

LIST OF TABLES

CHAPTER 1

Table 1: Growth in the European settler population 5

CHAPTER 4

Table 1: Drugs seized from individuals at airports, harbours and in the countryside in Tanzania 83

LIST OF FIGURES

PREFACE

Figure 1: The 14 member states of SADC vi

CHAPTER 1

Figure 1: Regional threat indicator: Categories of crimes committed by organised criminal groups that constituted the most serious threat to nine countries in the SADC region in 2000 15

ABBREVIATIONS AND ACRONYMS

CHAPTER 1: INTRODUCTION

ISS	Institute for Security Studies
SADC	Southern African Development Community
SAPs	structural adjustment programmes
SARPCCO	Southern African Regional Police Chiefs Coordinating Organization
UDI	Unilateral Declaration of Independence
The Palermo Convention	UN Convention Against Transnational Organised Crime

CHAPTER 2: NAMIBIA

CSO	Central Selling Organisation
DRC	Democratic Republic of Congo
IDB	illegal diamond business
NDR	Namibian Diamond Recovery (Pty) Ltd.
PLAN	People's Liberation Army of Namibia
SFF	Special Field Force
SWAPO	South West African People's Organisation
WFP	World Food Programme

CHAPTER 3: MOZAMBIQUE

BCM	Commercial Bank of Mozambique
DIREs	identification cards of foreign citizens
PANA	Pan African News Agency
UNDP	United Nations Development Programme
UTRA	Unit for Restructuring of Customs

CHAPTER 4: TANZANIA

AFGEM African Gemstones of South Africa Company Ltd.
DRC Democratic Republic of Congo
SADC Southern African Development Community

CHAPTER 5: SWAZILAND

RSP Royal Swaziland Police
SAPS South African Police Service

Figure 1: The 14 member states of SADC



PREFACE

Organised crime, particularly transnational organised crime, emerged in Southern Africa as a distinct phenomenon considerably later than in some other parts of the world. While organised criminal groups out to make a profit have always been with us, it was only in the early 1990s that authorities in the region considered their expanding cross-border activities and increased sophistication as threats that needed to be countered through special initiatives. It became apparent that in the 1970s and 1980s, while governments were focusing on post-independence transformation, civil conflicts, structural adjustment programmes, political strife, and liberation struggles, numerous criminal networks managed to entrench themselves and develop significant illicit markets across the Southern African Development Community (SADC) region. In 1995 police chiefs in Southern Africa met to discuss escalating cross-border crime in the region, among other things, and decided to launch a regional initiative to combat it.

By now there is a broad consensus within the 14 member states of SADC that organised crime is a serious threat that needs to be countered on both national and regional levels. Yet relatively little is known about organised crime in the region. There is no real clarity about what the term 'organised crime' actually means. For example, what is the distinction, if any, between commercial crime, organised crime, and white-collar crime, if a number of people are involved in perpetrating those crimes on an organised and sustained basis for profit?

Our understanding of the organised criminal groups active in Southern Africa, and the criminal markets in which they operate, remains very basic. The perception of both experts and laypersons about organised crime is still largely determined by popular movies and literature on the subject of Mafias. More information needs to be gathered on organised criminal groups, the markets that they supply, and their impact. Researchers and journalists have a responsibility to contribute to such an exercise, and law enforcement authorities should be less coy about making information available. The task of combating organised crime effectively is much more difficult if the general population is ignorant about its nature and the threat it poses.

Against this background, the Organised Crime and Corruption Programme of the Institute for Security Studies (ISS) undertook a two-year study into the nature and extent of organised crime in the SADC region. In addition, the project sought to gain some insight into the penetration of state structures and regional business activities by organised criminal networks. This latter objective was an ambitious one, which could only be partially achieved. Attempts to focus on the nature and extent of the penetration of state and business sectors soon brought home the realisation that without first obtaining significantly more general information about the organised criminal groups that might be involved, and their activities, it would be fruitless to attempt an in-depth focus on the penetration aspect.

Commissioned researchers from various SADC countries provided research reports, some of which now form the basis of volumes I and II of this monograph. Two volumes were necessary because we attempted to cover as many SADC countries as possible. It was not possible to include every country in the sub-region and some gaps still need to be filled. This volume therefore contains reports on Namibia, Mozambique, Tanzania and Swaziland, while volume II relates to Zimbabwe, Botswana and South Africa. Some of the chapters in the two monographs are based on the papers presented by their authors at an ISS regional seminar in Pretoria on governance and organised crime and corruption in the SADC region, in April 2002.

The reader therefore needs to bear in mind that a considerable period of time has elapsed since the research reports were compiled. This is important because there have been developments in some of the countries during the past two years: some for the better and some for the worse. For example, the chapter on Mozambique provides a critical assessment of a criminal justice system riddled by corruption and inaction. Encouraging developments since the chapter was written suggest that Mozambican authorities are acting with greater determination than in the past to strengthen and enhance trust in the system. The most dramatic example was the widely publicised trial of six defendants for the murder of the well-known journalist Carlos Cardoso, which commenced in November 2002. Key figures linked to organised crime in Mozambique were convicted. The government has also been more assertive about its determination to tackle organised crime. The most recent example came from the Minister of State Administration who, in June 2003, reaffirmed his government's determination to step up its fight against organised crime and money laundering.

The contributors to the two volumes relied on a very broad and general description of organised crime, namely the definition provided in the UN Convention Against Transnational Organised Crime (the Palermo Convention). In essence the Convention criminalises the conduct of those who, as part of a group of three or more persons, commit serious criminal offences for profit over a prolonged period of time.

The research project that produced the two monographs was made possible through generous financial support provided by the Rockefeller Brothers Fund in New York and the European Union. The ISS is grateful for their support. In addition, the Max Planck Institute for Foreign and International Criminal Law in Freiburg, Germany, kindly provided a research stipend to undertake some research into organised crime in the SADC region, which contributed to the first chapter of this monograph.

The commissioned researchers from various SADC countries were prepared to undertake the research not because the ISS offered them market related professional fees—it was not in a position to do so—but because they had a real interest in the subject matter. The ISS hopes it will be able to rely on them again in future because they have built up an expertise on organised crime in their country, which few others have. Another newly qualified ‘expert’ on organised crime must be the editor of the various research papers, Fiona Adams. We are grateful for her support.

Peter Gastrow
Cape Town Director: Institute for Security Studies
July 2003

ACKNOWLEDGEMENTS

The two volumes of this monograph constitute part of the results of an applied research project funded by the Rockefeller Brothers Fund from New York. Their generous assistance is gratefully acknowledged.

ABOUT THE AUTHORS

John Grobler is a freelance journalist in Namibia. He has worked as a reporter for the Windhoek Advertiser and for various international news agencies and international publications, including for the *New York Times* as an Alfred Friendly Press Fellow in 1996. At present he is an independent writer and researcher with a special interest in organised crime and the international diamond market. He has worked, among others, for Global Witness and Partnership Africa-Canada and has recently completed a documentary film on the subject of conflict diamonds in conjunction with Denmark's TV2 and Germany's ARD TV network.

Peter Gastrow is the Cape Town Director of the Institute for Security Studies and the head of its organised crime and corruption programme. Before joining the ISS in December 1997, he practised as an advocate, served as a parliamentarian and was engaged as an adviser to the South African Minister for Safety and Security from 1994 to 1997.

Marcelo Mosse was born and lives in Mozambique where he is a leading independent journalist. He is the former editor of *Metical*, a private and independent newspaper, and has also worked as a correspondent for the Portuguese weekly, *Expresso*, and for Radio France International. In 2000 he was declared Mozambique's Journalist of the Year by Radio Mozambique and in 1996 he won the Great Prize of Journalism of the Portuguese Instituto Camoes.

Prince Bagenda is the Executive Director and research consultant of the NGO African International Group of Political Risk Analysis (PORIS) in Dar es Salaam. He has worked with various NGO structures in Tanzania and has been involved with projects that focus on corruption.

Simon Pillinger is the CEO of Strategic Research Consultants (Pty) Ltd. He spent a number of years investigating the illicit trade in wildlife and wildlife products and was responsible for designing a law enforcement data base used for combating this trade. He also worked in nature conservation in Botswana, South Africa, and Malawi for several years. He is the administrator for the SADC Rhino and Elephant Security Group and a member of the Interpol Environmental Crime Task Group. His consultancies have taken him to a number of West African States, and to all the East and Southern African States.

EXECUTIVE SUMMARY

Enhancing the information base on organised crime in Southern African countries is a prerequisite for a better understanding of the phenomenon and for more effective policy and operational decisions to both prevent and counter it. To contribute towards that objective this monograph provides studies on organised criminal groups and their activities in seven Southern African states, of which four, namely Namibia, Mozambique, Tanzania and Swaziland, are covered in this volume. The second volume, which is published simultaneously, contains chapters on Zimbabwe, Botswana and South Africa.

The country studies illustrate how organised criminal networks have succeeded in establishing a common criminal market for illicit goods that covers the entire Southern African sub-region. In the legitimate business world, entrepreneurial spirit and the development or exploitation of markets are crucial to increased profits. The same applies to the illicit economy. However, organised crime constitutes a serious threat to societies, among other reasons because it corrodes good governance, undermines transparent economic activities and is closely associated with corruption and violence. Some of the country studies in the two volumes provide examples of how organised criminal networks have colluded with, or penetrated, state structures. In developing countries with under-resourced and weak governments, this can have consequences that further exacerbate poverty and distrust for democratic government.

Chapter 1 of this volume is the only one that is not country specific. It offers a perspective of the historical development of organised crime in the region. It suggests that the turmoil and dislocation that occurred during some of the post-independence periods provided new opportunities for smuggling activities between countries in the region. From such relatively small and unsophisticated beginnings, criminal networks linked up with others throughout the region and new illicit markets were identified and developed. The region became a relatively low-risk area for criminal groups as weak governments struggled with transforming their societies, and as economic output declined and violent conflicts

absorbed resources. Cross-border organised crime expanded almost unnoticed by law enforcement agencies.

By the time that the gravity of the situation was recognised by police chiefs in the early 1990s, organised criminal groups were flourishing throughout the region. Criminal groups with international connections had become active and a level of sophistication had been developed with which law enforcement agencies were not immediately equipped to deal.

Each of the remaining four chapters has a different emphasis. This was determined not only by the fact that different contributors were responsible for them, but also by the different circumstances that exist in the four countries.

Chapter 2 on Namibia, written by John Grobler, illustrates that while organised criminal groups in Namibia engage in some 'conventional' activities, such as the theft and smuggling of motor vehicles and trafficking in narcotics, the key organised crime threat to Namibia stems from the illicit trade in its most valuable natural resource, namely diamonds. Well-known international dealers with dubious reputations have become active in the diamond trade in Namibia and the enormous financial rewards that are reaped enable such diamond networks to buy off or penetrate the highest circles in government and business. It is an almost invisible and 'victimless' criminal activity, except that its consequences could seriously undermine both good governance and the criminal justice system. The chapter describes some of the links between the diamond trade and individuals associated with the Italian Mafia.

Chapter 3 on Mozambique, by Peter Gastrow and Marcello Mosse, is based on a paper that they presented at an ISS regional seminar in Pretoria in April 2002 on governance and organised crime and corruption in the SADC region. The successful penetration of some state structures by criminal groups in Mozambique is now common knowledge. Corruption, bribery and coercion are the key methods relied upon by organised criminal groups to do so. The major threat posed by organised criminal groups in Mozambique is their ability infiltrate and place under their influence key state functionaries and sectors of government departments, particularly in the criminal justice system. The revelations at the more recent trial of the Cardoso assassins seem to have had a salutary impact on both civil society, which has become more vigilant, and the state, which has evidenced a greater determination to address organised crime and corruption and to strengthen the criminal justice system.

The chapter on organised crime in Tanzania by Prince Bagenda is a first attempt to record the nature and extent of the phenomenon in that country. Indigenous Tanzanians involved in organised criminality focus mainly on stock theft, the cultivation of cannabis and armed robbery. Cannabis cultivation appears to be the most widespread and lucrative illicit activity. It is grown primarily by peasant farmers who struggle to survive from traditional cash crops. International criminal groups are increasingly involved in coordinating the production and the marketing of cannabis crops and in providing access by Tanzanian cannabis to markets abroad.

Although it is debatable whether the organised killing of 'witches' constitutes organised crime, this activity is briefly described because it is an ongoing blight in more than one SADC country. Other forms of organised crime in Tanzania such as drug trafficking, theft of motor vehicles, the smuggling of gems and of small arms, increasingly involve members of international criminal groups who have access to the illicit goods or to the markets for them in countries beyond Tanzania. In a country with vast land and sea borders that are virtually impossible to patrol effectively, the flow of illicit goods across borders remains a relatively low-risk activity.

Swaziland serves more as a transit country for organised crime than as a major generator of it. It is a small, landlocked, and poor country that is used as a main transit route for illicit commodities trafficked between its neighbours, South Africa and Mozambique. In Chapter 5, Simon Pillinger focuses on these activities. Its indigenous criminal groups appear to play a supportive role for those who use Swaziland as a transit country, and for the trafficking of locally grown marijuana. It has become a major producer of high-quality cannabis and has attracted middlemen and organised criminal groups from outside Swaziland to clinch their deals as close to the producers as possible.

The country studies in both volumes of the monograph illustrate how organised criminal groups have turned the entire Southern African sub-region into their field of operations, with South Africa providing the most lucrative component. Borders are ignored and a virtual free flow of illicit goods occurs. The implications for combating organised crime are that closer cooperation between law enforcement agencies in the region is essential, legislation should be harmonised, extradition treaties and mutual legal assistance agreements between states need to be concluded and joint regional initiatives against organised criminal groups need to be undertaken. There has been some progress in these areas but the serious resource constraints that most countries experience makes it a very slow and fragile process.

Corruption of senior officials and politicians is the Achilles heel of poor and developing countries. It is a crime that is largely invisible but its consequences can be far reaching. Sophisticated and wealthy organised criminal networks know about this. More information is required to find out who those groups are, how they operate, why they are successful and how their activities can be curtailed. It is hoped that this monograph will make a contribution towards achieving these objectives.

CHAPTER 1

INTRODUCTION

Peter Gastrow

Introduction

In the 14 member-state Southern African Development Community (SADC),¹ organised crime is a concept that has increasingly featured in the media and in comments by law enforcement officials. However, the extent to which organised crime has been prioritised by law enforcement, or the extent to which the term ‘organised crime’ has become part of standard policing vocabulary, varies significantly from country to country.

A common understanding of what organised crime actually is still has to be developed in the SADC region. The phenomenon came to the fore in Southern Africa much later than in other parts of the world. Those that have been focusing on it, namely law enforcement agencies and some researchers, have engaged mainly in the primary research task of collecting information about the nature and extent of organised crime in SADC states, based on a broad and undefined understanding of what organised crime is. Understandably, the general approach of researchers has been, “lets find out what is happening before we try to understand exactly why and how it is happening”.

According to police agencies in the region, organised crime has increased in most SADC member states.² Politicians, officials and international bodies regularly comment on the gravity of the threat posed by it. South Africa has been referred to as “an important centre for international criminal activity”.³ Transnational organised crime is said to “wreak havoc” in almost all Southern African countries.⁴ The possible disastrous consequences for good governance and the economy have been highlighted, and it has been stressed that a political will is required to “confront the phenomenon head-on with all the might and ruthlessness that can be summoned”.⁵

While very few in Southern Africa will doubt that organised criminal activity has increased over the past two decades or that it constitutes a threat, the statements that public figures make about it, and what researchers (including the Institute for Security Studies) publish on organised crime begs the question, “what do they mean by it?”. Is it being used in Southern Africa merely as a catch-all phrase

for all serious crimes that involve a degree of organisation and a profit motive? A 2000 survey of SADC police agencies showed that agencies in five of the nine participating countries had not adopted a definition of organised crime, while the remaining four used definitions that differed from one another.⁶ This certainly suggests that a 'gut feel', popular understanding of organised crime is often relied upon. It also illustrates that the mere adoption of a definition does not necessarily provide for greater clarity on what is actually meant. In short, the reality is that we do not know what exactly the various spokespersons and law enforcement agencies in Southern Africa mean when they refer to organised crime.

