

Topic: Criminal Activities by Insurgent Groups: What do they gain?

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October 2015¹

Abstract: I explore criminal activities by insurgent groups, an issue typically framed and understood as one of greed and financial gain. I argue that criminal activities by insurgent groups have consequences beyond financial gain, such as attainment and extension of territorial control. I propose three mechanisms through which criminal activities can lead to territorial control: a) corrupting and infiltrating the state b) eliminating competition by coopting criminal groups and c) eliminating non-complying individuals. To test this claim, I explore the criminal activities of the Tehreek-e-Taliban Pakistan (TTP) in Pakistan's port city of Karachi. I demonstrate that TTP's criminal activities enabled it to control territory through the proposed mechanisms. I check the mechanisms with evidence from primary and secondary sources, including ethnographic accounts, court documents, law-enforcement agency reports and local and international press coverage.

¹ For helpful feedback, I would like to thank the participants in the panel at the American Political Science Association (APSA) Annual Meeting 2015. I also thank Benjamin Lessing for comments on earlier drafts of this paper.

Introduction:

In the literature on civil war and insurgencies, the consequences of criminal behavior of insurgent groups are unclear.² By criminal behavior of insurgents, I refer to criminal activities that lead to financial gain, like extortion, kidnapping for ransom, smuggling, bank heists, and drug trade. Insurgent groups such as the paramilitaries in Colombia, the Union for the Total Independence of Angola (UNITA), the Revolutionary United Front (RUF), the Taliban movements in Afghanistan and Pakistan, the Tamil Tigers in Sri Lanka, the Sudan People's Liberation Army (SPLA) among others have undertaken one or more of such criminal activities. However, the implications of such behavior on dynamics of conflict are unclear. There is especially no clarity on the question of how insurgents benefit from their criminal behavior. Do insurgents only gain economically or are there any political benefits of such activities as well?

The obvious and typical answer is that insurgents gain financially from their criminal activities. Following from that, a major portion of the scholarship lumps criminal activities in the framework of insurgent greed and loot-seeking (Enzensberger 1994, Keen 1998, Collier 2000, Ballentine & Sherman 2003, Collier and Hoeffler 2004, Humphreys 2005, Fearon 2005). The main arguments paint criminal activities by insurgents either as motivated by desire for profit or means of fund raising (Brito and Intriligator 1992, Hirshleifer 1991, Makarenko 2003, Collier and Hoeffler 2004, Grossman 1999, Ross 2006).

This paper disputes the framework of insurgent greed and loot-seeking as the only lens to understand the intersection of insurgency and crime. Greed and loot-seeking arguments are remarkably inadequate in explaining the role criminal activities play in attainment of key political outcomes. For instance, some studies have documented that insurgents undertaking

² For instance, Cornell (2005) says that "the specific dynamics and, in particular, the causal mechanism of the linkage between narcotics and conflict remain poorly understood".

criminal activities also happen to build strong governance structures, possess territorial control and manage the behavior of the members of their organizations better (Lidow 2011, Gayer 2014). Which leads to the question: are these mere correlations or is there a causal connection? Kalyvas (2015) notes that “many insurgents that exhibit predatory behavior also reveal features suggesting a variety of additional motivations and processes” (Kalyvas 2001, Gutierrez Sanin 2004, Kalyvas 2015). But these “additional motivations and processes” are poorly understood, both conceptually and empirically.³

In this paper, I suggest that limiting the understanding of criminal activities to predation, profit seeking and financial enrichment tendencies of insurgents is detrimental to understanding the political gains insurgent make because of criminal activities. I further contend that broadening the inquiry of consequences of criminal activities by insurgent groups can unpack hitherto unseen mechanisms driving key political outcomes. To back this claim, I explore how the crime-insurgency nexus impacts an important political variable in civil war, i.e. territorial control (Kalyvas 2001, Kalyvas 2006).

I suggest criminal activities by insurgents should be seen as having two consequences at least. I argue that in addition to generating rents for the insurgent group criminal activities provide a pathway to attaining and maintaining territorial control. In regions of contested sovereignty, i.e. regions where the state and other armed actors co-exist, criminal activities help the insurgents to extend territorial control. Territorial control here refers to areas where insurgents have freedom of movement, operational bases and network of informants.

³ Cornell (2006) says that despite criminal activities and ideological groups being seen on a security continuum - the “gray area” with all the possible variations and combinations, be they alliances between criminal and ideological groups, or criminal groups involving in politics - it remains under-theorized.

I propose that insurgents undertaking criminal activities may acquire such territorial control through one or more of the following three mechanisms: infiltration of the state, eliminating competition, and enforcing compliance. In the mechanism of infiltration of the state, insurgents use rents from criminal activities to pay off state functionaries which allows them to manage, if not outrightly limit, violent crackdown of the state authorities. In the mechanism of eliminating competition, becoming criminal helps insurgents coopt criminal networks who previously may have been affiliated with other groups seeking to control turf. By weaning away criminal elements from their patrons, insurgents disarm their competitors and rid territories of competition. In the mechanism of enforcing compliance, those resisting the insurgent's criminal activities become identified as threats, who may be subsequently eliminated. Doing so not only removes a potential source of threat but also signals to the locality and/or neighborhood that non-compliance is not an option. In sum, even if gaining control is not the intended goal, through these three mechanisms, insurgents are able to assert greater territorial control. Put another way, insurgents achieve the proverbial two birds, financial gain and territorial control, with one stone, their criminal activities.

To understand the dynamics unleashed by criminal activities, I inquire into the micro dynamics of the behavior of the Pakistani insurgent group, the Tehreek-e-Taliban Pakistan (TTP). The TTP as a group embodies the puzzling nature of Islamist insurgents and their interaction with crime. In popular perception, Islamist insurgents like the TTP have a self-defined higher cause. According to some scholars, crime does not fit their ideological narrative and in fact undermines their politics (Hoffman 1998, Thachuk 2001). I show that the TTP's gradual turn to criminal activities in the city of Karachi was in fact politically very beneficial for

the group. The criminal activities helped it to establish and expand territorial control. All three mechanisms as outlined above play out in this case.

In this study I make three contributions. First, I present a theory on how insurgents with political aims expand and maintain territorial control through criminal activities. Second, I show that consequences of criminal activities deserve broader theoretical coverage than in the literature so far. Such attention is necessary because subsuming them under the umbrella of economic explanations can conceal important political dimensions of criminal activities. Third, I show the value of delving into micro dynamics of conflict to uncover logics that are often omitted otherwise. Focusing on master variables can sometimes lead to conceptual blind spots. These blind spots can only be seen by connecting the smaller dots, that is, the micro dynamics of conflict.

Two caveats are in order. First, I do not offer a complete causal theory of either criminal behavior of insurgents or pathways to territorial control. I specify important causal mechanisms that appear to have been neglected in the literature. Second, in making the argument on greater territorial control by crime, I am not suggesting that financial gain or predation is not the primary consideration for insurgents. My contention is that financial enrichment or fund raising may be a first order effect of criminal activities but the consequences of crime besides profiteering, specifically the pathways to territorial control, are important to consider when analyzing the criminal activities of insurgent groups. The proposed mechanisms are only a rebuttal to those theories that propose economic gain as the only gain from criminal behavior for insurgent groups.

