and will be most effective when led and generated from within the region, rather than externally imposed. Additionally, if the co-operation from partner countries is to be considered credible, efforts in source countries and at transit must be combined with an effort to reduce external demand (i.e. domestic demand in destination countries). Drug trafficking through West Africa and the IFFs resulting from them are intertwined with wider global financial interests, in Latin America, Europe and other global financial capitals. Measures to identify these transnational links and to take remedial actions, will be an important basis for effective action.

## Annex A. Methodology

The paper focuses on the cocaine trade due to the preponderance of available information and data compared to other types of drug trafficking. Comparisons or disparities between other illicit narcotics or emerging trends are highlighted where credible evidence is available.

This paper is based on a review of the available secondary literature and interviews with key informants. This material has grown substantially since the mid-2000s, although it remains focused almost exclusively on the cocaine trade. By contrast, the heroin trade, the nascent networks producing and trafficking methamphetamines and the long-established regional trade in cannabis remain understudied. More than 20 interviews in early 2015 were conducted with key policy makers and practitioners, both in the region and beyond. The information is supplemented by material from earlier interviews and visits by the main researcher in charge of the preparation of this case study to many countries in the region over the past decade.

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## Interviews

Note: The interviews were in person unless otherwise noted.

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- NE-Gov-LE-220915, Chief of Investigations, National Police, Niger, 22 September 2015.
- NIG-DrugTrafficker-100915, Nigerian Drug Trafficker in Johannesburg, 10 September 2015.
- POR-Gov-Diplo-280515, Multiple security and co-operation affairs representatives from a European Embassy in West Africa, written response to questions, 28 May 2015.
- POR-Gov-Diplo-290515, Multiple security and co-operation affairs representatives from a European



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SEN-EUGov-Justice-120515, Senior Liaison of a European Embassy to Justice Ministry Senegal, 12 May 2015.

SEN-GIABA-130515, Multiple senior research and policy officers, GIABA, 13 May 2015.

UK-Gov-Policy-220615, Senior Strategy and Co-ordination Officer, UK Home Office, 22 June 2015.

UK-Gov-Analyst-230615, Africa Research Analysts, UK-FCO, 23 June 2015.

UK-Gov-LE-220515, Senior Liaison Officer, UK-NCA, by phone, 22 May 2015.

USA-Gov-LE-120515, USA DEA Official in a West African country, 12 May 2015.

VIE-UNODC-290515, Senior UNODC Official, by Skype, 29 May 2015.

WA-CivSoc-130515, Multiple research and policy officers, West Africa office security-focused pan-African NGO, 13 May 2015.

WA-EUsec-120515, Multiple European Security Liaisons in West Africa, 12 May 2015.

WA-EU-080515, EU/UN project leader on AML in West Africa, by Skype, 8 May 2015.

WA-UNODC-020615, UNODC Senior Research Officer in West Africa, by Skype, 2 June 2015.

WA-UNODC-290615, UNODC Research Officer in West Africa, by phone, 29 May 2015.

## Notes

<sup>1</sup> This was expressed on numerous occasions to the author while conducting interviews in West Africa, particularly in the mid-to late 2000s.

<sup>2</sup> These include a May 2018 seizure of 700 kg of cocaine in Algeria, a cocaine seizure in Cape Verde of 9.6 tons in February 2019, cocaine seizures of 238 kg and 750 kg in Senegal in June 2019, and a first seizure of 789 kg in March and a second of 1.8 tons of cocaine in September in Guinea-Bissau. The Cabo Verde and the first of the Guinea-Bissau seizures represent by themselves more than the total amount seized on the entire continent between 2013 and 2016 (see A. Soto, 13 March 2019).

<sup>3</sup> The author of this case study served as a senior staff within UNODC at the time and had extensive communication with colleagues in the field.

<sup>4</sup> The 35-40 tonnes estimate comes from knowledge of Colombian traffickers active in the region, operating in smaller groups known as *cartelitos*. Moving anything below 5 tonnes is considered unprofitable for these groups. UNODC conducted interviews with inmates of West African prisons and estimated seven *cartelitos* operate in the region. The rough estimate of yearly tonnage comes from these conversations (WA-UNODC-020615).

<sup>5</sup> One example of how a figure carried in media reports quickly assumes validity without much evidence is the case of notorious Air Cocaine plane found destroyed in northern Mali. A UNODC official is said to have looked at the size of the plane and estimated that it carried 10 tonnes of cocaine. This was the amount mentioned in almost all the subsequent press reporting. (Personal communication, former UNODC law enforcement advisor, Dakar).

<sup>6</sup> This is based on the researcher's own calculations of flight routes from ECOWAS to major European airports, averaged for seasonal variations.



<sup>7</sup> The FATF makes a distinction between “cartels” where members of a single criminal group control the supply to the consumer, and “multiple markets” where drugs are supplied through a chain of “independent intermediary markets” (FATF, 2014, p.13).

<sup>8</sup> The *Cartelitos* are of Venezuelan or Colombia nationality, although false Mexican passports have also been used (WA-UNODC-020615).

<sup>9</sup> One example of this was seen in Guinea-Bissau where a trafficker rented a warehouse to temporarily store the cocaine before it was broken up into packages for onward distribution. In this case, there was clear pressure to move the commodity onwards in a relatively short time (Shaw, 2015).

<sup>10</sup> The street price of the drug is much higher at an average of USD 82 per gram, giving an overall amount of USD 3.28 billion.

<sup>11</sup> This takes place in the context of high levels of inequality and marginalised youth. The recorded homicide rate for Cape Town is 57 per 100 000, largely attributable to structural violence associated with gang conflicts. No West African country comes close to a similar level of violence (UNODC Homicide Study).

<sup>12</sup> Interviews in Guinea-Bissau broadly suggest how much money may have been paid (or at least asked for) by the military to provide “protection” per shipment of illicit drugs. In at least one case in Guinea Bissau it is known that at least one “protector” asked for a facilitation fee of USD 1 million per tonne (Shaw, 2015).

<sup>13</sup> For example, the World Bank 2013 estimates for selected small West African countries is as follows: Guinea, USD 6.1 billion; Sierra Leone, USD 4.1 billion; Gambia, USD 903.5 million; Cabo Verde, USD 1.8 billion; and Guinea-Bissau, USD 960 million.

<sup>14</sup> A governor in Nigeria’s Delta state, was convicted by the British Crown Prosecution Service of laundering an estimated GBR 200 million of state funds offshore (Tran, 2012). A crowd of supporters from his home state demonstrated outside the courthouse; he is widely reported to have significant local public support (Addeh, 2012; UK-Gov-LE-220615).

<sup>15</sup> This was reinforced by findings of the West Africa Commission on Drugs report from 2014 (WACD, 2014). The 2011 Praia Declaration on Elections and Stability has promoted measures to strengthen the integrity of the political process in the region, including measures for reform, but these have largely failed to be implemented. Implementation is slow precisely because key political protectors of the drug trade are involved and reluctant to reduce their capacity to acquire funds and maintain patronage.