Some scholars have considered whether organised crime in Africa has different characteristics from what is found in other regions, such as North America. Opolot posed the question:

If organised crime exists in Africa, does it take on the forms and aspects that characterize it in Western societies, especially in the United States? In other words, in what respects is the African version of organized crime unique and to what extent does it resemble its counterpart in other parts of the world?⁷

He ventures a definition which he believes could explain the 'African version' of organised crime as it manifests itself in some parts of the continent.⁸ The inadequacies of the attempted definition are not the subject of discussion in this paper. Much has changed in many parts of Africa since Opolot's article was written. What is positive in Opolot's focus on organised crime in Africa, however, is his readiness to take into account political and historical factors and to let a definition emerge from his study of organised crime in Africa, as he understands it.

There appears to be a growing scepticism among analysts and scholars about the bland use of the term 'organised crime'. Andrè Standing, in a critical examination and historical overview of the subject, puts forward the argument that "organised crime has become a muddled analytical concept in mainstream discourse due to a combination of poor empirical research and popular misconceptions about notorious crime groups such as the American Mafia".⁹ He suggests that the concept of organised crime should be replaced with that of 'illicit enterprise' and that the analytical focus should change away from criminal groups towards specific commodity and service economies.

This monograph does not enter into these debates. Not only is it a complex and contested terrain which would require an in-depth study and analysis—

something that the project which produced this monograph was not designed to do—but the needs of policy and decision makers in Southern Africa would at this stage probably be better served by assisting in obtaining more information about organised criminal activity in the region. Once more information about the nature and extent of organised criminal activities in Southern African countries is available, a critique about definitional and conceptual issues will be more fruitful.

For present purposes the broad and indirect definition of organised crime that was adopted by the UN Convention Against Transnational Organised Crime (the Palermo Convention) was taken as a guideline. The compromise agreed upon during the negotiations leading to the Palermo Convention did not explicitly define ‘organised crime’. Instead it provided a definition for an ‘organised criminal group’ and then proceeded to criminalise participation therein.¹⁰ Article 2 of the Convention provides that:

- ‘Organized criminal group’ shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit;
- ‘Serious crime’ shall mean conduct constituting an offence punishable by a maximum deprivation of liberty of at least four years or a more serious penalty;
- ‘Structured group’ shall mean a group that is not randomly formed for the immediate commission of an offence and that does not need to have formally defined roles for its members, continuity of its membership or a developed structure...

A perspective of the historical development of organised crime in Southern Africa after World War II

The chapters that follow provide an insight into some of the organised criminal groups and their activities in Southern Africa. They did not suddenly appear on the map during the 1990s. They constitute part of the continuously changing pattern of organised crime in the sub-region that goes back three or four decades. Little is known about its earlier manifestation and about the historical, social, and political factors that contributed to the development of organised crime in Southern Africa.

This introduction makes a brief incursion into that terrain with the hope of providing a background against which present-day manifestations of organised crime in the sub-region can be assessed and possibly better understood. However, much more work needs to be undertaken in this field before anything close to a detailed history of the development of organised crime can emerge.

The 1950s: Relative stability—limited markets and opportunities

The impact of World War II resulted in far reaching social, political, and economic changes for Southern African countries, most of them still colonies. The war had resulted in the relative isolation of African countries from their colonial capitals and from those who supplied products manufactured in Europe. As a result, a significant degree of self-reliance had to be fostered in the colonies and colonial governments encouraged the establishment of secondary industries. This resulted in the first significant wave of industrialisation in many of the Southern African countries. Local markets could no longer be supplied with imports from the colonial capitals and newly established secondary industries therefore aimed at meeting the needs of those markets by producing some mass consumption goods such as soap powder, matches, beer and cigarettes. Some of the more up-market goods that were produced were aimed at the more affluent sections of the local population, especially in countries where significant populations of European or Asian origin resided, such as in South Africa and Southern Rhodesia. New job opportunities for Africans were therefore created in most of the large cities in Southern Africa.¹¹ Large-scale migration to towns and cities occurred because of improved prospects for jobs. As a result, an accelerated process of urbanisation took place in many Southern African countries. This was the beginning of a wave of entrants into urban areas, many of them failing to find employment, thereby adding to the mass of poverty in the expanding urban areas. Major cities often more than doubled their population during the war. For example, in Luanda, the capital of Angola, the pre-war 1934 population of 40 000 rose to 190 000 by 1955. Salisbury (Harare), the capital of Southern Rhodesia, experienced a similar development. Its pre-war 1936 population of 33 000 increased to 168 000 by 1956.¹²

Most of the African job seekers who streamed to urban areas from their rural subsistence existence were illiterate and destitute. Squatter areas around cities, in which poverty was rife, expanded significantly. In the pre-war years colonial governments did not place much emphasis on education or social

welfare, but this changed after the war. The new approach of encouraging industrialisation and a growth in the manufacturing sector brought home to colonial governments the need for a better qualified and stable African working force. The result was a new post-war emphasis on social welfare.¹³ In most colonies state support for primary education grew dramatically after the war.

In addition to the massive urbanisation among Africans, the immediate post-war period in sub-Saharan Africa also saw a significant increase in the European settler population. This was inspired largely by a need for their skills to expand secondary industries and to enhance infrastructure, such the transport system. These settlers became a relatively well-paid urban middle class, well served by the advantages accorded to European colonials, including relatively efficient law enforcement services in urban areas.

In South Africa, where the urbanisation process commenced in earnest well before World War II due mainly to the impact of gold mining and its ancillary industries, the impact of the war accelerated that process. The percentage of

urbanised Africans in South Africa in 1911 was 13%, but by 1946 this had risen to 24.3%.¹⁵

The other smaller racial groups in South Africa, namely Whites, Asians, and Coloureds, were by 1946 almost 70% urbanised.

During the 1950s, therefore, Southern African

countries, most of them still colonies, experienced relatively stable periods of moderate economic growth. Employment and education levels rose significantly. These developments in turn fuelled the further expansion of the already large unemployed and impoverished African populations that settled in shantytowns on the fringes of urban areas. Domestic markets for consumer and manufactured goods expanded, but the conditions also provided an environment for the development of criminal markets. This did not apply so much to the relatively small and more conservative, privileged, and well-protected European components in the urban centres, where the market for illicit goods

Table 1: Growth in the European settler population¹⁴

Country	1935/6	1950-53
Southern Rhodesia	55,419	160,000 ('53)
Angola	30,000	78,826 ('50)
Belgian Congo	18,680	76,764 ('52)
Northern Rhodesia	9,913	50,000 ('53)
South-West Africa	31,049	49,612 ('51)
Mozambique	17,997	42,200 ('53)

was relatively weak. However, within the large black urban population, now part of an increasingly industrialised society, but subject to racially discriminatory laws and without the normal avenues for social mobility or entrepreneurial advancement, the demand for illicit goods was bound to increase.

During the 1950s the criminal markets that developed were, by today's criteria, relatively harmless and in the eyes of many not even 'criminal'. They often focused on those consumer goods for which there had always been a demand but for which there were no legal supplies available, for example, cannabis or liquor. In many areas, Africans were not allowed to purchase liquor lawfully, and the illicit brewing and distribution of liquor was the obvious consequence. Organised criminal groups, often consisting of unemployed locals, stepped in and ensured the ready supply of such commodities.

In South Africa urban criminality and the number of street gangs increased during the 1950s. In the Johannesburg and Pretoria areas groups of youths known as *tsotsis* were often the forerunners of more hardened organised criminal structures. In addition to supplying cannabis and illicit liquor, criminal groups in the port city of Durban increasingly smuggled contraband through the harbour. A number of well-structured and notorious gangs came to the fore during this period. The Msomi gang and the Sheriff Khan Organisation can serve as examples.¹⁶ While the conditions for organised crime and criminal markets were more favourable in South Africa than in many Southern African colonies, profitable organised crime was being kept in check by the vigorous application of discriminatory laws. Legislation controlled the daily lives of black South Africans and inter-racial contact and cooperation was problematic. Freedom of movement for the majority of citizens was restricted and borders were tightly controlled, particularly as far as black South Africans or foreigners were concerned.

The 1950s therefore saw a slow emergence of organised criminal groups throughout the SADC region and a growth in the criminal markets that they supplied. However, the opportunities remained relatively limited and the criminal markets small. It must be assumed that the smuggling of diamonds, gold and other precious metals occurred, but little information is available and such activities were not perceived to constitute a significant threat to the state or society. Policing by colonial authorities, although unevenly distributed, remained relatively effective throughout this period.

The 1960s and 1970s: Post independence instability, growth in cross-border crime

Establishment of regional networks

Many anti-colonial independence struggles in Southern Africa colonies gathered momentum during the 1950s, culminating in independence at various stages during the following 40 years: from the Belgian Congo in June 1960 until South Africa's first democratic election in April 1994. Tanzania, Malawi and Zambia achieved independence in 1964, Botswana and Lesotho in 1966, Angola and Mozambique in 1975, Zimbabwe in 1980 and Namibia in 1990.

The staggered sequence of independence impacted on the political and economic environment of the entire region and also affected the way in which organised crime developed. The uncertainty and crises that followed the attainment of independence in some countries resulted in economic decline and in the departure of significant numbers of Europeans. After the Belgian Congo attained independence in 1960, the first country in the region to do so, some Belgians and others living there left for Southern Rhodesia and South Africa. Some retained contact with associates in the former colony and set about establishing whatever legitimate or illegitimate trading and smuggling links could be established for profit. Diamonds, cobalt and other minerals or semi-precious stones constituted valuable illicit smuggling items and were relatively easily obtainable in the low-risk environment that existed during the sometimes chaotic period of transition in the Congo. Not only did these new, although still unsophisticated, smuggling networks spearhead cross-border smuggling routes in the region, they depended on identifying or creating new, appropriate criminal markets through which they could sell their smuggled items. Transport routes through Zambia and Botswana into South Africa were, for example, developed to transport smuggled cobalt for export.

Similar developments occurred during the immediate post-independence period in other countries. When Angola gained its independence in 1975, a considerable number of Portuguese colonists moved to Namibia and South Africa. Again, new smuggling routes were established between Namibia and Angola and between South Africa and Angola. The fact that Angola was richly endowed with alluvial diamonds inevitably resulted in Angolan diamonds becoming a key commodity for the illicit market. These were not yet large-scale smuggling operations involving international syndicates, but primarily small-scale transactions aimed at providing an income for the former Angolans.

A similar development occurred after the independence of Mozambique in 1975. Again, a considerable number of Portuguese Mozambicans moved to South Africa. Some of them, using their contacts in Mozambique, established lucrative cross-border contraband smuggling operations.

Many countries in the region therefore experienced the development of smuggling networks in the aftermath of independence, albeit on a relatively small scale, between South Africa, Southern Rhodesia and South West Africa and a range of newly independent countries to the north of them. Cross-border or transnational organised crime, not necessarily always driven by conventional criminals, was slowly laying the basis for the increased and more extensive cross-border crime that was to follow some years later.

It must be remembered that in virtually the entire sub-region, newly independent states were grappling with post independence problems and crises. Some of the independence processes were associated with conflict, instability, and a rapid withdrawal of expertise and capital by departing colonial rulers and beneficiaries. In some countries, increased lawlessness followed. In Angola and Mozambique civil wars ensued, stoked by the involvement of South African and Rhodesian military forces respectively. The new governments in the region had to focus on the fundamental transformation of their societies and institutions. All this inevitably contributed to the weakening of state structures, including the police and those responsible for border controls. In general, turmoil and weaker policing contributed to a low-risk environment that helped criminals identify criminal markets that could be serviced, also by way of cross-border smuggling.

During the 1960s and 1970s, the white minority governments in South Africa, South West Africa and Southern Rhodesia were increasingly beleaguered, both politically and economically. The international trade sanctions which followed Southern Rhodesia's Unilateral Declaration of Independence (UDI) by Ian Smith in 1965, led to state-backed 'sanction busting' initiatives from the Smith government. With close cooperation from the business sector, a network of illicit trading channels was established involving, among others, the marketing of tobacco abroad, the importation of oil, the laundering of funds, and the utilisation of existing criminal networks.

South Africa was increasingly using its security forces, including the police, to counter the growing threats posed by liberation movements operating from outside its borders. Security forces used the nascent networks of professional smugglers as sources of intelligence and instruments of subversion. It was the

policy of destabilising neighbouring states that brought South African intelligence officers into complicity with the smuggling networks, which became, from the 1970s onwards, an increasingly important resource in the political economy of the region. During the same period, the application of international trade sanctions against South Africa caused a variety of government departments to become engaged in the international smuggling of major goods and commodities, including oil and weapons. As South African intelligence officers became smugglers and money launderers, some individuals developed criminal relationships for purely personal enrichment, several of which lasted well beyond the change of government in 1994.¹⁷

In addition to the expanding smuggling links between newly independent countries, which focused mainly on the growing criminal markets in South Africa, the period therefore also witnessed the expansion of state-backed organised criminal activities in the region. From the 1970s onwards, Southern Africa therefore experienced a significant growth of a regional economy of crime.¹⁸

1980s and 1990s: International links and greater sophistication

In the 1980s the small cross-border smuggling networks established during the 1960s and 1970s expanded with increased involvement by foreign middlemen and professional criminals. As related by a former undercover agent operating in the region,¹⁹ an increasing numbers of ‘fortune hunters’ arrived in Southern African states such as Zaire, Zambia and Zimbabwe from some of the former colonial powers—France, Portugal and Britain—but also from Greece, Lebanon, India, Israel and some Central European states. Many set up small import/export businesses to use as a guise for legal or illegal business opportunities, which they sought to establish. Once established, they made contact with local African entrepreneurs, smugglers and criminals to explore business opportunities. The locals had contacts that gave them access to illicitly obtained goods such as cobalt, ivory, diamonds, or drugs such as mandrax (methaqualone).

A marriage of convenience was often forged between foreign fortune hunters and local operators, to their mutual benefit. Local Africans could supply the goods while the foreigners were in a position to buy and smuggle these to the ‘rich’ markets of South Africa. The relatively tightly controlled border posts and airports and the harsh discriminatory laws in place in South Africa at the time made it very risky for Africans from states to the north to enter the country in order to dispose of their goods or to make contact with local criminal groups.

For white foreigners living in Zaire or Zambia this was less problematic. They could visit South Africa and establish contact with existing syndicates. It was only in the early 1990s, when political changes were apparent and when discriminatory laws were relaxed, that increasing numbers of Africans and Asians from neighbouring states could enter South Africa legally to link up with the more lucrative criminal markets in South Africa.

The most popular route used to smuggle illegal goods into South Africa from the Congo (or Zaire) and Zambia, was the heavy transport road from Zambia to South Africa used by large trucks and trailers. Ivory, copper, cobalt and large quantities of mandrax were transported in this way by the newly formed syndicates, also involving South African transport drivers. Occasional cash flow problems and the frequent inability by South African purchasers to pay in hard currency led to barter transactions becoming common. Motor vehicles stolen in South Africa soon became key items in the barter trade. They were driven across the borders in payment for illegal goods supplied from the north and sometimes shipped by way of containers to countries along the African coast and beyond. Police who followed these developments are of the view that the rapid expansion of cross-border criminal transactions in the second half of the 1980s led to an ever-growing demand for stolen cars to enable South African criminal groups to pay for the goods received. As a result, car hijackings dramatically increased in South Africa and became a common way of speeding up payment. South African crime statistics indeed showed an astonishing increase in motor vehicle theft during the 1980s. The number of reported cases rose by 87% between 1980 and 1990, from 36,762 to 68,649.²⁰

A factor that influenced the nature of crime generally throughout the region was the ready availability of firearms as a result of ongoing conflicts and civil wars in Southern Africa. The armed conflicts in Angola and Mozambique throughout the 1980s fuelled regional networks of arms smugglers and resulted in crimes throughout the SADC region being increasingly perpetrated with the threat or use of firearms. Semi-automatic rifles such as the AK47 were available throughout the region at relatively low prices. On the border between Mozambique and South Africa an AK47 could, at one stage, be exchanged for as little as a bag of maize meal.²¹

In general, the political and economic environment that pertained in large parts of Southern Africa during this period had a direct bearing on the expansion of organised criminal networks throughout the SADC region. From the end of the 1970s, the economic and political situation in most of the post-independence countries in Southern Africa had deteriorated substantially: the

1980s were marked by a decline in agricultural and industrial production and per capita income, a drop in trade and growing debt.²² As a result of developing debt crises, countries such as Mozambique and Tanzania experienced an acute shortage of imported goods, a situation that lent itself to illicit smuggling. Black market activities expanded in an effort to fill the gap.