This paper is structured as follows. I first give a brief account of the body of research my study speaks to and relevant existing explanations. I then outline the theoretical argument and the

three mechanisms of the theory linking criminal activities to territorial control. I then undertake a plausibility probe of the theory. Following that, I conclude.

Existing Perspectives on Criminal Activities:

The term crime or criminal activities is fraught with conceptual ambiguities, mixing “different empirical, legal, and normative dimensions” (Kalyvas 2015). Individuals, the state and the media liberally tag organizations and individuals as ‘criminal’ for many different motivations; delegitimizing the target often tops the agenda. For example, it is common for states fighting insurgencies and rebel groups to describe them as criminal. In the context of this study, I steer clear of such normative characterizations. Instead, I propose a specific meaning for criminal activities by non-state groups. I suggest criminal activities to be activities undertaken by insurgent, rebel or other non-state groups having the ability to “use violence, or the threat of it, for acquiring or defending the control of illegal markets to attain economic gain from them” (Reuters 2008). The range of criminal activities covered by this definition include extortion, kidnapping, smuggling, bank heists, and drug pedaling/trade.

Existing works on the relationship between such criminal activities and insurgencies can be broken down into two categories: 1) the crime-insurgency relationship and 2) greed and rent-predation in civil war, which can be called criminal-rebel theories and. Both these literatures propose mechanisms on the causes of the insurgent-crime relationship. The literature on the money trail between criminal activities and insurgencies establishes how criminal rents flow into insurgent operations whereas the greed and loot-seeking paradigm suggests strictly economic motivations as a cause of the nexus. From here on, I briefly discuss the two literatures.

Crime-Insurgency Relationship:

The crime-insurgency literature has focused on two dimensions: how insurgents undertake criminal activities and how the resulting resource flow fuels insurgent operations (Williams 2012). This literature is a result of the greater attention to the funding sources of insurgencies in Iraq and Afghanistan as well as the continuing insurgency in Colombia. For instance, Gretchen (2009) dissects the linkages between drugs, insurgency and terror in Afghanistan and Pakistan, establishing that insurgents rely on criminal activities to run their operations in the face of repression. Metz (1993) explores why some insurgents rely more on criminal rents than others. He posits that while most insurgents can be divided between spiritual and commercial insurgencies, others can be both, noting that the FARC was torn between the competing impulses of ideological purity on the one side and the desire to exploit the drug business to expand its revenue base on the other. Brown (2009) provides a similar analysis on the links between armed conflict and the drug trade as well as the relationships between counterinsurgency and counter-narcotics efforts in Afghanistan. Chalk (2008) details the criminal activities of the Liberation Tigers of Tamil Eelam (LTTE) and Ivey (2007) juxtaposes the politics and criminal behavior of the Naxalite insurgency in India, arguing the insurgency's political packaging is in fact a means of predation.

These studies are seminal for the regions they cover and adequately establish why criminal activities become integral to these organizations. However, they fall short of detailing the consequences of criminal activities on the broader politics of the insurgency. Moreover, despite the centrality of territory to the campaigns of the insurgent groups covered in these studies, none of these studies suggest any dynamic through which criminal activities influence territorial control.

Criminal-Rebel Theories:

Studies documenting the structural determinants of civil wars find rent seeking criminal behavior to be correlated with civil war onset. There are two interpretations of this correlation. One view sees desire for profit-seeking as a cause of insurgency. For instance, studies on opportunity and justice seeking nature of insurgencies find that insurgents are driven by greed or financial motives (Grossman 1999, Collier and Hoeffler 2004). In turn, the broader literature on economic factors in civil war has described insurgents as having profit seeking tendencies (Keen 2000, Ballentine and Sherman 2003). In fact, for part of the civil war literature, loot-seeking, instead of political grievance redress, is the central cause of civil insurrections. The other view sees criminality as a natural outcome of the breakdown of order. Keen (2000) suggests that civil war can evolve into an “alternative system of profit, power and even protection” (Pg 22). Further, weakening of law and order leads to a more opportunistic society or more “rent-seeking predation.” Other studies on consequences suggest a causal link between rents from criminal activities like the narcotics trade and enduring conflict. Disagreement prevails on the extent to which they cause or extend the duration of civil conflict but a common interpretation of this link is that such rents increase insurgent capabilities (Ross 2006, Ross 2015).

While these criminal rebel theories have shown that criminal activities are a key activity of insurgent groups, they do not capture the consequences of criminal activities on insurgent politics (Kalyvas 2015). There are two reasons why the consequences of criminal activities on politics are important. First, greed and rent-predating categorizations as the goal of insurgents discounts the politics of insurgent groups. Theories on insurgent cohesion and organization have broken from this trend by focusing on intra-insurgent politics (Weinstein 2007, Staniland 2012, Staniland 2014) and patterns of violence (Kalyvas 2006), yet other important facets of insurgent politics remain largely ignored. Painting insurgents as mere greedy does not capture the political

gains from criminal activities, if any, the management pressures on the organization because of criminal behavior, and the insurgents' interaction with both the state and other criminal competitors.

Second, current theories leave some important questions on civil war duration and recurrence unanswered. For instance, studies document that insurgencies tend to last longer when they involve criminal rents. These studies suggest an under-theorized mechanism connecting illegal funds to the longevity of the conflict (Fearon 2004, Ross 2006). The mechanism – of increased insurgent capability due to financial enrichment - may be valid but the question remains: is it the only reason why insurgencies rife with criminal rents ought to be so intractable? Additionally, why insurgencies with criminal rents ought to be more intractable than insurgencies with high levels of natural endowments? To answer this and other enduring puzzles surrounding criminal behavior, an analytical lens that focuses on the consequences of crime on insurgent politics is necessary. In this study, I offer one such lens.

Theory:

In this section I present a theory of how criminal activities enable insurgents to attain territorial control. I first lay out what territorial control looks like and why insurgents may need territorial control. I then turn to the three mechanisms by which criminal activities lead to greater territorial control: 1) Corrupting and infiltrating the state 2) elimination of competition and 3) dealing with non-compliers.

Insurgents, Contested Sovereignty and Territorial Control:

The scope of the theory are regions of 'contested sovereignty'. Contested sovereignty regions are areas where the state is not the only actor with the ability to undertake violence. Such regions can lie in peripheries and buffer regions as well as large ethnically fractious urban

regions. There are at least three armed actors in such regions of contested sovereignty: The state, one or armed actors, such as an insurgent group, armed wings of political groups and criminal organizations. Examples of such regions include Lebanon's Beirut, Pakistan's Karachi, Iraq's Baghdad, El Salvador's San Salvador among other places.

While most insurgent groups seek some degree of territorial control, this does not imply that achieving territorial control is a core objective (Kalyvas 2006, de la Calle and Sanchez-Cuenca 2012). Insurgents are political actors. Establishing territorial control may or may not align with their politics (Mampilly 2011; Arjona 2010). However, in regions of contested sovereignty, survival is a paramount concern. Insurgent groups may achieve territorial control as an unintended consequence of their strategy of survival. This leads to the question: What does territorial control look like in a region of contested sovereignty?