Many countries had no option but to accept loans with strings attached that aimed at the fundamental restructuring of their economies. In exchange for loan facilities, governments were required to adopt structural adjustment programmes (SAPs), as advocated by the World Bank. Aid donors insisted that, for example, the number of civil servants be cut, that certain state assets be privatised or sold, and that market prices alone should regulate production and distribution.

Many recently independent states were then faced with the overwhelming task of managing a double transition, namely from state-led to market-led economies, and from autocratic rule to transparent democratic politics. With some exceptions, such as Botswana, the SAPs tended to produce unintended consequences. Besides being ineffective on a macro-economic level in many countries, there were elements in the political leadership and in bureaucracies who skilfully managed the reforms in a way to suit themselves. These elements were able to use the new ideological changes to engage in 'practices of accumulation', by staking out for themselves profitable areas for their own business activities. They straddled positions of public office with positions of accumulation, inevitably leading to corruption. This development was bound to impact on corruption and organised crime. The corrupt practices of so-called accumulators in high positions brought them into contact with 'middlemen', increasingly foreigners, and other entrepreneurs who were operating in the criminal markets. One of the symptoms of the changes that occurred in many post independent states undergoing such dramatic transformations was therefore:

the growing implication of African economic and political entrepreneurs (or European, Arab, Asian and Latin American operators who are based in Africa) in activities which may be considered illegal or criminal, according to Western criteria which have tended to be adopted by the international system as a whole.²³

Developments in South Africa in the 1980s and 1990s followed a different route from that experienced by post-independence countries in the region. The political turmoil of the 1980s, involving wide-scale township revolts and violent repression, resulted in greater lawlessness and in the weakening of an

already discredited criminal justice system. Law enforcement resources were deflected from normal crime prevention tasks towards combating political opposition and containing political demonstrations and conflicts in townships. Attempts to seal South Africa's long borders against incursions by guerrilla groups placed a strain on the manpower of the military and the police, while officials at regular border posts became more corrupt. Despite the impression of strict border control, an increase in the trafficking of illicit goods across border posts occurred.

Towards the late 1980s a growing number of refugees, including criminal elements, entered South Africa legally and illegally. Organised criminal groups from within the entire Southern African region and beyond took the gap and exploited this environment of confusion and lawlessness. The turmoil in South Africa not only resulted in greater lawlessness but also in the significant expansion of its criminal market. It had a larger population, greater wealth, and was more developed, industrialised and urbanised than others in the region. In addition, the iron grip which apartheid laws had for many years exercised over the movements of its population weakened considerably during the 1980s, making it possible for those classified as 'non-white' to start moving into formerly white city-centre areas, such as Hillbrow in Johannesburg. The easing of travel restrictions for both South Africans and foreigners led to improved regional mobility. Refugees and illegal immigrants from various parts of the world found their way to 'grey' areas such as Hillbrow, which had become a cosmopolitan melting pot. During the second half of the 1980s foreign nationals became increasingly involved in crime, including Nigerians who were at that time identified by the South African Police as being involved mainly in small-scale drug peddling in Hillbrow.

The greater accessibility of the South African criminal market was also seized upon by nascent criminal groups in neighbouring countries, who found it difficult to expand within their own national borders because of limited markets. Linking up with South African criminal networks enabled them to increase the cross-border flow of illicit goods, and to thereby expand their own domestic criminal markets.

The trade in stolen motor vehicles, already referred to, best illustrates this regional development. It is common cause that organised criminal groups are responsible for a high percentage of motor vehicle thefts and that this crime category serves as a good indicator of the state of organised crime. The rapid increase of motor vehicle thefts in South Africa was partly due to the growing demand from new criminal markets in other Southern African states. The growth

of these markets was in turn fuelled by improved mobility in the region and less restricted access to South Africa.

In his annual report to parliament for 1990 the Commissioner of the South African Police reported that about 45% of stolen vehicles were taken to neighbouring states.²⁴ This means that during 1990 more than 30 000 stolen vehicles were smuggled from South Africa to other Southern African states. These vehicles were often exchanged for firearms, drugs and other illicit commodities, which were then smuggled back to South Africa to be disposed of in its own growing criminal market. In the same 1990 report, the Commissioner reported with surprise that:

Confiscation of astronomic quantities of heroin, cocaine and methaqualone suggests that international drug cartels have identified South Africa as an important market.²⁵

It therefore appears that by 1990, obscured by the major transformation processes and turmoil that were experienced during the post-independence years and by the political conflicts in South Africa during the 1970s and 1980s, transnational organised crime had come of age in the SADC region. The precise causes of its growth are complex and multiple and differ from country to country in region. However, one experience that all SADC countries went through after independence was a fundamental transformation process. As a general rule, the growth of organised crime is most rapid in those countries, which experience not only a significant political change, but also an associated economic one.²⁶ This has certainly been the case in a number of SADC states. However, the transition processes experienced in these states differed in content and intensity, and took place over different periods of time. It would therefore be too simplistic to ascribe the growth of organised crime in the region solely to the political and economic transitions that followed independence.

Police commissioners in the region appeared surprised to find out in the early 1990s how extensive criminal networks had become and how widely international criminal networks had become involved. By 1995 they had developed an initial regional response, establishing the Southern African Regional Police Chiefs Coordinating Organization (SARPCCO)²⁷ as a platform from which cross-border organised crime could be jointly combated. Its main goal was to combat "all forms of cross-border and related crimes with regional implications".

Developments since then have been the subject of various studies and published reports. Domestic organised criminal groups not only became more ac-

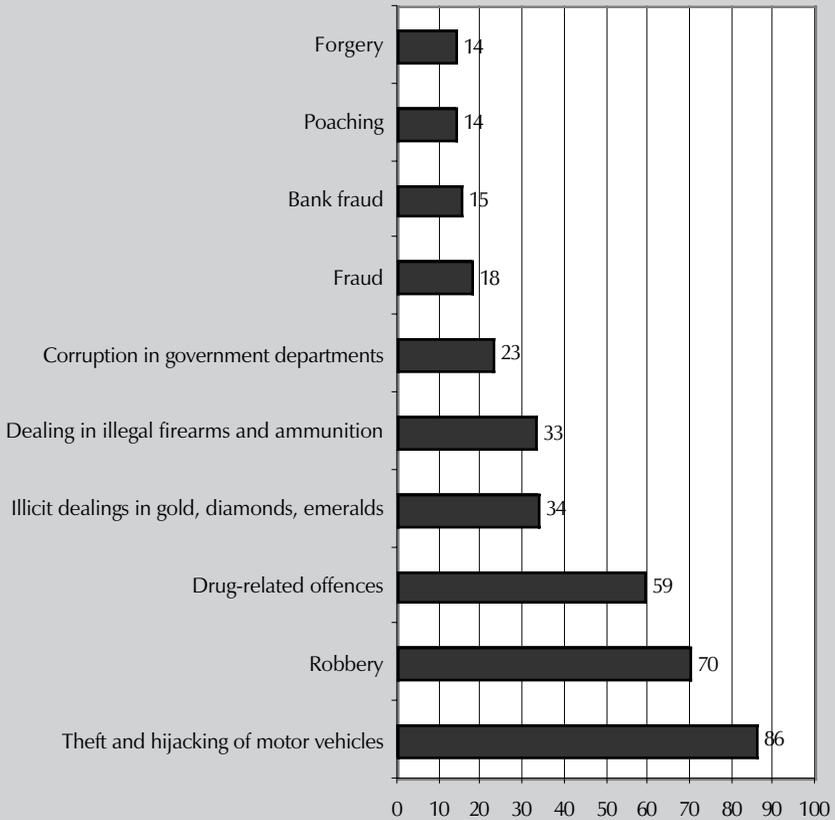
tive within their countries' borders, but also expanded their links and activities throughout the SADC region. International criminal groups were also quick to identify new opportunities and became active in most of the SADC countries.

Joint police operations, involving a number of Southern African police agencies, were organised by SARPPCO in various SADC countries. There was a growing appreciation of the need to complement domestic strategies against organised crime with regional strategies. SARPPCO therefore endeavoured to identify regional trends and priority crimes by relying on formal and informal crime reports and on information obtained through questionnaires sent out to member countries. The results of these endeavours have not been made public and it is not known what regional trends SARPPCO has identified or what cross-border crimes it regards as priorities. However, the targets of joint police operations that have been conducted in the SADC region since 1995 suggest that the following cross-border crimes are being prioritised: theft and smuggling of motor vehicles, drug cultivation and trafficking, trafficking in firearms, diamond smuggling and illegal immigration.²⁸

This corresponds largely with the conclusions of a survey conducted by the ISS among nine SADC police agencies in 2000. The police agencies that responded were from Botswana, Lesotho, Namibia, Malawi, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Among other things, they were requested to indicate the ten specific organised crime activities that they perceived as a threat to their country and to rank them in terms of the seriousness of the threat that they posed. An attempt was then made to translate that information into a regional threat or 'priority crime' indicator. The result is set out in Figure 1.

The country studies that follow in the two volumes of this monograph provide ample material for further research and analysis. However, not all SADC countries are covered and considerably more primary information on organised crime is required before regional analyses and assessments can be regarded as realistic and accurate.

Figure 1
Regional threat indicator:
Categories of crimes committed by organised criminal groups
that constituted the most serious threat to nine countries
in the SADC region in 2000²⁹



The weighting is based on the assessment provided by each of the police agencies. Points ranging from 10 to one were allocated to the 10 crime categories that constitute the most serious threat to each of the countries. The crime category that constituted the most serious threat was weighted with 10 points and, through a sliding scale, the category that constituted the ten least serious threat was weighted with one point.

Notes

- 1 SADC member countries are Angola, Botswana, the Democratic Republic of Congo (DRC), Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Seychelles, Swaziland, Tanzania, Zambia and Zimbabwe.
- 2 P Gastrow, *Organised crime in the SADC region: Police perceptions*, ISS Monograph No. 60, Institute for Security Studies (ISS), Pretoria, August 2001, p 65. In a 2000 regional survey, three of the police agencies (Lesotho, South Africa and Zambia) reported a major increase in organised crime during the previous five years, four were of the view that there had been a moderate increase (Botswana, Tanzania, Swaziland and Zimbabwe), and two of the police agencies reported that organised crime had remained static during that period (Malawi and Namibia).
- 3 *Beeld*, SA now a world crime hub—FBI, 18 December 2000. According to the CIA and FBI, South Africa could be regarded as an ‘important centre for international criminal activity’ where Russian, Nigerian and Chinese crime syndicates have established bases.
- 4 Commissioner Norman Moleboge, National Commissioner of the Botswana Police, in a paper presented to the Regional Strategic Programme Framework Conference on Drugs and Crime Prevention Priorities in Southern Africa, organised by the UNODC, Johannesburg, 5 August 2002: “It is evident that transnational organised crime is wreaking havoc in almost all our countries nowadays”.
- 5 S Tshwete, (former Minister for Safety and Security in South Africa), *Organised crime in Southern Africa: Assessing legislation*, ISS Monograph No 56, ISS, Pretoria, June 2001, p 9: “Organised crime is a problem in South Africa and in its SADC neighbours, just as it is a problem in most countries of the world. The government is well aware of the fact that the consequences could be disastrous for good governance and the economy in the absence of the political will to confront the phenomenon head-on with all the might and ruthlessness that can be summoned”.
- 6 Gastrow, *op cit*, p 34.
- 7 J Opolot, Organized crime as it emerges in sections of Africa, in R J Kelly (ed) *Organized crime: A global perspective*, Rowman & Littlefield, Totowa, NJ, 1986, p 11.
- 8 Opolot, *ibid*. “A criminal conspiracy to make money through the exploitation of business opportunities and through corrupt practises that are evidence of the existence of political instability”.
- 9 A Standing, *Rival views of organised crime*, ISS Monograph No 77, ISS, Pretoria, February 2003, p 1. Also at www.iss.co.za.
- 10 Articles 2 and 5 of the United Nations Convention Against Transnational Organized Crime, available at www.uncjin.org/Documents/documents.html

- 11 B Freund, *The making of contemporary Africa: The development of African society since 1800* (second edition), MacMillan Press Ltd, London, 1998, p 170.
- 12 Ibid, p. 168.
- 13 Ibid, p. 173.
- 14 Ibid, p. 169.
- 15 Ibid, p. 164.
- 16 P Gastrow, *Organised crime in South Africa: an assessment of its nature and origins*, ISS Monograph No. 28, ISS, Pretoria, August 1998, p 13.
- 17 J-F Bayart, S Ellis & B Hibou, *The criminalization of the state in Africa*, *African Issues*, The International African Institute in association with James Curry, Oxford, and Indiana University Press, Bloomington & Indianapolis, 1999, p 62.
- 18 Ibid, p 65.
- 19 Gastrow, supra note 2, p 20.
- 20 Gastrow, supra note 16, pp 23 and 28.
- 21 Similar exchanges, but for different reasons, were reported as recently as April 2003. See *The Star*, *Zambians swap goats and chickens for guns*, 16 April 2003, p 5: "Zambian villagers living along the Angolan border have been bartering goats and chickens in exchange for AK-47 rifles from their hungry Angolan neighbours, according to the police. The Angolans, emerging from decades of civil war, are facing a hunger crisis, and a surplus of weapons."
- 22 Freund, op cit, p 253.
- 23 Bayart, op cit, p 8.
- 24 Gastrow, supra note 16, p 28.
- 25 Ibid.
- 26 M Shaw, *Democracy's disorder? Crime, police and citizen responses in transitional societies*, South African Institute of International Affairs, Johannesburg, September 2002, p 15.
- 27 The national police agencies of the following countries are members of SARPCCO: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. The SADC state that is not a member is the DRC.
- 28 F Msutu, *Responses to organised crime in SADC: Interpol and SARPCCO*, in C Goredema *Organised crime in Southern Africa: Assessing legislation*, ISS Monograph No. 56, Institute for Security Studies, Pretoria, June 2001, p 17.
- 29 Gastrow, supra note 2, p 53.

CHAPTER 2

NAMIBIA

John Grobler

Introduction

Namibia often markets itself as ‘the back door to Africa’. It is a vast and underpopulated country that borders South Africa, Botswana, Angola, Zambia and Zimbabwe. As a country that is relatively well-developed in terms of its road and communications infrastructure, Namibia is easily accessible to anyone—including organised criminal groups. Good relations between South Africa and Namibia facilitate easy cross-border movement for citizens, including criminals, some of whom also use Namibia to access Angola and other northwestern areas of the Southern African Development Community (SADC) region.

The current ruling SWAPO South West African People’s Organisation (SWAPO) Party came to power in 1990 after waging a 27-year-long armed liberation struggle (1963–1990) against apartheid South Africa’s occupation of Namibia. Although this war was largely fought in southern Angola, the legacies of that struggle continue to impact on Namibia’s political culture, and on the nature and patterns of organised crime in Namibia.