Territorial control of non-state actors is a difficult concept to map during civil wars. Defining and operationalizing it for regions where the insurgent group, state and other armed actors are in a contest is even more challenging, both theoretically and empirically. While some insurgents make the effort of marking their territories by establishing check points and barricading routes of physical movement, in many others they don't and yet they control territory. One approach to operationalizing territorial control is to understand the relative advantages insurgents have in the regions which, in popular valence, may be known as regions controlled by insurgent groups. Doing so leads to the following operationalization.

Territorial control for insurgent groups is a sphere of influence where insurgents have three distinct advantages than in areas that they do not control. First, insurgents need hideouts or bases of activity where they live and operate from. An area that they control allows them the facility of establishing such bases. Second, insurgents need the safety of movement in some

regions outside their hideouts. A region of territorial control is one where insurgents have unfettered mobility. In such regions, insurgents feel that moving around does not risk decapitation. Third, insurgents need local network of informers who are likely to act as liaison for purposes of both offensive and defensive maneuvers (Kalyvas 2000, Kalyvas 2006). A region of territorial control is one where insurgents have such a network.

Given these requirements of territorial control, insurgents face the biggest challenge from the state. The state has the capacity to inhibit insurgents from establishing hideouts and impede their movement. Further, the state is likely to have a network of informers. But the state is not the only source of trouble. Other armed actors, such as gangs of political parties and criminal groups, can pose similar challenges to an insurgent group. Finally, local population can threaten insurgent survival by providing information to the state and/or other armed actors. In this backdrop, if the insurgent group ends up attaining territorial control, it is reasonable to assume that insurgent strategy must have subdued a) the state b) other armed actors and c) local population in the process.

If insurgents explicitly aim to control territories, they can do so by militarily defeating the state and other potential challengers, while coercing the local population into cooperation. Empirically, this has been true in insurgency torn regions of Afghanistan, Pakistan, Syria, El Salvador, and India among others, where insurgents have mounted concerted military campaigns to displace the state apparatus. In that event, if the insurgent group does undertake crime, criminal rents supplement insurgent capabilities, providing the finance needed to keep up military campaigns. However, this is not the only pathway through which an insurgent group's criminal activities enable it to attain territorial control. Criminal activities provide an alternative pathway to territorial control. This is possible because the insurgent group's criminal activities -

on their own and not via the mechanism of enhancing the insurgent group's military capability – can neutralize the threat posed by all the three challengers, that is a) the state b) other armed actors and c) local population.

Dealing with the State:

In regions of contested sovereignty, one of the primary challenges for the insurgent group is to survive clampdowns by the state. A potential trajectory for insurgents to survive is to employ conventional military tactics or a sustained guerilla warfare campaign. In many places, insurgents use conventional military style offensives or guerilla warfare tactics like ambush, suicide bombing, firearm and IED attacks to survive. However, military firepower is not an effective option in contested regions, especially vast, sprawling urban areas. This is not to say insurgents do not attempt such a strategy. When they do, however, it does not yield the requisite space for survival.

In order to improve their chances of survival, insurgents undertaking criminal activities have the option of leveraging the crime-state nexus. Crime-state nexus is the use of rents from criminal activities to scuttle and subvert the state machinery (Swanstrom 2007, Ballentine 2003). Many organized crime groups are known to have tackled state repression by sharing their rents with state functionaries (Swanström and Cornell 2006, Jordan 1999). Insurgents too can leverage this aspect of crime. By sharing part of criminal rents with the state machinery, insurgents can “...use corruption to breach the sovereignty” of the state (Pg 56, Thachuk 2001).⁴ Regions of contested sovereignty are especially prone to the crime-state nexus. Such places are distinguished by state weakness. Personnel manning institutions of the state, especially the law

⁴ Cornell (2006) also documents the insurgent attraction for subverting the state by corruption.

enforcement agencies, are susceptible to offers of bribe. At the middle to senior level, some, if not all, officials may be bought off too.

The insurgents' use of criminal rents to corrupt the state enables them to control territories by two channels. First, officials receiving bribes from insurgents do not interfere with gradual 'territorialization' of turf (Gayer 2014). Having been bribed, the law enforcers ignore insurgent movement and presence and insurgents are able to establish and consolidate their spheres of influence. Second, corruption leads to infiltration of the state apparatus. This infiltration is most valuable to insurgents, because it provides access to timely information on possible crackdowns by those elements of the state not bought off by criminal rents. By having informants inside the state, insurgents are able to evade state crackdown.

Dealing with Non-State Armed Actors:

In regions of contested of sovereignty, other non-state groups also pose a significant threat to the insurgent group. The insurgent group has to ward off such threats to ensure its survival. In urban regions of contested control, especially in ethnically mixed areas, political groups aspire to maintaining turf, if not outright territorial control. Control of turf, as used here, is distinct from control of territory, as operationalized earlier. The state may not be in conflict with armed groups that lay claim to turf. Turfs are normally marked by political parties and independent criminal groups. Turfs controlled by political parties may be crucial to their electoral fortunes, especially as and when the political party finds itself in opposition to the political party controlling the state (Staniland 2015). Controlling turf facilitates both coercion and consolidation of the base of support for the political group, serving it in good stead during election time. Such political groups may rely on criminal groups to exercise control of their turfs.

Similarly, criminal groups, such as protection rackets, may mark their turfs and not tolerate any competition from any new armed actor (Gambetta 1996).

Insurgent groups can militarily take on and defeat such challengers. Indeed, empirically, this has been the case in a number of insurgencies. I, however, focus on the dynamic of competition between the insurgents and these armed actors because of criminal activities.

When insurgents undertake criminal activities, they may be confronted with other armed actors in two ways. First, independent criminal networks may monopolize criminal activities within their turfs. Such criminal groups include and are not limited to protection mafias, extortion rackets, smugglers, and drug peddlers. As insurgents undertake criminal activities in regions dominated by such groups, a face-off between the two becomes inevitable.

Second, armed actors, besides the state, may be in the business of outsourcing their coercive activities to criminal groups. For political parties, for instance, criminal groups are more suitable than a large paramilitary faction or militia, requiring consistent servicing and organization. By outsourcing activities of violence to criminal groups, like carrying out threats within turfs marked by the political group, and taking part of their crime revenues, political groups may significantly reduce the effectiveness of the state apparatus and other competing political groups (Gayer 2014).

Given this, one strategy that insurgent groups may exercise for eliminating competition is cooptation of criminal groups. Both independent criminal groups and those working with other armed actors may be easily swayed into joining or partnering with the insurgent group. Insurgent groups are likely to be attractive to criminal group for two reasons. First, insurgents tend to have more firepower. Partnering with them creates synergies which criminal groups may not have on their own. One example is of using insurgent branding. By using the insurgent group's name,

which might be more widely feared, criminal groups may be able to extract more rents. Second, criminal groups allying with political groups may prefer the protection and patronage of the insurgents. The patronage of political elites is not ideal. Not only do the criminals have to pay up to their political masters to survive, they also have to toe their line on when to be and not to be criminal. The patron's support for the criminal networks also depends on the involvement of the patron in representative institutions and/or a host of political considerations that the criminal group is unable to influence in anyway. In comparison, an insurgent group seeking to upstage the state has no such compulsion. It is also not swayed by electoral considerations. With greater firepower and more resolve to challenging the established order than their political patron, criminal groups are attracted to the better and more reliable physical protection of the insurgent group.

Insurgents undertaking criminal activities, therefore, may coopt criminal groups. Doing so eliminates competition, allowing the insurgent group to establish and expand territorial control in the turfs of other armed actors. Additionally, the coopted criminal groups may start carrying out threats on behalf of the insurgent group and provide them with a share of criminal revenues – which may further enable the insurgent group to corrupt the state.

Local Population:

When insurgents undertake criminal activities, they lay the ground of an information gathering mechanism. By conducting criminal activities, which may range from kidnapping, extortion, smuggling to drug pedaling, insurgents learn who is a 'non-complier' i.e. a potential source of threat to them. Non-compliance can manifest in two ways. First, locals may report the insurgent group's criminal activities to the state or other armed actors. Because of such reporting, insurgents are susceptible to clamp down by the state or assaults by other armed actors. Second,

local population may resist criminal activities by either refusing to pay the sought-after rent or participating in the activity. For instance, some locals may not pay the sought extortion payment or refuse to partake in the drug pedaling or smuggling business.

As insurgents undertake their activities, they are able to identify non-compliers. Insurgents may want to eliminate the non-compliers on identification. The elimination of non-compliers of criminal activities deters future non-compliance in the neighborhood. It may encourage informants of law enforcement agencies and law enforcement agencies to defect to the insurgent. Consequently, the identification of non-compliers not only eliminates a direct source of threat but also sets an example of what might happen to those who do not comply. Targeting of non-compliers of criminal activities, therefore, leads to compliance of the neighborhood, enabling insurgents to establish their bases of operations and not be concerned about their mobility. Additionally, some locals may become informants for the insurgents as the fear of non-compliance increases (Kaylvas 2006).

Summary: Crime to Control

To summarize, criminal activities by insurgents lead to control for the insurgents in three ways: corruption and infiltration of the state, elimination of competition by cooptation of criminal groups and elimination of non-compliers. The corruption and infiltration of the state mechanism enables the insurgents to gain mobility of movement, unchallenged refuge and intelligence in their areas of operations. The cooptation of criminal networks removes irritants who may challenge the insurgents' mobility and safety in their hideouts. The mechanism of eliminating non-compliers completely incapacitates the flow of information to both the state and other armed actors. Because local people worry about their survival if they become a hindrance to the insurgent group's activities, insurgent group does not have to worry about information

leakages leading to state crackdown or assaults from other armed actors. Below I summarize the phenomenon in a table:

Control asserting Player	Mechanism to Control	Consequence	Territorial Control Features Achieved
State	Corruption and Infiltration	Insurgent extends turf and prevents crackdown by the state machinery	Mobility, Refuge and Intelligence
Non-State (Political groups)	Eliminate Competition	Coopted criminal networks disarm competing groups, ruling out challenge	Mobility, Refuge and Intelligence
Local Population	Eliminate Non-Compliers	Compliance of local population	Mobility, Refuge and Intelligence

Table 1: Summary of Mechanisms

Table 2 below lists various criminal activities and which proposed mechanisms they are likely to unleash. First, the corruption and infiltration of the state mechanism is possible in the case of all criminal activities. The funds generated can be used by insurgents to create an ingress in the state apparatus by bribing the bureaucracy and the law enforcement agencies. Second, all activities but bank heists/robberies provide an avenue for eliminating competitive elements. Insurgents, with their greater fire-power, can market themselves to players in the smuggling, drug pedaling, extortion and kidnapping arenas. Those players are likely to find it attractive to undertake the criminal activities from a more compelling platform. Third, as the insurgent undertakes criminal activities, it will encounter those in the local population who will either resist or report. Insurgents thus learn who needs to be neutralized in order to achieve perfect compliance. For instance, insurgents often kill those who refuse to pay the extortion demand, enable sabotage of drug trafficking, facilitate smuggling interdictions or delay payment of ransom.

Activity/ Mechanism to Control	Bank Heists/Robberies	Smuggling	Drug Pedaling	Extortion	Kidnapping
Corruption and Infiltration	Yes	Yes	Yes	Yes	Yes
Eliminate Competition		Yes	Yes	Yes	Yes
Eliminate Non-Compliers			Yes	Yes	Yes

Table 2: Activities and Mechanisms

Plausibility Probe - Validity of Concepts:

I provide a plausibility probe (Eckstein 1975) of these mechanism with evidence from the Tehreek-e-Taliban Pakistan’s (TTP) criminal activities in Pakistan’s port city of Karachi. This probe first outlines the political context, nature of criminal activities and extent of territorial control. It then shows how the criminal activities of the group have enabled it to attain territorial control through the mechanisms proposed. Given the standard view of criminal activities as means of fund raising or profit making, showing that TTP’s criminal activities have led to territorial control should make us more confident about the dynamics of criminal activities proposed herein. This is obviously not a full-fledged causal story of either the TTP’s criminal activities or its territorial control.

The Case of the Tehreek-e-Taliban Pakistan in Karachi:

The Tehreek-e-Taliban Pakistan (TTP) is an affiliate of the Al-Qaeda and the Afghan Taliban. Formed in 2007, the TTP is an ideological group with the overarching goal of imposing ‘Shariah’ in Pakistan.⁵ Soon after its formation, the TTP established control over many parts of tribal areas in Pakistan’s north west. It also carried out violent attacks across the country. TTP has killed and injured more than 20,000 Pakistanis.⁶ While TTP extensively used guerilla and

⁵ For background on the TTP in Pakistan’s tribal areas, see Abbas (2014).

⁶ “Pakistan’ Security Landscape.” Pakistan Institute of Peace Studies, 2014. <http://san-pips.com/index.php?action=reports&id=tml2>.

conventional war tactics to expand its control in the tribal areas, its tactics and strategy in Pakistan's port city of Karachi were different. Since 2009, media reports and journalistic accounts have reported the TTP's criminal activities in Karachi. The TTP has actively undertaken criminal activities including extortion, land grabbing, kidnappings for ransom, and bank robberies in Karachi.⁷

In this section, using primary and secondary source data, I show that the TTP's criminal activities helped it to control parts of the city. The primary source data that informs this investigation are documents obtained from the Karachi Police and the judgments of the Pakistan Supreme Court's hearing in the Karachi Law and Order Case, initiated in 2011.⁸ The secondary source data relied upon triangulates information from recent books written on violence in Karachi and news reports on Karachi from Pakistani and international press. Using these sources, I show the state of crime and control by the TTP in Karachi before elucidating the mechanisms that have allowed the TTP to assert control. But before doing that, I first sketch out the political landscape of Karachi to give context to the TTP's criminal activities and how that has led to territorial control.

Karachi, city of contested sovereignty:

Home to an estimated population of 18 million people, Karachi is Pakistan's largest metropolis. It is also the country's financial capital and transit hub, contributing the lion's share to Pakistan's gross domestic product and industrial output, while also generating at least 60% of national revenue (Rehman 2013). The city's geographic position lends it special geopolitical

⁷ Rehman, Zia ur. "Karachi: Enter TTP." *Dawn*, March 9, 2014. <http://www.dawn.com/news/1091918>.