This has as much to do with the way in which the war was fought as with where it was fought. It was a low-intensity conflict that saw both sides proclaiming a ‘total strategy’ (military, political and economic), and which was finally ended through a political settlement under United Nations Security Council Resolution 435, implemented on 1 April 1989.

It was also a struggle of ‘haves’ against ‘have-nots’, and crime was considered by many as a legitimate way of taking up the struggle against the South African regime that dominated the politics of Namibia. Because of the racist laws that applied in Namibia, the Namibian police and law enforcement agencies—the South West African Police, the Security Branch, Military Intelligence and, later, elements of the Civil Co-operation Bureau—were all highly politicised. As a result, law enforcement tended to be selective: blacks were prosecuted for petty crimes, while whites were often given mere brotherly warnings. This relative

leniency towards the ruling establishment contributed to an increase within the white community of organised criminal activities such as diamond smuggling and related white-collar crime.

The military sorties which SWAPO's guerrilla wing PLAN (People's Liberation Army of Namibia) launched from Zambia into the northeastern Namibian territory of Caprivi between 1963 and 1975 had only a limited effect. However, the *coup d'état* in Lisbon on 1 April 1974 and the collapse of Portugal's 400-year-old colonial system resulted in revolutionary changes occurring in Angola. The Portuguese military campaigns against the various liberation movements collapsed and the colonial authorities as well as thousands of skilled Portuguese settlers made a hasty retreat to Portugal.

SWAPO immediately accepted the invitation by the new Angolan authority to establish military bases in the newly independent Angola. It was also a war of switching allegiances: UNITA and SWAPO were initially politically aligned as both had strong support in Kwanyama-speaking areas in Namibia and Angola. This particular bond was to manifest itself later in post-independent Namibia in the area of diamond smuggling.

However, by 1975, SWAPO's leadership was backing the ruling MPLA in Luanda, and began building a close relationship with this former liberation movement. In Southern Africa, military clashes between the South African Defence Force and liberation movements such as the MPLA, SWAPO, ANC and Frelimo intensified, with the liberation movements benefiting from the newly acquired logistical footholds in Angola and Mozambique.

As a vital buffer zone between South Africa and an increasingly well-armed Angola, Namibia became highly militarised. Its police force was increasingly drawn into the conflict as the Pretoria government sought to mobilise mainly the local white population. This had the effect of politicising crime, which led to weaknesses in the law enforcement agencies that were inherited by SWAPO when Namibia gained its independence on 21 February 1990.

Post-independence law enforcement was influenced by this experience. Several top police officers were sidelined after independence because of their role during the apartheid era, resulting in a loss of police expertise. Factors such as a shortage of skills and ill-equipped new recruits contributed towards a general deterioration in the administration of the police.

As has happened in South Africa, post-independence Namibia was hit by serious increases in crime. The newly acquired freedom of movement in the country and high, but unmet, expectations of the poor contributed to this increase. Farm murders as well as other forms of violent crime such as rape and murder increased significantly, as the police force went through the throes of transformation, battling to keep crime under control.

The government's response was to increase the number of police in uniform. Following several large demonstrations by former PLAN fighters, the Minister of Home Affairs created the so-called Special Field Force (SFF), a paramilitary unit which had a very visible and positive effect on combating petty crime, but in which ill-equipped SFF members also had lapses of judgement in dealing with common crime. Particularly in difficult areas, such as the Kavango and Caprivi regions, SFF members were implicated in arbitrary executions and other crimes related to poor discipline.

Ever-increasing crime rates eventually led to the Minister of Home Affairs banning the daily publication of such statistics in detail. Even though the initial upsurge in crime appears to have slowed down, crime levels in Namibia continue to increase. In an address to the nation on the crime situation (2 May 2002), President Nujoma stated that it remained "an area of great concern". He noted that crimes that were on the increase included those involving the defrauding of public and private enterprises by organised crime syndicates, drug trafficking, motor vehicle theft, housebreaking and shoplifting.

Because of the country's history, many criminal syndicates (especially cross-border ones) therefore tend to have had their roots in the political struggle. This is particularly true of diamond and car smuggling syndicates that operate into Angola and Zambia.

Organised crime in Namibia

Because of its good infrastructure, modern telecommunications and general accessibility, Namibia has become a conduit for illicit trade in a variety of commodities (most notably stolen cars, illegal arms, drugs and diamonds) between Southern Africa's most economically developed country, South Africa, and its least developed and most lawless one, Angola.

Organised crime has tended to concentrate on the most lucrative forms of illegal activity, such as the illicit diamond trade. The diamond smuggling 'industry' is, therefore, by far the largest area of activity. Stolen vehicles are often used to pay for diamond deals—a modern-day barter trade.¹ Because of its abundance of readily obtainable diamonds and the relatively easy wealth that comes with them, Angola has become a major market for stolen luxury goods, such as 4x4s and consumer electronics.

Cultural and ethnic links between southern Angola and northern Namibia, where the Kwanyama-speaking people live on both sides of the border, have facilitated this development. An agreement between Namibia and Angola to allow free movement of people and animals within 30 kilometres on either side of the poorly patrolled border has further exacerbated the situation.

Characteristics of organised criminal groups or networks

In general, there is little evidence that the criminal syndicates that operate in Namibia have strict hierarchies. Groups tend to come together for a specific undertaking, and then go their separate ways again. Available information suggests that rather than operating according to hierarchical structures, individuals in such groups tend to operate more as 'club members' or members of loose associations.² The single exception relates to Italian Mafia activity in Namibia.

However, there are some indications that in central northern Namibia (Owamboland) loosely organised car and diamond smuggling syndicates are organised around family and kinship, especially amongst the Kwanyama-speaking people. They tend to form loose bands of operators, who easily cross the border because of their familiarity with local conditions.

Family and kin connections also play a role, especially along the Caprivi Strip, in cross-border poaching.³ There have also been similarly organised smuggling activities along the Kavango border among the Rukwangali people, but this has been stopped by the large security clamp-down in the wake of the 1999–2000 anti-UNITA campaign along the border.⁴

In southern Namibia, there also seems to be a meteorite smuggling syndicate based in Gibeon, where a magistrate appears to have enlisted the help of family and kin members of the Nama-speaking people.⁵

Motor vehicle theft

Vehicles stolen from South Africa often find their way to Namibia by means of various highly organised syndicates. Weaknesses in border control between Namibia, where, for example, there is a 10-kilometre gap between the South African border post of Nakop and the Namibian Ariamsvlei border post, make it easy for smugglers to switch licence plates and registration discs without being seen.

Motor vehicle theft through insurance fraud

Vehicle owners often work closely together with syndicates. Such owners include persons who have fallen behind with payments for their vehicles. According to the police, some motor vehicle theft syndicates place adverts in the 'classifieds' sections of major urban newspapers in South Africa, offering help with lease agreements.

By arrangement with a member of an organised criminal group, the car is removed and reported stolen to the police after an agreed period. Vehicles stolen in South Africa in this way are then driven through the South African border post of Nakop with the original set of South African plates and documents, but between the two border posts these are substituted by a Namibian set of plates and matching documents. The Namibian border police tend not to search arriving Namibian-registered cars. The vehicle is then 'off-loaded' (sold to the next owner) before the original owner reports it stolen, allowing it to pass basic police clearance procedures (such as checking details against computerised but often outdated lists of stolen vehicles) before the new registration.⁶

Motor vehicle theft through cheque fraud

In other cases, luxury 4x4s, especially, are stolen by using false cheques and then moved to northern Namibia and from there to Angola via several access routes. In one case during 1997/8, a very prominent northern Namibia businessman, one Jarius ('Punyu') Shikale, was twice caught with vehicles so stolen from South African dealerships; one vehicle was being driven by Shikale personally, while two others were being offered for sale at his local car dealership in Oshakati.⁷ Shikale is an influential businessman in northern Namibia who employs a substantial number of persons.

The case only came to light after the insurance company, which had hired a private detective to try and recover the vehicles, brought an urgent injunction in Namibia's High Court against Shikale, forcing him to hand the vehicles over to their representative. A few months later, Shikale was again found to be in possession of stolen vehicles and, as in the previous case, the Namibian Police took no legal steps against him. According to a police source,⁸ members of the police in the Oshakati office squashed the cases.

A former Oshakati Branch Commander, Chief Inspector Vilho Nghifindaka, has been accused in anonymous letters to the press as being one of the main figures in a stolen car racket operating across the Namibian/Angolan border, allegations which he has denied. He has since been transferred to Windhoek, but allegations about his links with car theft syndicates continue. He allegedly has close links to a very senior police officer in Windhoek.⁹

Although there are a number of syndicates that have been involved in motor vehicle theft, very little reliable information could be obtained about them. One such organised group, which uses the insurance fraud method to steal cars, appears to be made up by members of a known family from Germiston, South Africa. One of the family members appears to be the main operator while his two brothers do most of the driving of the vehicles to Namibia. This syndicate has links in Namibia and appears to have worked closely with a Pieter Myburgh from Okahandja, Namibia, an owner of transport and other businesses who has been convicted of fraud.¹⁰ Links to police structures appear to have assisted this person in obtaining the criminal record of the bank investigator for use during his trial.

Cheque fraud syndicates

Information has also come to light regarding a highly sophisticated network of cheque stealing from various ministries and private companies. Cheques are typically stolen by lower-level employees of the affected institutions, who then sell them on to a network of well-established businessmen.

These businessmen then approach third parties, usually persons with well-established lines of credit with local banks, whom they then ask to cash such cheques. In some cases, the third parties have been arrested, but the ringleaders escaped detection.¹¹

Diamond smuggling

The smuggling of uncut and rough diamonds, prohibited by law in South Africa, Botswana and Namibia, is by far the most lucrative field for organised crime in Namibia. A number of organised criminal groups or syndicates—including ones that may or may not be legitimate counter-infiltration operators of the Diamond Police (officially, the Protected Resources Unit)—are active in this area.

As part of their anti-smuggling measures, police have over many years used paid informers to infiltrate or inform on such syndicates. Informers have been offered as much as 60% of the value of the cash involved in the illegal diamond business (IDB) deals that they uncover. This practice has evolved into a system where police informers regularly set up potential buyers by enticing them, also from Europe to Namibia, with offers to purchase large diamonds.

The Diamond Branch already employed the practice of entrapment with fear-some effect during the 1980s. During that period, and under the command of former Inspector Hennie Brink, this method was used to build up a large network of collaborators and smugglers. The risk of long-term undercover operations leading to illegal activities by the police themselves is always real. Following Namibian independence in 1991, the practice and culture of entrapment remained in place. Many police officers who had previously co-operated closely with the political agendas of the apartheid era found themselves sidelined and with reduced career prospects. Some chose to resign and join the private sector while others elected to pursue their own agendas from within the police force, including illicit dealing with diamonds.¹²

The Pearson case

With the advent of the brief Angolan ceasefire in 1992 and the relaxation of diamond laws in Angola, smuggling increased at an enormous rate as many Angolan traders entered Namibia to buy goods, often offering diamonds in payment. This necessitated some drastic measures by De Beers, which began buying up all top quality diamonds on the open market.¹³ De Beers also invoked a 25% production cutback clause with all client mines in order to shore up the diamond price, which dropped significantly during that year. De Beers, together with the Namibian Diamond Police, worked hard to buy up the Angolan diamonds that flooded the market. As a newly independent state, Namibia was becoming very popular among international diamond syndicates

looking for a better buy than De Beers' Central Selling Organisation (CSO) could offer.

During this period, a man named Thomas George Pearson was sent to Namibia from South Africa, with the involvement of both the police and De Beers, in order to infiltrate the illegal diamond trade. He set up a diamond buying shop in Windhoek with his girlfriend.¹⁴ Pearson then proceeded to buy rough diamonds from many syndicates that had sprung up in the wake of the Angolan diamond boom. His cover was blown when he became involved with suppliers of illicit diamonds who had also supplied other police contacts. He fled the country. The Diamond's Branch's Inspector Hennie Brink died from a shotgun wound to his back in Cape Town in 1994 under mysterious circumstances.

Although the Namibian government enforces diamond legislation in the country's larger economic interest, evidence suggests that old habits die hard. Some senior and well-connected Namibians continue to be involved in diamond smuggling, with Angola providing a steady source of rough and uncut diamonds.¹⁵

The diamond smuggling syndicates do not, as a rule, actively recruit new members, but they will occasionally start working with someone who is of similar background and experience in the diamond smuggling business. Links to the police are frequently present. Many of the individuals involved are Afrikaans speaking and are often described as being part of the 'Boere Mafia'. Most of them have previously served in the military, an experience which constitutes one of the common bonds between them. Some of these individuals form part of the Afrikaner establishment in Namibia. Their political allegiances are more likely to be towards the opposition Democratic Turnhalle Alliance than towards SWAPO. It is, therefore, unlikely that they have any significant direct influence within the SWAPO government.¹⁶

The 'Knockity' case—James Carroll and Air Namibia

Even during the late 1980s, some members of the Diamond Branch used the practice of swapping the larger diamonds in any illegal parcel that they had confiscated with smaller, inferior stones. Alternatively, diamonds could also be swapped for silver topaz—they have the same colour and texture as diamonds, and are heavy enough to be mistaken for rough diamonds by the novice. These fakes came to be known as 'knockities' (as used in a 'knock', i.e. a rip-off).¹⁷

Under the late Inspector Brink, a culture developed of enticing foreign diamond buyers to Namibia. Buyers would successfully buy several parcels dur-

ing separate visits to Namibia. Typically, an Antwerp- or London-based dealer would initially be offered a small but excellent package of diamonds (the '*loop-pakkie*' or 'walk-away parcel'). Such dealers often returned for more, until the informer set up a big deal worth several million dollars. That would then be the opportunity for the informer to expose the trap and arrest the dealer, with the undercover policeman collecting up to 60% of the cash involved. These set-ups have also become known as 'knocks'.¹⁸

An Australian diamond dealer from Sydney, James Carroll, was ensnared in such a 'knock'. According to Mr Carroll,¹⁹ he had often inspected but never bought Namibian or Angolan diamond parcels in Windhoek, although he often placed advertisements in the local newspapers inviting prospective diamond dealers to contact him.

During 2000 he was contacted by one of his regular Namibian sellers to buy a parcel of 4,000 carats. The seller, together with two Namibians and an Angolan, then showed him the parcel in Windhoek, during which he offered to buy a selection of diamonds on condition that they were delivered to Frankfurt International Airport. The Namibian sellers assured him that getting the diamonds out of Namibia would not be a problem.

The prospective sellers insisted that they would fly to Frankfurt with Air Namibia, and tickets were duly purchased at Carroll's expense. The parcel was then passed to an Air Namibia ground hostess, who delivered it to the three sellers on the plane a minute before the aircraft's door was closed. According to Mr Carroll, who was sitting a few seats behind the three, this procedure was a practised one.

Upon arrival at Frankfurt, Carroll accepted what seemed to be the same parcel for payment of US\$140,000, only to discover that he had been defrauded and handed 'knockities' instead. Throughout 2001 he sought to bring the three 'sellers' to justice, including forwarding a full statement to the Head of the Protected Resources Unit. He also forwarded details of the Air Namibia smuggling allegations to a top Air Namibia executive, who told Carroll that this was a well-known syndicate but that he was powerless to intervene, as even more senior officials with close links to top political figures were allegedly involved.

According to Carroll, he was approached while in Namibia by a well-connected and powerful local businessman who shall be referred to here as 'Mr Duma'. 'Mr Duma' apparently instructed Carol to stop placing adverts in the newspaper asking for diamonds, and to buy all his diamonds from 'Duma'

instead. 'Duma' owns several wholesaling warehouses in the close proximity of the Namibian-Angolan border and is also the owner of a prestigious multi-story office block in Windhoek's central business district.

Carroll maintains that he faxed details of the men who had defrauded him to about 100 persons and political offices in Namibia without any steps being taken against them.

The role of Air Namibia in the smuggling of diamonds by organised criminal networks remains under suspicion. According to reliable sources, top government persons, who were also involved with the purchase of Namibia's only trans-continental aircraft, were thereafter keen to buy another Boeing 747 for Air Namibia. It was apparently envisaged that this aircraft would be used to fly from Windhoek to Nairobi and from there to Dubai in the United Arab Emirates. Given that Dubai has recently emerged as a major conduit for especially UNITA-mined illicit diamonds, unless Air Namibia clears its name, a question mark will continue to be placed over it because of its alleged links to diamond smuggling.

Available information does not suggest that the particular network involved in the Carroll case follows a hierarchical structure. The individuals seem to get together on a regular basis to set up 'knocks'. The names of at least eight members of this network are known. Most of them are Namibians, but a considerable number are Angolans and allegedly include a General. Some of the Namibian members operate between Namacunde in Angola and Oshakati in Namibia. At least half of the Angolans in this Namibian-Angolan syndicate appear to have undergone military service in Angola. The main figures live a flamboyant lifestyle.

According to Carroll, members of the syndicate made it clear to him that they enjoyed protection at the highest level. They threatened to have him killed should he ever set foot on Namibian soil again and warned that they had contacts among customs and immigration officials who would know immediately should he do so.²⁰

The Mafia connection

In the wake of the James Carroll case, information was obtained about another diamond smuggling syndicate that appears to have contacts with the Italian Mafia. It also appears to make use of the 'knock' for quick profits. 'Knocks'

have apparently been set up in Italy, Switzerland, Spain and Portugal. The group, most of whose members are Italian-speaking, is apparently also involved in running diamonds from Angola to South Africa. One of the persons associated with this group is Angelo Pieras, an Italian from Palermo who has bought several properties in Windhoek and who drives, among other cars, a red Rolls Royce and a Lotus Elise sports car bought from Vito Biaggone.²¹

Sources have also identified one of the members of the network as having been involved in a diamond robbery in Windhoek where several hundreds of thousands of US dollars worth of cut diamonds were stolen at gunpoint from a local jeweller. The person linked to this robbery thereafter left for Italy and allegedly returned flush with cash. One of the members of the smuggling network is an Angolan, who is known to be a source of Angolan (UNITA) diamonds.²² He allegedly works closely with a person who was associated with an official in the Prime Minister's office. He also appears to have good connections with officials in the Department of Home Affairs. During various discussions during 2001 he boasted of being able to procure 'fully legal' passports for USD\$10,000.

Pieras' best known association with a high-profile Mafia connection is with Vito Pallazollo, a Cape Town resident whom the Italian government has been trying to extradite from South Africa—thus far without success.²³ He obtained South African residency under questionable circumstances in the late 1980s and is still wanted in Switzerland, where he was convicted of money laundering for the Mafia's 'Pizza Connection' heroin network. Pallazollo bought a farm in the Omaruru district of Namibia,²⁴ and shortly thereafter a Mr Silvio Polera, who is allegedly a major figure in the organisation of the Italian Mafia in South Africa, also moved to Namibia. According to sources, Pallazollo and Polera have met at this farm, and during the recent past some high-ranking Namibian politicians have been hosted there as well.²⁵ Pieras has also been associated with Silvio Polera, who continues to live in Namibia on his property in Klein Windhoek despite being sought by the South African authorities for his alleged links to a number of crimes. A previous effort by the Italian government to extradite him failed, apparently because the Namibian government did not recognise the crimes for which Polera was being sought in Italy.²⁶

Pallazollo has also been linked to other enterprises in Namibia. When the ostrich industry was booming in Namibia during the mid-1990s, he and an Israeli businessman, Gershon Ben-Tovim, established an ostrich-breeding com-

pany called NACOCO on Pallazollo's farm near Omaruru. Other directors of this company were Rapama Kambehozu, one Johan Visser and a certain Hendry Vidler of Kensington, London.²⁷ NACOCO was placed into liquidation in 1998, but the approximately 10,000 birds that they had in their stock lots continued to be fed at a cost of about US\$100 per head per annum, including amortisation costs of the breeding stock—at whose expense is not clear.

State-owned diamond mine in the DRC

Allegations of illicit diamond dealings have emerged during the course of investigating links between Namibian diamond claim-holders in the Democratic Republic of Congo (DRC) and the smuggling of diamonds out of the DRC and Angola. Many of these allegations are linked to the Namibian Army's controversial diamond mining company in the DRC, 'August 26', which mined in a 25-square kilometre concession at Maji-Munene, southeast of Tshikapa, about 45 kilometres from the Angolan border of the Lunda Norte Province.

According to a reliable source, the diamond mining company for which he (the source) was working had been approached several times with a view to 'washing' illicit diamonds through their claim. With as many as 15 to 20 new diamond claims granted during 2000 and 2001, there existed considerable opportunities for laundering diamonds mined in the DRC and Angola. While the Namibian government has confirmed the existence of this mine and its operations, the responsible officer—the Namibian Minister of Defence—had by the end of 2001 not tabled a financial report for the mine, even though it was set up with state funding with the initial objective of off-setting Namibia's military costs in the DRC.

Although the directors of August 26 are listed publicly, well-placed sources insist that those benefiting from this trade are not listed among the company officers.

The Israeli connection: Namibian Diamond Recovery (NDR) (Pty) Ltd.

August 26 is also involved with the already-mentioned Israeli, Ben-Tovim. He is co-owner of a diamond mining company, Yam Diamonds Recovery (Pty) Ltd., in partnership with his now estranged wife, Sarah, but managed by Ben-Tovim. Yam Diamonds has since early 1993 held the exclusive contract to mine the shoreline for diamonds along the Namibian coast between Oranjemund and Bogenfels, an area better known as Diamond Area 1, held under license by De Beers since 1938. It has a share with De Beers in Quarter-

deck, a company that leases three boats that operate the Yam Diamond concession inside existing De Beers diamond claims along the coast.²⁸

Why non-Namibian like Gershon Ben-Tovim was given what amounts to probably one of the most lucrative diamond concession areas along the beach of Diamond Area 1 is not clear.²⁹

According to his estranged wife, Sarah, since the mid-1990s Ben-Tovim has also become active in the Russian diamond trade. A matter of contention between Ben-Tovim and his partner has been his attempts to have Yam Diamond's mining license revoked and transferred to Namibian Diamond Recovery (NDR) (Pty) Ltd., apparently in order to eliminate his wife's 50% share in the company. As at the end of 2001, the directors of NDR were:³⁰

- Festus Naholo (a top businessman with close links to SWAPO and closely associated with Aaron Mushimba);
- Gershon Ben-Tovim;
- BB Stewart-Roberts (the wife of a local industrialist);
- H Gisichen (Ben-Tovim's lawyers);
- SW Martin (an associate of Ben-Tovim);
- Il (Issy) Namaseb (a former Secretary to Cabinet);
- LS Uundja (a business figure with good political links);
- Dr Z Erkana (the Permanent Secretary of Environment and Tourism); and
- R Urub (a business figure with well-established political links).

Sources maintain that most of Namibia's diamond trade was directed, in one way or another, from the Office of the Prime Minister, mostly through contacts to the President's brother-in-law Aaron Mushimba, a Herero, and Mushimba's main business partner, one Coen Wium, who is apparently a former SADF military intelligence operative, born in South Africa but of Belgian origin.

Other persons apparently linked to the diamond trade in Namibia are:³¹

- George Naumdjebo (a businessman, allegedly a buyer of UNITA diamonds);
- Dirk Conradie (a senior partner in the legal firm, Damaseb and Conradie);
- Rapama Kambehoze (who travels regularly to Antwerp via Frankfurt to sell diamonds on behalf of his partners); and
- John Akwenya (a lawyer with Damaseb and Conradie).

These are all person with access to the Prime Minister's Office and they exhibit considerable wealth.

Drug smuggling

During the past ten years, Namibia has become a conduit especially for the smuggling of cocaine from Angola to South Africa, which has the wealthiest market in the region.

Several large 'busts' have been made, usually involving 'mules' caught smuggling the drugs by bus or plane into Namibia by concealing them in false suitcase bottoms, food, batteries, etc. Drugs are also carried across the Namibian-Angolan border and brought to Windhoek, from where they are further distributed to South Africa. There has been no indication that the criminal networks involved have penetrated state structures or that they have influence in senior political circles.

Subsequent to the renewed fighting that erupted in Angola during 1998, Namibia has played host to a large number of Angolans, many of them young men from wealthy Angolan families that can afford to send their children to live in and attend school in Namibia. There were, by some estimates, as many as 25,000 Angolans living in Windhoek during 2001,³² many of whom enjoy high standards of living.

Cocaine consumption does occur in Namibia but appears to be on a minor scale involving cocaine originating from South Africa. Those involved in the trafficking of cocaine are mostly of Angolan origin although a Windhoek night-club owner has been accused several times of being involved in trafficking in this drug.

An Italian Mafia link to offshore trans-shipments of cocaine also appears to exist. Reliable sources have linked Vito Biaggone with such activities. During 1999 the Italian authorities sought his extradition from Namibia in order to stand trial in Italy on charges of having been involved in the trans-shipment of cocaine from ships arriving from Brazil, onto Spanish ships that thereafter transported it to the Mediterranean area. The Italian authorities also wanted to try him on charges of being a member of the Italian Mafia. It was alleged that between 1994 and 1997 Vito Biaggone had been involved in the trans-shipment off the Namibian coast of large quantities of cocaine. He was also accused of

attempting to smuggle 592kg of cocaine by boat from Brazil into Italy and of assisting to ship five tons of hashish from Morocco, also to Italy.³³ Biggione denied all these allegations. The application for extradition failed because of lack of evidence and because membership of the Mafia was not a criminal offence in Namibia.

Crack cocaine has also found its way into Namibia, with particular prevalence in Walvis Bay's township of Narraville. This suggests that it may be coming to Walvis Bay from Cape Town via fishing boats. Again, the owner of a nightclub in Walvis Bay was accused of being involved in the trade, but no corroborating evidence could be found.³⁴

There have also been several recent cases of young people taking overdoses of heroin with fatal consequences. This drug appears to reach Namibia via Tanzania and Zambia. A Tanzanian citizen was arrested in 2000 in this regard, but police declined to discuss details as investigations were ongoing.

The trade in marijuana (*dagga*) is the biggest drug trade in Namibia. This drug is usually supplied from South Africa, which counts as a major producer in the region. Large quantities are smuggled by organised networks, normally on behalf of Cape Town-based Xhosa syndicates, using furniture removal vans and large trucks carrying bulk goods.

Gun-running

Prior to South Africa's 1994 general elections, a gun-running syndicate of mostly Xhosa-speaking women operated between Namibia and South Africa. This group typically took bales of used clothes to the Namibian/Angolan border, where these were traded for weapons that were then smuggled back to South Africa, often in empty furniture removal trucks. The guns (mostly AK47 type assault rifles) presumably found their way back into the South African criminal world.

This syndicate was, however, uncovered late in 1993 and five Xhosa women were arrested; all are still serving prison sentences.

Chinese criminal groups

The activities of Chinese criminal groups in Namibia are not well documented. Some elements within the growing Chinese community have increasingly re-

sorted to violence. In two cases recently reported in local media, automatic assault rifles and other unlicensed firearms were confiscated from various Chinese groups.³⁵ In one case, an individual opened fire on a group of people attending a baby shower in a local hotel. Chinese organised criminal networks are also linked to the noticeable increase in the availability of counterfeit goods in Namibia.

Through the many small shops that they run, some Chinese traders have also been active in the diamond smuggling market. Towards the middle of 2000, two Chinese traders were executed outside Tsumeb in northern Namibia in what was said to be a diamond deal gone wrong.³⁶ A subsequent police investigation quietly led nowhere.

Abalone smuggling

Until the end of 2001, an abalone smuggling operation was being conducted from a secluded farm close to the Orange River border between South Africa and Namibia. Small planes, flown from an improvised airstrip, were used to transport abalone to Harare, Zimbabwe. The operation was closed down when a plane was detained late during 2001 at Francistown by Botswana authorities who suspected either arms or currency being smuggled. Chinese organised criminal groups control the abalone smuggling trade in South Africa and it is suspected that such groups also had a hand in the Namibian abalone smuggling operations.³⁷

Trafficking in illegal immigrants

On 12 July 2001, *The Namibian* reported that Air Namibia had been fined about R1.5 million by the United Kingdom Home Office for carrying illegal immigrants into the UK.

According to the report,³⁸ on 7 July 2001, Air Namibia flew 20 persons of Afghan descent to Heathrow Airport. All of them reportedly had valid passports, but tore these up once on board the aircraft. Home Office officials imposed fines on Air Namibia of £2,000 per illegal immigrant.

The Afghani group consisted of 14 men, one woman and five children under the age of five; no other details were available.

The report further stated that this group of 20 was just the latest example of the transport of illegal immigrants by Air Namibia. Quoting a British High Com-

mission official, the report stated that Air Namibia had previously incurred fines when flying illegal immigrants from Angola, Algeria, Turkey and Pakistan into the UK. It appears that Air Namibia has flown a substantial number of illegal immigrants to the UK and that outstanding fines of £88,000 were still due to UK authorities. However, British officials were quoted as saying that there was no indication that Air Namibia had knowingly carried the illegal immigrants. According to the reports, a junior Air Namibia ground hostess was suspended in connection with the incident.

What this experience does indicate is that Namibia is being used to re-route illegal immigrants into Europe. They appear to arrive in Namibia after having passed through the east coast of Africa, and via Zimbabwe and South Africa. It is also possible that some of the illegal immigrants enter Namibia via Zambia. A new Islamic Foundation has recently been established in Katima Mulilo, one of the areas in Namibia with the weakest border controls, which borders Zambia, Angola, Botswana and Zimbabwe.

While it is not being suggested here that the Islamic Foundation is involved in the smuggling of illegal immigrants, members of the community that the foundation serves may well be in a position to facilitate the transfer of illegal immigrants from countries such as Afghanistan.

Corruption in the public and private sectors

Gaining political power was interpreted by many in SWAPO in a traditionalist fashion of 'winner takes all', with the President seen by many more as a national chief than as the head of a democratic state. However, this style of governing under President Sam Nujoma has been well received by the poor, rural majority, often without questioning. This benign autocracy, where other interests were subsumed to the need for party solidarity, has therefore come to characterise the post-independence period in Namibia. Calls for accountability by the independent media are seen as little more than impudence.

As a result, the ruling party often fails to distinguish between its own, narrow interests and the wider national interests. It has sought to create a nationalism after its own image, which is more akin to a patriarchal system of political patronage, where the need to foster an image of unity has priority over considerations of transparency and accountability.

SWAPO also has had to undergo a transition from a Marxist-orientated party that supported a command economy, to one committed to a free market sys-

tem. One of the consequences of this transition has been that among the new breed of Namibian capitalists there are those who have more in common with the rampant oligarchs of Russia than with the more acceptable notions of socially responsible capitalism.

Consequently, joining the ruling party has become an acceptable way to personal advancement. Becoming a politician is seen by many as the way to get rich quickly. The government has also failed to honour Article 142 of the Constitution, which forbids conflict between a Minister's private and public interests. The result has been that cases of suspected high-level corruption have been swept under the carpet in the name of political solidarity. Members of the political élite have strong links in the private sector and some businesspersons thrive through the influence that such links provide to them. An example is the Namibian food supply business.

State food supply contracts

The Namibian government annually spends about R40–50 million on various food supply contracts to service, among others, school hostels, prisons and annual drought relief programmes. Although these contracts are supposed to be given out on a competitive tender basis, the industry is dominated by two companies, which both have strong links to prominent members of the ruling political élite. Available information shows that there is a large degree of collusion between these two companies, namely Global Foods and Independence Caterers, who appear to share the business between them.

These two companies work closely in conjunction with a non-governmental organisation that operates more like a private company.