⁸ While some of the orders and proceedings of the Karachi Law and Order case are available on the Pakistan Supreme Court's website (<http://www.supremecourt.gov.pk/>), those not available on the web were obtained through field research in 2014.

significance as well. Karachi port is located on the mouth of the Persian Gulf, serving as a major regional shipping and maritime hub. Since 9/11, for instance, the city has been the primary logistical entry-point for the US led coalition's war effort in Afghanistan.

Karachi's economic, demographic and geopolitical potential has remained largely untapped because of the endemic levels of violence. In the last three decades, the city has been beset by political tumult with the resulting violence bordering on civil war levels. According to the UNODC, Karachi has a murder rate of 12.3 per 100,000 residents.⁹ In 2012, there were 2,174 reported killings and in 2013 this number exceeded 2,700.¹⁰

Much of the violence in the city is attributable to the tenuous turf war between different political groups with domination in electoral politics as the end goal (Gayer 2014). The political cleavages are rooted in the city's ethnic diversity. Karachi is home to four major ethnic groups: the Urdu-speaking migrants from India commonly known as Muhajir, the Pakhtoons, the Sindhis and the Punjabis. Political groups representing one or more of these ethnic groups have indulged in intense contestation of turf. The last two decades have seen violent domination by the 'Urdu-speaking' ethnic political party, Mutahida-Qaumi Movement (MQM).¹¹ Besides the MQM, the Sindhi Pakistan Peoples Party (PPP) and the Pakhtoon Awami National Party (ANP) have had political support in large parts of the city. At the back of the support, both the political parties have challenged the MQM's domination. All these groups, including the MQM, have employed violence in their politics, using both armed militias and criminal gangs.¹² Despite persistently high level of violence, it is difficult to say who exactly undertakes violence on behalf of these

⁹ "Crime in Karachi: Emboldened without Enforcement." *Business Recorder*, August 21, 2013. <http://www.brecorder.com/br-research/44/3599:crime-in-karachi-emboldened-without-enforcement/>.

¹⁰ Khan, Faraz, and Gibran Ashraf. "Karachi 2013: The Deadliest Year of All," January 6, 2014. <http://tribune.com.pk/story/653889/karachi-2013-the-deadliest-year-of-all/>.

¹¹ See Gayer (2014) for history of violent confrontation between MQM and Pakistani state.

¹² "Sindh - The Gangs of Karachi." Wikileaks, April 22, 2009. https://www.wikileaks.org/plusd/cables/09KARACHI138_a.html.

groups but most reports suggest that these parties both outsource violence and have some armed wings of their own. As a result, political and criminal violence has coalesced, escalating intermittently. According to some observers, the frequency of violence ebbs at levels close to that of Caracas and Guatemala City, earning the city the reputation first of a ‘South Asian Beirut’ and more recently of ‘the world’s most dangerous cities’.”¹³

Given the endemic levels of violence in the city, the state apparatus in Karachi has become weaker over time. The coercive state apparatus is made up of civilian controlled law enforcements agencies like the police and the Pakistan Army controlled paramilitary, the Rangers. Given the state of the civil-military imbalance in the country, the two forces, instead of working in tandem, often compete with each other.¹⁴ In addition, the size of the security apparatus is completely out of sync with the demographic realities of the city. Despite being home to over 18 million people, the city’s law enforcement personnel to population ratio has been inadequately low.¹⁵ Politics has exacerbated these institutional constraints. As the various political groups have exerted control, state authority has been eroded (Gayer 2014).

TTP’s turn to Karachi:

The TTP’s control of major parts of Karachi from 2012 onward surprised many political observers and journalists. Many journalists still debate and conjecture on how an insurgent group’s ingress in an urban area as bustling as Karachi go unnoticed. According to Zia-ur-Rehman, “... it was largely thanks to the peculiar political dynamics of Karachi that the Taliban presence remained mostly unnoticed and unremarked.” Unlike the TTP’s aggressive actions in Pakistan’s tribal areas and the Swat district, where at one point the TTP completely displaced the

¹³ Qaswar Abbas. “Karachi: World’s Most Dangerous City.” *India Today*, August 27, 2011. <http://indiatoday.intoday.in/story/worlds-most-dangerous-country/1/149333.html>.

¹⁴ “Karachi Law and Order Case.” *Supreme Court of Pakistan*, 2011.

¹⁵ “Karachi Law and Order Case.” *Supreme Court of Pakistan*, 2013.

state, the TTP's tactics in Karachi were different. The TTP had no major contests with the state or other political groups and yet managed to attain extensive control. Before understanding how this process unfolded, it is important to establish and situate the TTP's emergence in the city.

Karachi has been an attractive hideout for Al-Qaeda and its affiliates for over a decade. Since 9/11, both Al-Qaeda and other armed groups in the country relied on the logistical support from Karachi's many militant, religious and sectarian groups to shore up their capabilities. Karachi's size, combined with its assortment of ethnic and linguistic groups, made it easy for insurgent cadres to live and organize their clandestine activities.¹⁶ TTP, too, turned to the city for similar reasons. The first exodus of TTP militants was brought about by the launch of Pakistan Army's military operations, Rah-e-Rast and Rah-e-Nijat, in 2009. Rehman (2013) confirms this, adding that in addition to Pakistan Army's military operations, the pressure brought about by the US drone campaign in 2009 also forced the militants to seek a new hideout.¹⁷ The TTP militants fled to Karachi along with large contingents of internally displaced population of the Swat valley and the tribal areas.¹⁸ According to Gayer (2014), among these IDPs were a handful of TTP fighters who "were initially planning to stay briefly in Karachi before heading back to the war zones of the tribal areas" (Page 187). Rehman (2013) notes that this changed quickly. Realizing that Karachi was a better hideout to not only survive the military onslaught but to fund raise, TTP's cadres set up shop in the city.

From 2010, reports received by the Karachi police and the Citizen Liaison Police Committee – a public private partnership for community policing – found that the TTP was

¹⁶ "Karachi Law and Order Case." *Supreme Court of Pakistan*, 2011.

¹⁷ The Supreme Court of Pakistan Orders 2011 and 2013 note that TTP's turn to Karachi took place after Pakistan Army's military operation in Swat and Waziristan Agencies.

¹⁸ "Karachi Law and Order Case." *Supreme Court of Pakistan*, 2011.

undertaking criminal activities in the city.¹⁹ News reports too noted that the TTP was engaging in activities like extortion, land grabbing, kidnappings for ransom, drug peddling and bank robberies.²⁰ According to Rehman (2013), the TTP gradually became a major player in the city's kidnapping, drugs and extortion market. TTP collected funds by extorting "... Pakhtun traders and transporters, school and hospital owners and even madressahs."²¹ He further confirms that the TTP undertook robberies and captured vacant land in some neighborhoods.²²

TTP's control of Karachi:

In 2013, a senior official of the Karachi Police, quoted in a news report by the BBC, confirmed the TTP's control of the city, saying, "Taliban are swiftly extending their influence."²³ Most independent analysts and journalistic accounts in 2013 also reported TTP's extensive control, but differed on the extent of TTP's control in the city. According to Zia-ur-Rehman, author of the book "Karachi in Turmoil", at least 10 percent of the city's residents live in neighborhoods effectively controlled by the Pakistani Taliban.²⁴ According to data obtained from the Karachi Police, the TTP at its peak controlled 33 of 178 union councils, which equates to 27 % of the city's territory. A report by the Wall Street Journal described that the TTP by early 2014 had come to dominate control over "470 square miles of Karachi, or nearly a third of its

¹⁹ Mirza, Shaheryar. "Jihadi Kidnappings: As the Year Ends, a New Trend in Crime Reveals Itself to Experts." *The Express Tribune*, January 1, 2012. <http://tribune.com.pk/story/314743/jihadi-kidnappings-as-the-year-ends-a-new-trend-in-crime-reveals-itself-to-experts/>.

²⁰ "Karachi Law and Order Case." *Supreme Court of Pakistan*, 2011. Note: Extortion is a term used in Karachi to denote money collected from residents and businesses by threat of force. Since 1990s, Karachi's political parties have collected extortion money from the residents of the city, with MQM taking the lion's share of the extorted income from its areas of control.

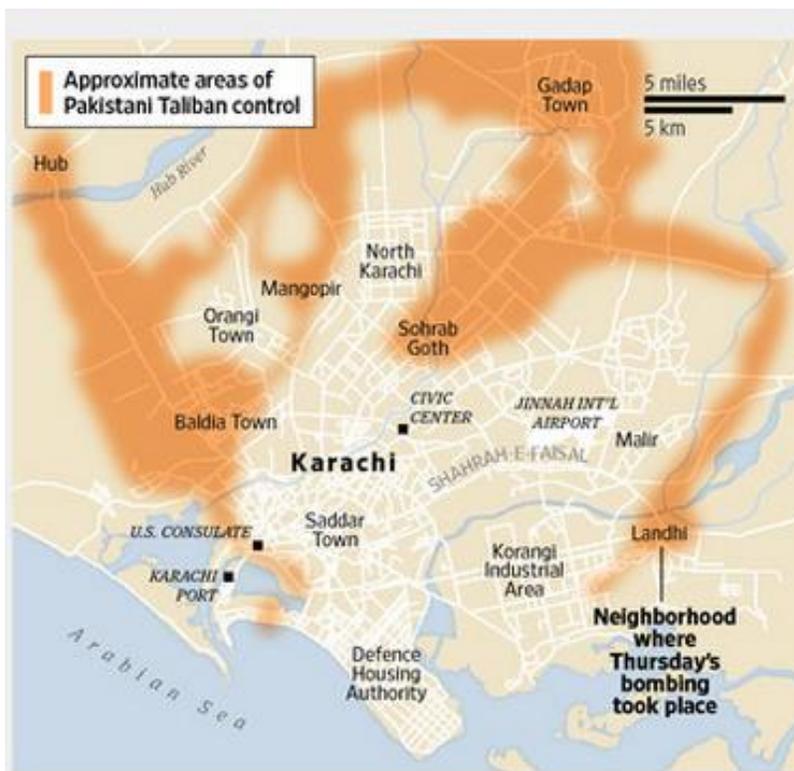
²¹ "Karachi: Enter TTP." Accessed December 3, 2014. <http://www.dawn.com/news/1091918>.

²² Land grabbing is a term coined by the Karachi Police to denote illegal occupation of small plots of land. In Karachi, land grabbing has been a persistent problem, with criminal networks, linked to various political parties, specializing in occupation and sale of small plots of land.

²³ "How the Taliban Grippped Karachi." *BBC News*, March 21, 2013. <http://www.bbc.com/news/world-asia-21343397>.

²⁴ Craig, Tim. "Karachi Residents Live in Fear as Pakistani Taliban Gains Strength." *The Washington Post*, February 3, 2014. https://www.washingtonpost.com/world/karachi-in-fear-as-pakistan-taliban-gains/2014/02/03/010aafae-8991-11e3-833c-33098f9e5267_story.html.

area, where at least 2.5 million people live”, equivalent of 41% of the city.²⁵ The Wall Street Journal further reported the TTP's control to be extending to the main commercial hubs of the city, “right up to Saddar—the city center—and into areas such as Sultanabad, a ramshackle community next to the new U.S. Consulate compound.” A map made available by the WSJ study shows the extent of TTP’s control in 2014:



According to news reports and the Karachi Law and Order case proceedings, areas controlled by the TTP had the following markers. First, in regions controlled by the TTP, it set up its own governance structures, such as courts and dispute settlement mechanisms.²⁶ A report noted that “[the] mobile Taliban court does not limit its interests to this one shanty town on the

²⁵ Shah, Saeed, and Syed Shoaib Hasan. “Taliban Take Toll on Pakistan’s Biggest City.” *Wall Street Journal*, February 14, 2014, sec. Asia. <http://www.wsj.com/articles/SB10001424052702304558804579374901672957772>.

²⁶ “How the Taliban Gripped Karachi.” *BBC News*, March 21, 2013. <http://www.bbc.com/news/world-asia-21343397>. Also see: Rehman (2013) and Gayer (20

outskirts of Karachi. It also arbitrated disputes across many suburbs in the metropolis.”²⁷ Commenting on efficiency of the justice system, the report added, “After a two-hour session, the Taliban judge adjourns the hearing to another date and venue which he says will be disclosed shortly before the hearing.” Second, the TTP controlled areas became inaccessible to the police.²⁸ The police described a general reluctance to enter the TTP controlled territories for the fear of being attacked. In an interview to the BBC, a police official confirmed the fear gripping the force, admitting that they had even stopped regular patrols.²⁹ He conceded being scared of sending his forces in the TTP controlled territories, saying, “When a killing occurs somewhere else in the city, a lone constable usually hops onto a motorcycle and speeds off to the scene of the crime. Here, we can’t think of doing that unless we have a death wish [...] we have to make sure our weapons are loaded. Then an entire team, headed by me, gets into a police mobile. Only when we pacify the criminals that we haven’t come to apprehend them can we advance safely to retrieve the body.” Describing how the simple task of responding to an incident of crime is replete with dangers, the official added, “We often wait for a body to turn up at one of the hospitals and then head there to question the family and any eyewitnesses.”

Given this description, three conclusions can be drawn about the nature of the TTP’s territorial control in Karachi. First, by keeping the police out and upstaging state institutions, the TTP was able to manage unfettered mobility in its areas of control. Second, which is a related implication, the TTP and their cadres were able to establish hideouts. Third, the TTP’s control was facilitated by a network of sympathizers and informers. Given this nature of the TTP’s

²⁷ “How the Taliban Grippped Karachi.” *BBC News*, March 21, 2013. <http://www.bbc.com/news/world-asia-21343397>.

²⁸ Zaman, Fahim, and Naziha Syed Ali. “Taliban in Karachi: The Real Story.” *Dawn*, March 31, 2013. <http://www.dawn.com/2013/03/31/taliban-in-karachi-the-real-story/>.