From the information that is available, it seems that the two principals of Independence Caterers and Global Foods essentially act as a cartel by ensuring that they do not make competing bids on the same contract. For example, the hostel food contracts are divided by region (of which there are 13 in Namibia) in order to encourage rural-based companies to also bid on these contracts. Global and Independence then find themselves willing partners in these regions to act as 'nameplates' for bids essentially compiled by themselves, for which the 'nameplate' company receives a commission of 10%.³⁹

To ensure that they do not bid against each other, each region is allocated to one of the two companies. While both may enter bids, prices are compared in

advance to ensure that the contract is awarded to the right one. Bids are literally rigged to ensure, for example, that Global gets the Kavango contracts, and Independence gets the Ohangwena contracts.⁴⁰ Although the bids appear competitive on paper, both companies refuse to allow the receiving parties (e.g. the hostel superintendent) to keep delivery notes against which to check their supplies against the original bids; both companies appear to short-change the system by then supplying inferior foodstuffs to what was asked for originally: for example, instead of supplying fresh fruit, dried fruit is supplied, or instead of meatballs in gravy, a soya-based product is supplied.⁴¹

The suppliers are paid by 'man-days' of food supplied to the hostels, which are then signed off by the accounting officer with the Ministry of Basic Education and Culture. However, one such accounting officer said that despite regulations stating that hostel inspectors should verify such accounts against deliveries, the Office of the Prime Minister has declined to fill these vacancies, which have now existed for the better part of ten years. As a result, this officer said he was forced to sign off such accounts of food supplied to hostels even before the hostels opened for the new school year.⁴²

This also extends to the very lucrative drought supply programme. For example, in 1997, Global and Independence convinced the responsible Ministry (Agriculture, Water and Rural Water Supply) that food contracts for drought relief had to be implemented via NGOs, who were then asked to enter competitive bids. The highly respected Rossing Foundation, which previously had handled all this for free, refused to participate. Instead, Global and Independence approached two smaller NGOs who were willing to bid on their behalf for a fee of 10%, with NDDA listed as the distributing agent.⁴³

This has been the pattern ever since, and despite several complaints laid with the Office of the Ombudswoman, no investigation has ever been conducted. (The writer was invited to one such meeting where several large local food supply companies aired these complaints.) The result was that several of the other companies eventually sold out to parties associated with either Global or Independence, and competitiveness in the industry has been dealt a severe blow—but as the taxpayer ultimately foots the bill, nothing has been done from government's side to sort out the situation.

This group is also believed to have lobbied the Namibian government to ban the importation of sifted maize into Namibia, despite the fact that Namibia could never produce enough maize to satisfy indigenous needs. Instead, im-

porters are forced to have their maize milled locally, and all the major players involved in the above syndicate appear to be involved in one way or another in the three mills in existence in Namibia.

This has impacted particularly on the operations of the World Food Programme (WFP), which is now forced to import maize in whole kernels. The WFP said it was told which millers to use.⁴⁴

The boards of both Independent Caterers and Global Foods list a number of high-ranking government officials and in the case of Global, the wife of a top minister appears to play a prominent role. When in 1998 Global Foods discovered that they had under-estimated their costs of distribution in the Kavango area, the Office of the Prime Minister immediately authorised an additional R5 million to be paid out to them.⁴⁵ The minister's wife owned a major part of the shares.⁴⁶

Independence Caterers has a former Permanent Secretary of Environment and Tourism, Dr Tangeni Erkana, on its board. He also owned shares in the company. He has since left the government to retire to his farm, for which he paid cash in excess of R1 million.⁴⁷ Other players are a former prosecutor who was dismissed for corruption, as well as companies in Rundu and other areas. Persons involved in these food distribution businesses have strong links to the Ministry of Agriculture as well as to the Office of the Prime Minister, whose office is in charge of drought aid.

Concluding comments

In an address to the nation on 2 May 2002, President Sam Nujoma focused on escalating crime and fraud in Namibia and expressed his determination to fight crime "tooth and nail". He referred to crimes which were on the increase and mentioned organised crime syndicates defrauding public and private enterprises, drug trafficking, motor vehicle theft, housebreaking and shoplifting. Referring to fraud, corruption and other economic crimes, President Nujoma said:

I am extremely disturbed by the economic sabotage, which is being committed at the Bank of Namibia, University of Namibia, Namibia Broadcasting Corporation, at other parastatals and also at some commercial banks. These economic crimes are committed by people in public institutions whom my Government has placed in positions of trust to facilitate the welfare of these corporations to deliver badly

needed services to maximize benefits to the Namibian people. Those officials found guilty of economic sabotage have betrayed the trust which was vested in them by the Namibian people and must be dealt with severely in accordance with our laws. It is only stern action which will stop this rot and deter others from stealing and abusing the limited resources that are available to us to help our people and uplift their living standards.⁴⁸

These are strong and encouraging words from the President. They came in the wake of recent serious cases of fraud, theft and robbery in various parts of the country, reported at institutions such as the NBC, SSC, Bank of Namibia, Ministry of Basic Education, Culture and Sports, and others. In many of these cases, cheques or cash were stolen. Some suspects were arrested.

If the sentiments and promises of action against organised crime and corruption are acted upon by the authorities, Namibia need not become yet another developing country that falls victim to sophisticated organised crime groups to the extent that sectors of government themselves become criminalised. Namibia does not appear to have reached that stage but the potential of it happening is certainly there.

What will require a special effort from the Namibian government is to properly regulate and become more transparent as far as the diamond trade is concerned. The country has an enormous wealth in diamonds and the criminal elements who smuggle them are in a position to pay vast sums to corrupt and bribe officials and others. The encouraging indicators of peace in neighbouring Angola will benefit Namibia as a whole, but as far as organised crime is concerned, a significant increase in such activities must be expected. The illicit diamond trade in particular is likely to flourish as illicitly mined diamonds from the rich Angolan diamond mining areas find their way to Namibia. Special efforts will be necessary to prevent Namibia from becoming a hub of the illegal diamond trade.

The alleged links of the Italian Mafia to the illicit diamond and drug trade should be of particular concern to the Namibian authorities. With its global experience and sophistication, very few individuals, including government ministers, are immune to the Italian Mafia's influence. Once they have penetrated top government echelons, reversing the process is not only extraordinarily difficult, but is also likely to go hand in hand with political and social turmoil and crises. Some developed countries, such as Italy, have experience of this. As long as known senior members of the Italian Mafia, who are linked to the

diamond or drug trade, are free to operate from Namibian soil, Namibians must assume that efforts will be made to corrupt and penetrate government and business structures at the highest levels.

Namibia is one of a small number of countries in the world that have ratified the UN Convention Against Transnational Organised Crime. Once the Convention becomes operative, Namibia will be entitled to utilise all the international assistance provisions contained in the Convention for the purpose of combating sophisticated transnational organised criminal groups. It should mobilise international support to do so to the full as developed countries have committed themselves to provide assistance. Namibia will be fully entitled to test such commitments. A new Bill, the Prevention of Organised Crime Bill, has been drafted and placed before parliament. It is largely modelled on the South African legislation, which attempted to incorporate the latest international best practises, including the criminalisation of laundering and the forfeiture of the proceeds of crime. Once this Bill becomes law, the legislative tools which Namibia has available to combat organised crime will have been significantly strengthened. The challenge then becomes its effective implementation. A prerequisite will be the allocation of adequate resources and the requisite political will to make it succeed.

The political will to combat organised crime is directly linked to the government's determination to fight corruption. In this regard it is disappointing that there has been a stalemate around the proposed anti-corruption legislation for almost four years. It was rejected by the National Council and now finds itself in a legal limbo at a time when the President has expressed alarm at the increase and extent of economic crime involving government departments.

Namibia has the capacity to keep organised crime and corruption in check. It seems to be at the point where decisive interventions by government on a policy, operational, and legislative level can ensure that it does not become a captive of organised crime. If the President's sentiments are acted upon, there is every reason to believe that Namibia can regain the initiative against organised crime and corruption and thereby increase the risk in Namibia for those who are thinking of engaging in those activities.

Notes

- 1 P Gastrow, *Organised crime in the SADC region*, ISS Monograph series, 60, Pretoria, Institute for Security Studies, 2001.
- 2 See the 'Knockity' case above: James Carroll dealt with various different individuals in this group at various stages and is of the opinion that they are more of a 'club' than a strictly organised group.
- 3 Telecom man nabbed for poaching, *The Namibian*, 9 October 2001, which reports that one Raymond Sezuni was caught with Zambian relatives poaching game along the Botswana border.
- 4 Still ongoing—there are at least 3,000 Special Field Force members stationed along this strip.
- 5 Interview with former Protected Resources detective, October 2002.
- 6 Interview with former Nampol Chief Inspector P Kandjimi, October 2001; various conversations with a person involved with motor vehicle theft during 2000.
- 7 *The Namibian*, June–December 1998, and interviews with Chief Inspector Kandjimi.
- 8 Ibid.
- 9 Ibid.
- 10 Pieter Myburgh was convicted and sentenced to nine years imprisonment for his part in the scheme. At the time, the author was working in an Okahandja-based transport business and has first-hand experience of the Levy-Myburgh operation.
- 11 Interview with former company secretary, April 2002.
- 12 Interviews with various police officers 1991–2001. The author is a full-time investigative journalist.
- 13 Videotape of Namibian Prime Minister Hage Geingob, visiting the CSO in London in June 1993, where he was shown top Angolan goods and told that those were the biggest threats to Namibia's own diamond production. De Beers admitted that it was buying up smuggled gems at a huge cost to protect diamond prices.
- 14 Affidavit by Pearson, which featured in a court case in the Windhoek Regional Court where Charles Courtney Clarke was convicted of attempting to blackmail De Beers.
- 15 Statement by Australian diamond dealer James Carroll. He was 'stung' by one such well-connected syndicate. According to him, this syndicate enjoyed protection from the highest level.

- 16 Various personal contacts by the author with such persons during period 1991–2001.
- 17 Interviews with former commanders of the Protected Resources Unit, Windhoek, Swakopmund.
- 18 The best known of these is the Nasser case, High Court, June 1998.
- 19 Telephonic interview with James Carroll, 27 September 2001.
- 20 Ibid.
- 21 Various discussions between Pieras and the author during 2001.
- 22 Various discussions between the author and the Angolan during 2001. He was a contact person for UNITA in Namibia.
- 23 According to a Uruguyan passport he obtained, Pallazollo now calls himself Von Palace-Kolbatschenko.
- 24 Government of the Republic of Namibia (GRN) Deeds Office. Vito Pallazollo in fact owns two farms here, controlled by the Von Palace-Kolbatschenko Trust, namely Omburo-Suid and Eausiro Nord and West. The Trust is held by Neuhaus and Keller Trust Company, Windhoek, and is controlled by lawyer Ernst Kubirske, a regular visitor to both farms. Another trustee is believed to be lawyer Ilse van der Westhuizen. Deeds are made out to the 'Trustees for the Time Being of the Von Palace-Kolbatschenko Trust'.
- 25 Interviews with various former employees, April 2002.
- 26 Money laundering and being a member of a Mafia-type organisation.
- 27 GRN Registrar of Companies—Namibian Consolidated Ostrich Corporation (Pty) Ltd, reg. 95/255.
- 28 *Sarah Ben-Tovim vs Yam Diamond Recovery and Namdeb Corporation*, High Court, December 15, 2000.
- 29 Yam Diamonds is not registered with either the Ministry of Trade and Industry or the Ministry of Mines and Energy, according to open source documents.
- 30 GRN Registrar of Companies.
- 31 Various discussions between the author and reliable sources linked to the Namibian National State Intelligence Agency, 2001.
- 32 Author's own reporting.
- 33 Court hears of Mafia links, huge drug deals, *The Namibian*, 1 June 2000.
- 34 Allegations by a former Druge Enforcement Unit detective; author's own reporting.

- 35 Shoot-out in local hotel, *The Namibian*, 20 October 2001; *Wilde skieterij in spot-hotel, Die Republikein*, 19 October 2001.
- 36 Mysterious millions found at Tsumeb dump, *The Windhoek Observer*, August 2001.
- 37 Interviews with the pilot involved, December 2001.
- 38 Britain fines Air Namibia N\$1.5 million for flying illegal aliens, *The Namibian*, 12 July 2001.
- 39 Ibid.
- 40 Interviews with the author's brother, who was approached by Global Foods with a view to 'fixing' a contract. The matter was reported to the Office of the Ombudswoman but as far as could be established no investigation was ever launched.
- 41 Interview by the author with persons who worked for with Independence Caterers and Global Foods, 1999.
- 42 Ibid.
- 43 Ibid.
- 44 WFP Programme Officer, Windhoek.
- 45 Interview with a former accounting officer in the Directorate: Emergency Management Unit (EMU), 2000. The EMU resorts under the Prime Minister's Office.
- 46 Interview with former EMU accounting officer.
- 47 GRN Deeds Office.
- 48 Namibian President Nujoma declares war on crime, fraud, *Bernamea Daily Malaysian News*, 10 May 2002.



Source:

University of Texas at Austin, UT Library Online, http://www.lib.utexas.edu/maps/africa/namibia_pol90.jpg. Accessed 26 March 2003.

CHAPTER 3

MOZAMBIQUE

Peter Gastrow & Marcelo Mosse

Introduction

It would be an understatement to describe the past three decades in Mozambique as a period of transition. This would not capture the magnitude of the fundamental and tumultuous political, social and economic changes the country has experienced. Since the early 1970s, Mozambique has veered from one extreme to the other. Portuguese colonial rule ceased in 1975, ending a system of subjugation and colonial-capitalism. The new head of state, Samora Machel, immediately set about fundamentally transforming his country into a one-party socialist system with a centrally planned economy. The state sought to perform all the roles in the economy, from traditional social services to the production and distribution of goods and services. This was the revolutionary phase, during which the state strove towards egalitarianism.

The result was a serious collapse of the economy and deepening internal political divisions that developed into a civil war between the Renamo rebels, as they were then, and the Frelimo government. This debilitating conflict, which was to last for more than ten years, resulted in a devastated countryside, the destruction of infrastructure, and the displacement of millions of rural people. In 1987 Mozambique embarked on a new course aimed at transforming the planned economy into a market economy and at moving away from one-party rule to a multi-party democracy. But the ongoing civil war prevented progress towards these objectives; as a result, social dislocation and the destruction of infrastructure continued. Only after the end of the civil war in 1992, and more specifically after the first democratic elections in 1994, was stability restored in Mozambique. However, the protracted civil war and the failed socialist experiment had resulted in extreme poverty and a damaged economy. According to World Bank figures, Mozambique was the poorest country in the world during the mid-1990s in terms of gross domestic product (GDP) per head.¹

After 1994 the country went through a remarkable recovery phase. As stability began to be restored and the country moved towards a market economy, investment returned and Mozambique became one of the fastest growing economies

in the world, though from a low base. Today the economic outlook is still favourable and the country's real GDP growth is expected to remain high, averaging 9% per year during the period 2001–2003.²

However, Mozambique is still one of the world's poorest countries. The government still lacks the capacity to provide the most basic services to the majority of the population (which totals about 19,104,696), two-thirds of whom live in absolute poverty. During 2000, 70% of the total adult population and 76% of all women could neither read nor write, and the average life expectancy was only 46 years. According to the 2001 Human Development Index of the United Nations Development Programme (UNDP), which measures countries' achievements in terms of life expectancy, educational attainment and adjusted real income, Mozambique is placed in the category of "low human development". It is therefore regarded as constituting part of the group of "least developed countries", which, in the Southern African Development Community (SADC) region, include Tanzania, the Democratic Republic of Congo, Zambia, Angola and Malawi. These all form part of the 20 least-developed and poorest countries of the 162 that are listed in the UNDP index.³

Mozambique has a coastline that stretches 2 470 kilometres along the Indian Ocean, and land boundaries of 4 571 kilometers. From a security perspective such extensive borders are difficult to control, even for the most developed and well-resourced countries.