²⁹ “How the Taliban Grippped Karachi.” *BBC News*, March 21, 2013. <http://www.bbc.com/news/world-asia-21343397>.

control, it is reasonable to extrapolate that the TTP was not operating as a clandestine shadowy organization, and that in fact it was the most powerful actor in its areas of control. This assertion is substantiated by the following anecdote: “The Taliban are so dominant in the area that they are no longer operating secretly. “Just walk across the street and you will meet the people you are looking for.” This is how a constable posted at the entrance to Manghopir police station responds when asked about the Taliban's presence. Pasted inside a mosque in Sultanabad, a flier advises local shopkeepers and businessmen to contact Tehrik-e-Taliban Pakistan (TTP), Karachi Chapter, should the workers of any political group demand protection money from them. The flier carries a satellite phone number for traders to get in touch with the Taliban.”³⁰

TTP’s Criminal Activities and Control:

How did the TTP manage such control of the city without unleashing fire power at the same scale as it did in the tribal areas? What role did criminal activities play in perpetuating this kind of control? In this section, I detail the mechanisms through which TTP’s criminal activities enabled it to attain and maximize territorial control.

Mechanism 1 - Infiltrating the state:

The first mechanism that facilitated the TTP’s control of the city is the permeation of the state using criminal rents. Karachi has had a deeply politicized and corrupt state machine. According to Gayer (2014), lack of state capacity and breakdown of law and order in Karachi has been reinforced by the troubling high level of corruption within the state apparatus. For decades, officials have afforded favors to criminal groups in return for a persistent stream of

³⁰Khan, Maqbool, and Mansoor Khan. “Karachi’s Pakhtun Areas under Taliban Control.” *Sunday Guardian*, January 5, 2013. <http://www.sunday-guardian.com/investigation/karachis-pakhtun-areas-under-taliban-control>.

bribes. Such favors have made police officials party to various criminal activities, from extortion to land grabbing, kidnapping for ransom to bank heists.

As buying off the state machinery was a tradition in the city, the TTP, much like other armed groups, saw in this an opportunity to influence Karachi's corruptible state machinery. The Supreme Court of Pakistan's 2011 and 2013 proceedings note that officials of Karachi's law enforcement and other state institutions were on the payroll of various criminal gangs. The TTP followed suit by paying off rents from its criminal activities to elements of law enforcement agencies. Doing so enabled it to find conduits of information within the state apparatus. The TTP used the conduits to manipulate the flow of information within the police.

For instance, the TTP occupied small plots of land through its criminal cohorts, on which, despite complaints to the police, the state apparatus took no action.³¹ To further entrench its hold over territory, the TTP gave away the occupied land to its ethnic compatriots for a hefty price and started taxing them. Despite the Karachi police being in the know about these activities of the TTP, it preferred to turn a blind eye. Describing the police's dysfunction from within, a news report noted that "One common reason for their limited success remains that the law enforcers hardly ever agree to timely sharing of information with others in the same trade." Further, attributing the breakdown in information flows and action against the TTP to corruption, the report suggested: "There is money to be made in policing the largest metropolis of the country and it suits everyone to keep the fear alive."³²

In addition to the benefits it has reaped from paying off state-agents, the TTP also prevented a number of crackdowns from infiltrating the state apparatus. One incident from 2012

³¹ Gayer (2014) reports that for armed groups to gain an '...upper hand over their rivals is to have police on their side' (Page 230).

³² Zaman, Fahim, and Naziha Syed Ali. "Taliban in Karachi: The Real Story." *Dawn*, March 31, 2013. <http://www.dawn.com/2013/03/31/taliban-in-karachi-the-real-story/>.

illustrates the extent of the infiltration benefits enjoyed by the TTP.³³ Pirabad police station is located in a region which was dominated by the TTP. After discovering that the TTP militants were gathered at a mosque, a newly posted official at the police station undertook a raid of the mosque. The official arrested the head of the mosque and nine suspected militants, soon after arriving on the scene. But the situation turned against him. As his men swept the building looking for militants linked to the TTP, the official discovered that the building was being surrounded by the TTP's reinforcements. The police official called for reinforcements, alerting his high up that the raiding team was under siege in the mosque. However, calls to law enforcement personnel for backup were met with 'enigmatic' refusal. After setting free the nine heavily armed militants they had apprehended, the outnumbered police officials were roughed up by the TTP militants and finally had to negotiate their release and that of their men.

Mechanism 2: Eliminating competition - Co-opting Criminals

TTP undertook a concerted campaign to recruit criminals who 'knew and understood' Karachi (Gayer 2014). As the Supreme Court found in its fact finding inquiry, political parties, like the MQM and PPP, patronized criminal gangs and used criminal groups to not only generate rents but also to mark their turfs.³⁴ Similar to the alliance formation strategy of the political parties, the TTP too allied with local criminal gangs. According to one report, such an alliance further solidified TTP's territorial control, noting, "The Pakistani Taliban, working with criminal gangs, have joined the fray in recent months, making virtual no-go areas of the largely Pashtun

³³ Zaman, Fahim, and Naziha Syed Ali. "Taliban in Karachi: The Real Story." *Dawn*, March 31, 2013. <http://www.dawn.com/2013/03/31/taliban-in-karachi-the-real-story/>.

³⁴ "Karachi Law and Order Case." *Supreme Court of Pakistan*, 2011.

townships along the western periphery of Karachi.”³⁵ Another report also provides a similar description, suggesting, “They joined hands with local criminals and offered them to join their ranks. It worked both ways as the Taliban wanted manpower and the local criminals aspired to work on a larger platform.”³⁶

The pathways to control by cooptation of criminal networks have been both direct and indirect. In the direct pathway, coopting criminals eliminated competition. Without their gangs to carry out threats on their behalf, the political parties were unable to wield control of their turfs. A report by the BBC confirmed this phenomenon, highlighting how this has led to elimination of competition for the TTP. “The Taliban have come in and effectively ‘top-sliced’ a lot of the gangs,” a police official noted in an interview, and added, “In the past, you might have gangs that dealt with kidnap, extortion or phone theft, and the Taliban have come in and said, ‘You will continue with your work, but you will work for us.’”³⁷ Some reports also documented how the TTP was able to jostle control of criminal gangs linked to the then ruling Pakistan People’s Party in the city’s notorious Lyari neighborhood. As noted, “TTP militants are collaborating with criminal gangs that operate out of Lyari for fundraising through extortion. While most extorted funds are collected on behalf of the city’s competing political parties, an increasing share is diverted to fund the TTP’s militant activities, primarily as a result of agreements between militant and criminal groups whereby the TTP pays Karachi-based gangs to collaborate with it on a temporary basis, in the absence of its own grassroots networks” (Yusuf

³⁵ Tom Hussain. “Karachi Is Part of Pakistani Taliban Plan to Bring War to Urban Centers.” *McClatchy DC*, April 29, 2013. <http://www.mcclatchydc.com/news/nation-world/world/middle-east/article24748615.html>.

³⁶ Khan, Faraz. “Occupation 101: Manghopir – How It Became a No-Go Area.” *The Express Tribune*, April 4, 2013. <http://tribune.com.pk/story/530799/occupation-101-manghopir-how-it-became-a-no-go-area/>.

³⁷ Hornak, Leo. “How the Taliban Took Control of Organized Crime in Pakistan’s Largest City.” *Public Radio International*, November 21, 2014. <http://www.pri.org/stories/2014-11-21/how-taliban-took-control-organized-crime-pakistan-s-largest-city>.