While it is clear that Samora Machel's socialist experiment was a failure, his rule was characterised by a determination to weed out self-enrichment and corruption. He defended the interests of the poor and was the critical conscience of the state. He is remembered for the conviction with which he delivered statements such as:

Material, moral and ideological corruption, bribery, the search for self comfort, nepotism, that is, favours on the ground of particular friendship or preferences in job allocation, favouring family members, friends or people from his own place are part of the system of life that we want to destroy...Everyone who diverts from our political line will have no tolerance from us. We will be intransigent...We will not hesitate to expose them to people harmed by their behaviour.⁴

When Machel died in 1986, this element of principled leadership disappeared. According to the late Carlos Cardoso, the former editor of *Metical*, the army

became corrupt, crime increased, and leading figures in the governing Frelimo party were linked to corruption and drug traffickers to an ever greater extent.⁵ The degree of 'pragmatism' that was required by party functionaries to make the radical shift from a centrally planned towards a liberal market economy resulted in many also becoming more 'pragmatic' about transparency, accountability and ethical standards. This ability to adapt led to a form of 'radical pragmatism' within the ruling elite. "Mozambique has a 'rule of arrangements' and not a rule of law system", Cardoso claimed.

In different parts of the world, periods of transition from one-party socialist rule towards a multi-party democracy and a market economy have tended to provide an environment that is conducive to the expansion of organised crime. The same occurred in Mozambique. The social control mechanisms introduced under socialist rule, which included measures that encouraged people's participation in the decision-making process and held government officials accountable for their actions, collapsed and were replaced by weak state structures that could provide only symbolic safety and security to a population that was left to fend for itself.

Today Mozambique's criminal justice system continues to be very fragile and under-resourced. There is a lack of political will to fight organised crime and corruption, and a general perception that some of the political elite are either involved in or are connected with organised crime. The police do not have the human or material capacity to control the coastline or land borders. Organised criminal groups have exploited this environment and have made the country a haven for international drug smuggling, in particular.

Organised crime in Mozambique

This paper focuses on some of the more prominent organised criminal activities that constitute a threat to Mozambique and does not attempt to cover all forms of organised crime. The more threatening criminal groups appear to be those involved in transnational organised crime. These are groups and networks whose members and criminal activities are not confined to Mozambique, but also extend to other countries including Portugal, Brazil, Pakistan, the United Arab Emirates, Dubai and South Africa. Among the more prominent of these groups are those that are linked to drug trafficking, money laundering, trafficking in human organs, stolen motor vehicles, illegal firearms, and the obstruction of justice.

Drug trafficking

The trafficking of drugs became important in Mozambique during the 1990s when the big international drug dealers started to look for alternative routes that were not controlled by the international agencies. During the extended civil war it was not possible to use Mozambique as a transit route for drugs, but when the war ended in 1992 the country became attractive as a secure trans-shipment area for drug smugglers. Communications were re-established, state structures were weak, and the government encouraged international investment. In addition, Mozambique had a long coastline with many islands. The low salaries of state employees made it easy to corrupt elements within the police and other branches of the civil service.

The volume of illicit drugs consumed within Mozambique remains a minuscule portion of the volume that is transported through the country. However, local drug consumption, particularly in the capital Maputo, is becoming a growing social and security problem. A speech by the Minister of the Interior to Parliament during April 2001 underlined this: the Minister reported that the police had struck at parts of the city so notorious for the sale of illicit drugs that they are popularly known as 'Columbias'. One such 'Columbia' was in the military neighbourhood where demobilised soldiers were involved in the drugs trade. The Minister mentioned that the police had arrested 168 drug dealers and users, and seized 99 packages of hashish, 320 grams of cocaine, and 30 doses of heroin.⁶

According to sources interviewed in Mozambique, there appear to be at least two large transnational drug networks operating in the country.⁷ One, involving individuals from Colombia, Chile, Spain and other parts of Europe, focuses on trafficking in cocaine and uses Mozambique as a transit area. The second group, which has been active in Mozambique since about 1992, consists largely of Pakistanis and Mozambican citizens belonging to the local Pakistani community. They concentrate mainly on hashish and mandrax.

It is difficult to establish whether the illegal trade in drugs in Mozambique is expanding. Police statistics are not of much assistance in this regard: they suggest that the situation is under control because there have not been significantly more prosecutions for drug trafficking. They do emphasise, however, that there has been an increase in the trafficking of *Cannabis sativa*. Two recent official reports also do not throw much light on the subject. One, a Cabinet report dated April 2000, does not say much about the trafficking of drugs such as cocaine or hashish but focuses on issues relating to drug consumption. The second report, dealing with crime in the country during the past five years and

produced by the General Command of Police of Mozambique, contains very little information about drug trafficking.⁸

Cocaine

The cocaine traffickers appear to have been singularly successful. It is estimated that during 2001 more than one tonne of cocaine and heroin passed through Mozambique.⁹ This illicit trade is not targeted at the Mozambique market but is mainly aimed at re-routing the cocaine to markets in developed countries. While some consumption does take place in Mozambique, the country is too poor to provide a profitable consumer market for cocaine. However, Mozambique does offer a relatively low-risk transit area for the onward distribution of the cocaine to other parts of the world. The annual retail value of cocaine routed through Mozambique is about US\$50 million. Some of the profits arising from this transaction, an estimated US\$2.5 million annually, remain in Mozambique.¹⁰

The cocaine originates in Colombia and is transported via Brazil to Mozambique, mainly by aircraft. Airport and harbour controls are weak. Some of the cocaine is then transported on smaller executive jet planes via other African countries such as Nigeria. Sometimes diplomats in official cars meet the arriving executive jets. Senior politicians and officials from the Ministry of Foreign Affairs are allegedly also involved. A reliable source interviewed in Mozambique referred to a court case in which the evidence showed that an embassy post box was used as the receiving address for the cocaine. In this particular case, half a kilogram of cocaine was involved.¹¹

Most of the onward trafficking of cocaine from Mozambique appears to be run by Nigerian criminal networks. They allegedly have their own planes and are connected with senior people in the Mozambican political establishment.¹² Reference was made to a very wealthy Nigerian who resides in New York but is involved in cocaine trafficking in Mozambique. From Mozambique the cocaine is shipped on, mainly to Europe and East Asia and to a lesser extent South Africa, whose expanding market for cocaine has encouraged some of the international cocaine smugglers to establish operations there.

Heroin

Heroin is transported from Pakistan to Dubai, then to Tanzania, and from there to Mozambique, from where it is trans-shipped, mainly to Europe. More particulars could not be obtained.

Hashish (Cannabis resin)

A well-organised criminal group, consisting mainly of Pakistanis and Mozambican citizens belonging to the local Pakistani community, dominates the hashish smuggling market in Mozambique. They operate sophisticated criminal enterprises involving importers and exporters, transporters of the drugs, field operators, and those who supply them with information. Details are not available about the size of these criminal groups or their structures. The use of violence is not common. It appears to occur not against the authorities but mainly within the criminal groups when law enforcement authorities have intercepted a consignment of drugs. Such interventions by the police seem to lead to suspicion within the groups that an insider has supplied the police with information or is dissatisfied with his share of the profits. Violence is therefore used as a form of revenge.

These groups have been active since the early 1990s and have been expanding their operations since then. Most of the hashish is re-routed and only a very small proportion remains behind for consumption in Mozambique or elsewhere in southern Africa. Although still minimal compared to the volumes that are trans-shipped, consumption in the region, particularly in South Africa, has gradually increased, resulting in some members of Mozambican criminal groups becoming increasingly involved in trafficking hashish in the southern African region.

The most dramatic example of the extent of hashish trafficking was the 1995 seizure of 40 tonnes in northern Mozambique.¹³ The hashish was offloaded from a ship with an Asian flag at a beach in the Macomia district in Cabo Delgado. The coastal Swahili towns in this northern part of Mozambique have been linked to drug traffic in the Indian Ocean area for centuries—even before Portuguese colonialism. The consignment allegedly belonged to a known trader who is thought to be in Portugal. A transporter from Nampula, whose identity is known, took the hashish from Cabo Delgado to Nampula, where it was put into storage in buildings that are said to belong to a local Nampula business enterprise. At this location the hashish was packed into boxes normally used for exporting cashew nuts. The person allegedly associated with the exporting of hashish, one Rassul, runs a company in Nampula called Moti Commercial, which is still in operation. Rassul was arrested and imprisoned on drug trafficking charges but was released during 1996 without standing trial. At the time there was speculation that he was being protected by Marcelino dos Santos, formerly a key figure in the ruling Frelimo party.¹⁴

According to well-informed sources, the *modus operandi* followed in the case mentioned above is typical of what happens in other hashish smuggling operations. The traffickers use the northern port of Nacala and the hashish is generally not offloaded in the harbour itself. The ship anchors offshore and small boats are then used to transport the consignment to the shore, where it is stored in various buildings. The drugs arrive in small boxes, for example chicken food boxes, and are then repacked into boxes intended for cashew nuts or tea before being re-exported to Europe and elsewhere. The Mozambican members of the criminal network specialise in getting the licence to export cashew nuts or tea and then bribe the authorities not to examine the boxes. During the mid-1990s there were at least four large shipments of hashish out of Mozambique. Of the four, one shipment is believed to have gone to Mexico and another to Poland.¹⁵

To date there have been two arrests in the case involving the 40 tonnes of hashish. The person escorting the truck was taken into custody and a second person arrested was soon released because it appeared to be a case of mistaken identity. The fact that none of the drug traffickers have been prosecuted serves as an indictment of the policing, prosecutorial and judicial services involved and reinforces the widely held belief that the drug traffickers enjoy political protection. When the hashish was landed in Cabo Delgado, its arrival was known locally and the authorities were notified. However, they appear not to have acted against the suspects directly linked to the trafficking. Individuals who formed part of the criminal network involved included some well-known traders from Maputo. One of them, who was subsequently assassinated, allegedly used to buy stolen vehicles in the Maputo area and then sell them to members of the hashish network in the northern parts of the country.

The trafficking involves people who are connected with importing and trading businesses. They have a good knowledge of local and international trading practices and are also associated with traders who are linked to, or are based in, the north of the country, mainly in the provinces of Nampula and Cabo Delgado. Members of these criminal groups are well connected with powerful politicians in Maputo, who protect them from the police and the courts.

Mandrax

Mandrax (methaqualone) is consumed almost exclusively in South Africa and is either transported through Mozambique or is produced in the country. South African criminal groups with contacts in Maputo often acquire mandrax in

exchange for vehicles stolen in South Africa and delivered to Maputo. The mandrax is then taken to South Africa for distribution, mainly in the Western Cape.

Corruption and the drug trade

Corruption facilitates the trafficking of drugs in Mozambique. There is a widely-held belief that with sufficient money, traffickers can buy immunity from investigation and prosecution. The relative impunity with which some of the successful traffickers operate is often a result of their close connections with individuals at the highest levels of government or the Frelimo party. At a lower level, customs officials are bribed to facilitate the entry and removal of drugs from the country, immigration officers are bribed to provide identity or residence permits (known as DIREs) for foreigners involved in trafficking and the police are paid to look the other way or to assist the traffickers. It appears that judicial officers in the legal system are only targeted in the relatively few cases where traffickers are actually brought to trial.

Poor salaries, institutional fragility, and connections with senior government officials therefore fuel corruption and bribery and facilitate the drug trade. Those individuals within government departments who wish to take steps against drug traffickers, such as some members of the police, are often reluctant to proceed because they do not have the political power to counter the existing links between the traffickers and high government officials and politicians. The State Information Security Service (SISE) has on occasion received information about drug consignments about to enter the country, but in many cases they are unable to act because of the connection between organised drug trafficking groups and powerful officials and politicians.¹⁶

Money laundering

Money laundering activities in Mozambique are linked primarily to drug trafficking. The profits of the Mozambicans involved in the trafficking amount to millions of US dollars each year. Some of this money is spent on items such as houses and luxury cars, but the traffickers also convert large portions of their proceeds into properties and businesses in the legitimate economy to generate profits or to sell at a later stage without arousing suspicion.¹⁷ It is suspected that this money has contributed to the upsurge in the construction of new buildings in Maputo, Nampula and Pemba. The investment in hotels and tourism is strategic because it is relatively easy to declare more clients than have actually been serviced and thereby disguise profits earned from illicit drug trafficking.

During the 1990s, investment in the tourism and banking sectors represented 18% of the decade's total investment.¹⁸

A portion of the proceeds from drug trafficking is channelled to banks abroad and then invested outside the country. Some of the banks, foreign-exchange bureaux and casinos in Mozambique are likely conduits for the laundering of these funds. During 2001, Mozambique had 10 banks and about 30 foreign exchange bureaux, probably more than the legal economy could justify. The main offices of the banks are all in the capital, Maputo, and so are the majority of exchange bureaux. The surprisingly large number of exchange bureaux was one factor that caused the Bank of Mozambique, the country's central bank, to suspect that they contributed to financial speculation and the depreciation of the local currency against the US dollar. During the last three months of 2001, two exchange bureaux were closed by the central bank. Since 11 September 2001 some exchange bureaux and shops have been targeted for investigation on suspicion that they were involved in money laundering activities and might have links to the Al Qaeda network.¹⁹

South African criminal groups are known to have used Mozambique to launder the proceeds of their cross-border criminal activities. This includes money paid to them in exchange for the delivery of stolen vehicles from South Africa. Some investments have been made in the construction industry.

Violence relating to money laundering is not common, but occurs in cases when individuals within the criminal network keep information from other members or when they try to escape from the control of the network. Banking officials who obtain information about laundering activities are also under threat. For example, during 1996 a Portuguese administrator of the International Bank of Mozambique was assassinated, allegedly after receiving information about money laundering transactions occurring through his bank.²⁰ Those who killed him were arrested but the criminal network behind the money laundering activities was never identified or prosecuted. The assassins were sentenced to long terms of imprisonment but have since been released. Such early releases inevitably fuel the public perception that influential criminal groups involved in money laundering are influencing the decisions of prison authorities through bribery and corruption and that this is obstructing justice in Mozambique. Powerful criminal networks can almost be seen as having created a parallel power base from which to challenge the structures and capacity of the state.

Activities relating to money laundering also impact on the national economy. Drug money that is laundered through the banks leads unsuspecting officials

to conclude incorrectly that all the money deposited in their bank (including deposits by drug traffickers) originates from an increase in the country's production and general commercial exchange. Banking statistics could therefore provide a skewed picture of the real state of the Mozambican economy and this could have significant consequences, according to the assessment of international experts. Some are of the view that the trafficking of drugs is the largest business in Mozambique and that "the value of illegal drugs which pass through Mozambique probably represents more than the total external commerce".²¹ The profits from this activity, although not declared, could therefore have a large impact on the Mozambican economy. In fact, the money that accrues from drugs could be an important contributing factor to the high growth rate of the Mozambican economy during the past few years. As is to be expected, the extent of money laundering is not covered by official statistics and it is not known whether this activity is increasing.

At the beginning of November 2001, the Mozambican parliament, the Assembly of the Republic, unanimously passed the first reading of a government Bill on money laundering. The Bill is aimed at money acquired through drug trafficking, gun running, the trade in stolen vehicles, and organised prostitution. Several deputies indicated that they would introduce amendments during the committee stage in order to widen the scope of the Bill. Members from the Renamo Electoral Union opposition coalition indicated that they would seek to amend the Bill in order to ensure that it also covered funds acquired through "embezzlement and corruption" and through dealing in contraband goods.

Organised assassination groups

According to reliable sources, there are three organised criminal groups in Maputo that, among other things, operate as contract killer squads.²² They are well known and are linked to a number of murders, drug trafficking and dealing in stolen and hijacked motor vehicles. They appear to operate fairly openly and are said to have connections with people in power.

The name of the leader of one of the groups is known. His group consists of about eight shaven-headed men who are Mozambican nationals. One of their evening meeting locations is a café close to Gelados Italianos, in Maputo. This group, which does not appear to have a formal structure, has also been linked to armed robbery and the highjacking of luxury vehicles in Maputo as well as South Africa. Some of the stolen vehicles are apparently sold to people in power. Members of this group have in the past been arrested and detained in

the Maputo high security prison but then released without trial under suspicious circumstances.