2012). Criminal networks coopted by the TTP in some instances took on their previous political masters. For instance, extortionist ‘Bhaloo’, initially linked to the MQM, joined hands with the TTP.³⁸ He scaled his extortion network, delivering threats on behalf of the TTP and also attacked his erstwhile patron, the MQM.

In addition to neutralizing competition in their territories, the coopted criminal groups provided the TTP cadres with a steady stream of weapon supplies, which in turn reinforced their strength. The TTP was also able to train with the help of these criminal networks. According to a news report, the TTP cadres have “.. worked similarly with ethnic Baluch-led gangs in the southern area of Lyari, adjacent to Karachi’s port and central business district. Although politically associated with Zardari’s Pakistan Peoples Party, and usually at war with militias associated with the United National Movement, the gangs have also provided havens to Taliban militants on the run, in return for securing smuggled weapons and ammunition from Afghanistan.”³⁹ The report added, “the Pakistani Taliban, since the second half of last year, have extended their relationship with the Lyari gang leadership to military training, including marksmanship, tactics and instruction in the use of armor-piercing ammunition and rocket-propelled grenades.”

Another indirect benefit of coopting criminals was the knowledge of the state. By working alongside criminal actors, who had experience of interacting with the state machinery, the TTP gained an understanding of the workings of the police and the state machinery. Quoting an unnamed official, a news report highlighted how criminal cadres complemented Taliban’s capabilities, saying, “Getting these criminals on board helped

³⁸ Anecdote quoted from Gayer (2014) (Pg 187).

³⁹ Tom Hussain. “Karachi Is Part of Pakistani Taliban Plan to Bring War to Urban Centers.” *McClatchy DC*, April 29, 2013. <http://www.mcclatchydc.com/news/nation-world/world/middle-east/article24748615.html>.

Taliban procure people who were already trained and knew how the law enforcers in Karachi worked.”⁴⁰

Mechanism 3 - Non-compliance:

For the TTP, a cost effective mode of achieving control was by subduing potential non-compliers to their criminal activities. The TTP systematically targeted those who reported or resisted their criminal activities. Such non-compliers were identified when they hindered the TTP’s criminal activities, be it extortion, kidnapping or drug pedaling. Eliminating potential rivals also generated extensive fear of the group. A news report described the state of fear created by the TTP as follow: “The militants are themselves demanding and collecting protection money through what they call the Pakhtun Aman Jirga. An office of the jirga can be seen behind Malik Agha Hotel near al-Asif Square in Sohrab Goth. Altaf Khan, who rents out heavy machinery from a shop in Sohrab Goth, says the business community in his area is receiving, and complying with demands for money by the Taliban.” Explaining how the TTP managed such compliance, a news story reported that “... every Pashtun trader is threatened with extortion by the Taliban and whoever refuses to pay is killed.” Another report echoed this dynamic as well: “A factory owner in Manghopir, speaking on the condition of anonymity out of fear for his safety, said that several Pashtun businessmen had received demands for \$10,000 to \$50,000. The figure was negotiable, he said, but payment was not: resistance could result in an assault on the victim’s house or, in the worst case, a bullet to the head.”⁴¹ Explaining the effect of such tactics, a police officer serving in a Taliban controlled area was quoted as saying, “The militants have

⁴⁰ Khan, Faraz. “Occupation 101: Manghopir – How It Became a No-Go Area.” *The Express Tribune*, April 4, 2013. <http://tribune.com.pk/story/530799/occupation-101-manghopir-how-it-became-a-no-go-area/>.

⁴¹ Walsh, Declan, and Zia Ur-rehman. “Taliban Extending Reach Across Pakistan.” *The New York Times*, March 28, 2013. <http://www.nytimes.com/2013/03/29/world/asia/taliban-extending-reach-across-pakistan.html>.

either scared police personnel, informers and intelligence moles out of these localities or killed those who refused to leave.”⁴²

The resulting fear of these threats was that the TTP’s control grew over time and the state apparatus weakened. As any kind of resistance was met by an actual punishment, local neighborhoods gradually stopped soliciting the police’s help altogether. A report aptly described how the TTP was able to wield territorial control because of such threats, saying, “Since then the militants have spread to several adjoining localities. The situation is so grave in most of these areas that people have completely given in to the Taliban’s writ. Four years ago, the residents of Sultanabad successfully defied the newcomers when they tried to impose their control in the area. But intelligence agency officials now say that no one dares defy the Taliban’s orders any more in Sultanabad and in other areas beyond it.”⁴³

Conclusion and Implications:

By exploring the micro dynamics of criminal activities by insurgents, an issue typically framed and understood as one of greed, predation and financial gain, this paper first and foremost demonstrates the need to pay close heed to micro dynamics of conflict. Micro dynamics in civil war studies are not trivial details. Discarding them for the sake of theoretical parsimony has its drawbacks. Such dynamics deserve close attention for uncovering the key mechanisms relating important variables, like territorial control, levels of violence and patterns of targeting. Ignoring them leads to omissions of key variables as well as skewed characterizations. Such characterizations can be both limiting and misleading. One such blind spot in the crime, insurgency, and conflict literature are the consequences of criminal, illicit activities of politically

⁴² Ahmed, Maqbool, and Mansoor Khan. “Troubled North-West Comes to Town.” *Herald*, March 27, 2015. <http://herald.dawn.com/news/1152964>.

⁴³ Ahmed, Maqbool, and Mansoor Khan. “Troubled North-West Comes to Town.” *Herald*, March 27, 2015. <http://herald.dawn.com/news/1152964>.

minded insurgent groups. Insurgents indulging in crime have been constantly portrayed as either interested in enriching themselves, profit seeking or concerned about operational finance. While that may be correct, criminal activities have important political implications which are generally not addressed by existing perspectives.

In this study, I show that criminal activities have consequences on insurgents' territorial control. Theoretically, I outline three key mechanisms leading to territorial control that are unleashed when insurgent groups undertake criminal activities. These three mechanisms are: permeation of the state with the help of criminal rents, cooptation of criminal networks, and elimination of non-compliers. I provide a plausibility probe of these mechanisms using the case of the Tehreek-e-Taliban Pakistan's criminal activities in Karachi. I show that crime by the TTP had important consequences on its control of territory.

The theoretical contribution and main take away from this paper is that limiting the processes and dynamics of criminal activities to predation, greed and financial enrichment constrains understanding of the broader role such criminal activities play in enabling insurgents politically. As shown, territorial control is one of the gains of such criminal activities. Studies that move beyond narrow conceptualizations can uncover gains that are normally missed in criminal-rebel theories. Furthermore, such an understanding has important, more helpful policy implications. Clamping down on the criminal activities of insurgent groups should be high in the order of priority for counter-insurgents as any delay not only feeds the organization financially but also helps it politically by enabling it to have territorial control.

This paper also outlines the value of a research agenda on the consequences of criminal activities on insurgent politics. As Kalyvas (2015) suggests, involvement of insurgents in organized crime is a neglected feature of civil war studies. Focusing on the politics in addition to

economics of organized crime is likely to advance the understanding of the intersection of crime, insurgency and civil war.

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