A second group comprises individuals of Asian origin, including Pakistanis, Indians, and Mozambican citizens. The group consists of approximately six individuals whose leader is a Mozambican of Asian origin who is known to many, especially in the Asian community, as "X, the murderer". He has been arrested on a number of occasions for bribery and also for the murder of a shop owner in Maputo who was allegedly involved in drug trafficking. It is suspected that some Pakistani members of this group have been involved in contract killings. There is evidence that such individuals could have assassinated an Indian trader in Maputo, and also that they participated in an attempt on the life of a well-known lawyer in Maputo. A member of this group was recently arrested but released soon thereafter in dubious circumstances. Neither the investigating police nor the Attorney-General's office appear to be proceeding with criminal action against him and, according to reliable information, his release or escape from prison took place after the exchange of thousands of US dollars.

This second group has, since about 1994, been involved in drug trafficking in Mozambique and in missions to recruit individuals into their illegal enterprise. A person believed to be connected with the leader of the group was arrested recently in South Africa and found in possession of mandrax. The group, which allegedly has strong links with individuals within the criminal investigation branch of the police, is also known for its threats to a number of traders in Maputo who owe it money. Media reports have referred to threats being made to a Mr Magid, who is involved in a business called the Central Market, the Bikba family and individuals connected with the Mamade furniture shop. Interestingly, many people from within the Muslim and Indian community know about the existence of this group, but because of the threats of violence and revenge they opt to keep quiet about it. Meetings of this group are held in various places, including the billiard room in the Muslim Community Building and a take-away shop in Maputo.

The third group consists largely of individuals within the police force who are members of the Search and Capture Unit, who allegedly act on the orders of some of their superiors. This group has apparently been responsible for the disappearance of a large number of prisoners, a development that was recently denounced by the Human Rights League. It is not known whether this group is motivated by possible financial gain or whether its members regard their actions as part of their job. Police authorities have always denied the

existence of such a group, but former prisoners and the Human Rights League have confirmed its existence.

Trafficking in human body parts

According to police sources, there are up to ten groups—each consisting of four or five people, including their contacts in neighbouring countries—involved in trafficking in human organs. They consist of indigenous Mozambicans and it is not uncommon to find women among their members. They do not have a sophisticated organisational structure and are mostly family based. Although these groups operate mainly in southern Mozambique, for example in Maputo and Xai-Xai, there have been reports of bodies with missing organs in the northern province of Nampula.

As the main market for these groups is in the neighbouring countries of South Africa and Swaziland, they are engaged in a form of transnational organised crime. Their objective is mainly to supply human organs, especially genitals, to traditional healers.

These groups usually kill specifically for the purpose of extracting organs. They rely on two methods: contracting with other criminals to murder the victims and then extract the required organs, and killing the victims themselves. The latter approach is often preferred because there is less risk that information relating to the murder will spread. According to police sources, one of the groups was arrested recently in Nampula Province. Corruption of customs officers is often relied upon when borders have to be crossed to supply organs in neighbouring countries. Police officers who obtain information about the activities of these groups are also bribed. Police statistics do not cover the activities of these groups and it is not known whether their activities are on the increase.

Obstruction of justice

The flagrant obstruction of justice, often involving organised criminal networks, is one of the most damaging practices facing Mozambican society and its criminal justice system. A damning report by Mozambique's Attorney-General, Joaquim Madeira, tabled and discussed in Parliament on 6 March 2002, confirms that the entire criminal justice system in the country has been discredited as a result. This report is a courageous move by the Attorney-General to reverse Mozambique's slide towards becoming a criminalised state, and it is hoped that he will receive the support of the government and the political establish-

ment. A news agency report on the Attorney-General's address to Parliament is reproduced in full in the endnotes as it touches on many of the aspects covered in this paper.²³

As pointed out by the Attorney-General, there is a widely held view in Mozambique that justice is only done when an investigation has enjoyed a high public profile and when there is public pressure for results. Generally, however, the capacity of organised criminal networks to subvert the course of justice is perceived to be so high that many believe that justice will never be done. Two factors contribute to this perception. First, there is the often inadequate and sloppy investigative work of the police, causing presiding judges at trials to dismiss cases through lack of evidence. Second, the judicial system has been undermined by cases where arrested suspects have been released from detention by order of the Attorney-General before the trial has been concluded. An example was the so-called Trevo case, which arose from the discovery of a mandrax factory in Trevo, a suburb of Maputo. The Pakistani citizens who were found in the factory were released before the judgment on the orders of the Attorney-General.²⁴

Members of organised criminal networks who have had brushes with the law are familiar with the weaknesses of the criminal justice system and know who can be bought. The most common strategy used in Mozambique is to bribe police officers involved in the criminal investigation, the prosecutors who have to prove the case, and the judge in whose power it is to dismiss the case and order the release of the accused person.

During 2001, many in Mozambique were closely following the judicial process relating to the death of the journalist Carlos Cardoso, who was murdered following his investigations into organised crime. Specifically, he was investigating problems experienced by the Mozambican banking system and the apparent disappearance of US\$14 million from the Commercial Bank of Mozambique (BCM) in 1996. The case is still pending and some arrests have been made, including that of the Satar brothers,²⁵ who had links with top figures in government. President Chissano's son, Nhympine Chissano, who has reportedly been arrested for possession of large amounts of cocaine, is believed to have been an acquaintance of the Satar brothers and was regularly seen at their house in Maputo.²⁶ The Satar brothers also managed a network of foreign exchange bureaux in Mozambique and had significant other interests in commerce and trade. During the first investigation into the fraud perpetrated on the BCM, the Satars and one Vincente Ramaya were implicated as the brains behind the affair and the beneficiaries of the proceeds. As the investigation

proceeded, four members of the Satar family escaped from Mozambique to Dubai. A fifth, Mohammed Assif, returned to Mozambique from South Africa and was arrested, but was subsequently released on bail. Vincente Ramaya was also released after some months in prison.

During 2000 the Supreme Court ordered an inquiry into the conduct of some of the state prosecutors who were involved in the investigation into the BCM fraud. The inquiry apparently found evidence of criminal conduct, which allegedly resulted in an inadequate and unprofessional investigation by two senior prosecutors and by three other prosecutors who had worked on the case at provincial level. The reports relating to the inquiry have not been published and there are indications that the Supreme Court might instruct that charges be laid against the prosecutors concerned.²⁷

Public expectations were high that a thorough investigation and prosecution would take place, but this did not happen. The impression that the investigation was not pursued seriously contributed to a view that the Satars were responsible for obstructing the course of justice by bribing the prosecutors, judges and senior police officers connected with the investigations. (In fact, the Satars and Vincente Ramaya were subsequently, during 2001, accused of spending about US\$2 million in bribing state officials.)²⁸ Following criticism of the manner in which the investigation and judicial process were handled, President Joaquim Chissano dismissed Attorney-General Antonio Namburete and a number of prosecutors during 2000. After these dismissals, the network led by the Satars appeared to weaken. One of the dismissed judicial officers, Diamantino dos Santos, was sentenced to a term of imprisonment, but evaded it and escaped from Mozambique. He is believed to be a fugitive in South Africa or Brazil.

Only after the arrest of the Satar brothers in 2001 for their alleged links to the high-profile assassination of Carlos Cardoso, did an investigation start afresh. Public indignation about the failure by the police and the judicial system to deliver justice was high. This contributed to the sacking in December 2001 by President Chissano of Mozambique's two most senior police officers. He appears to have recognised that citizens had lost confidence in the police and the courts, and is quoted as having said:

An alarming rise in violent and organised crime has led to a sense of insecurity and to just and legitimate indignation. Citizens felt abandoned and there was a general lack of trust in the public institutions of protection, security and the administration of justice.²⁹

The obstruction of justice is a social cancer that will continue to be used as a weapon by organised criminal groups in Mozambique unless more determined steps are taken by the state to counter it. It thrives when state institutions are weak, the salaries of state employees are low, and there is insufficient political will to combat it. President Chissano's recent steps are encouraging but it will require a major initiative to reverse the trend. The limited resources in Mozambique to address this problem will not make it any easier. No state can allow a situation to develop such as the one in which the Satar brothers virtually 'managed' numerous justice officials and people in key positions, creating what almost amounted to a parallel state structure to serve their own interests.

Illegal imports (smuggling)

Organised smuggling is an important source of private wealth accumulation in Mozambique. This activity involves a wide range of actors, including the Lebanese 'Mafia', which is growing and is starting to include important political figures who trade with or through an array of entrepreneurs. These are organised groups with a well-defined leadership and a network of retailers in many locations in the country. Commercial activity has grown in Mozambique during the last few years partly as a result of unlawful imports. An attempt to restructure the customs department is being undertaken with the assistance of the British Crown Agency. Although they have managed to reduce smuggling, such efforts continue to be hampered by some politicians.

Two factors have facilitated the illegal importation of goods into Mozambique. The first was the government's failure after independence in 1975 to create an efficient customs system. Given that the Mozambican economy is heavily dependent on imports, the sector linked to this activity has always been an obvious target for criminal groups. Instead of taking firm steps to counteract smuggling, the state for many years tolerated a system that was extremely porous. Pressure from the World Bank led to the restructuring and reforms that are presently being undertaken by the Customs Department. A few years ago, the customs sector was virtually controlled by a criminal network that took charge of the illegal importation of alcoholic beverages into Mozambique. Sources have referred to a former senior official of the Technical Unit for Restructuring of Customs (UTRA) as a leading figure in the smuggling of goods.³⁰

The second factor that facilitates the illegal importation of goods relates to the length of the Mozambican coastline and its land borders. The weak capacity of the state to control these borders allows organised networks to violate import

and customs requirement almost with impunity. During 2001, customs officials reported the seizure of large quantities of tobacco and alcoholic beverages smuggled into Mozambique through illegal entry points, one of which lies north of Pafuri on the border with South Africa. The director of Mozambique's National Sugar Institute reported in September 2001 that an estimated 70 000 tonnes of sugar were smuggled annually into Mozambique. He warned that the dumping of sugar below cost price in the Mozambican market could suffocate the country's own sugar producers.³¹

Responding to suggestions by journalists that a sophisticated organised criminal group from Maputo was involved, Prime Minister Pascoal Mocumbi stated that the government was "committed to combating such organised crime, in the defence not only of the sugar industry but of the entire economy".³²

The illegal imports have as their main goal the evasion of import taxes that should accrue to the state, thereby enabling the smuggled goods to be sold at highly competitive prices. In 1997 a large consignment of plain flour, contaminated with potash bromide and hence unsuitable for human consumption, entered Mozambique without the payment of taxes and was sold at low prices. The importer was allegedly a company called Mozambique International Trading, run by a group of Lebanese traders who had come to Mozambique from Angola. In the first six months of 2001, customs officials discovered a large imported quantity of sugar and cooking oil in Nacala in the north. The importer had falsely declared that the commodities were in transit to Malawi. After being unloaded in the harbour they were removed, apparently with the connivance of officers employed by the harbour and railways administration. An investigation showed that the consignment had been illegally imported. The owners of the commodity had by that time disappeared and have still not been located. The sugar and cooking oil were evidently meant to be sold on the local market at low prices.³³

Again, the organised criminal groups involved in smuggling depend on the cooperation of customs officials at key points such as border posts and harbours. In addition to bribing officials, some operators have identified parts of the Mozambican border where there is no customs supervision at all.

According to sources linked to the Customs Department, a considerable number of Mozambican traders have survived or have thrived in recent years through fraud and corruption in the importation process. During 2000, the media exposed the illegal importation of 20 000 tonnes of sugar. The identity of the importer was difficult to determine. Customs officials refused to reveal this to

the media, on the grounds that the importer was already paying the required duty. Sources claim that the importer was a Lebanese with high-level connections in the state and Frelimo party hierarchies.

The son of a top politician has also been implicated as an illegal importer of alcoholic beverages. A simple strategy was apparently used: the person involved introduces himself as “the son of so-and-so” in order to deflect the scrutiny of customs officials from the imported commodities. On occasion he has allegedly called top customs officers and even the Ministry of Planning and Finance, demanding the release of seized commodities. According to customs officials, other leading figures also use this procedure.

Every year customs authorities discover dozens of instances of smuggling. The more common commodities are vehicles, sugar, automobile spares, alcoholic beverages, tobacco and plain flour. This smuggling industry, for it is an industry, has spawned a dependence syndrome among many of its beneficiaries and the network of people who co-operate to make it work. Honest officials are inhibited from fighting determined groups because of the connection which they often have with senior persons in government. There is no doubt that smuggling costs the state millions each year in lost revenue. However, the current emphasis on customs reform and transformation has led to a decline in the number of incidents of unlawful importation of goods and the capacity for supervision and control has improved. Frequent seizures have occurred and, as a result, state revenue from this source has increased.

Vehicle theft and bank robberies

In general the activities of criminal groups involved in domestic organised crime (in contrast to transnational organised crime) are less prominent than most of those referred to above. These local groups, which include vehicle and bank robbers, seem to have been well identified by the police.

Such groups are concentrated mainly in Maputo. A large number of car thefts are committed by individuals who supply the vehicle to organised groups. These groups, who do not have a sophisticated structure, are composed of six or seven individuals, including their operatives and mechanics. Vehicles tend to be stolen in Maputo and then taken to suburban areas where they are modified or completely dismantled. The modified vehicles are thereafter sold in the city, while the dismantled ones are sold as spare parts. Some groups prefer to sell the stolen vehicles in the north of the country or in neighbouring countries

such as Malawi and Zambia. A small number of luxury vehicles stolen in Mozambique have also been disposed of in South Africa.

Similar characteristics of structure and composition are found among bank robbers. The banks in Mozambique are very vulnerable to armed robberies, in which several million US dollars are stolen annually. Often the criminal groups involved have developed links with bank officials who supply them with the necessary information. According to police sources, both car hijackings and bank robberies are often accompanied by murders. Firearms are used when there are any signs of resistance to the seizure by victims. Most of the money that is stolen seems to be spent on property, electronic goods and luxury vehicles. According to police statistics, the activities of these local groups have largely remained constant with perhaps only a slight increase occurring.

The penetration of state and business structures by criminal networks

There is a widely held perception within intellectual circles in Mozambique that the state is a gangster state. This has come to the fore in television debates, newspaper editorials, readers' letters and at the universities.

Mia Couto, a well-known Mozambican writer, said recently in an interview that "Mozambique is becoming an impracticable country. We live in a kingdom where those who lead are the criminals". The year 2000, Couto said, "was a year of prosperity for the gangsters".³⁴ This was an obvious reference to organised crime.

Making an assessment of the year 2000, a well-known economist, Antonio Souto, wrote at the beginning of 2001 that "the Attorney-General, the courts and in general the judicial institutions continue to be guided by lack of efficiency and, to a large extent, [are] manipulated by the Mafia".³⁵ Although these views emanate from only two individuals, they represent a more widely-held notion that the state is connected to crime.

One of the reasons for these views is the apparent ease with which organised criminal networks have managed to infiltrate both state and business structures. Some of the examples have been outlined above. The disappearance of US\$14 million from the Commercial Bank of Mozambique and the state's response to this is a typical example of criminal networks (in this case also involving state officials) having penetrated a business structure. Another exam-

ple is the wide network of traders who participate in the buying and selling of smuggled goods.

The structures, characteristics and general operation of the criminal networks, and the impact of their activities, have been described above. What follows relates to:

- their *modus operandi* in penetrating state and private sector structures;
- the impact of such penetration on the government structures and on the ability of those structures to supply an effective service to the citizens; and
- the impact on legitimate commerce and trade within the country and on international trade, in particular with the countries of SADC.

Modus operandi

Organised criminal groups generally use three methods to penetrate structures of the state and the private sector:

- bribery and corruption;
- the use of influence through political patronage; and
- intimidation or coercion.

Their task is not very difficult when one bears in mind that during 2001 the minimum salary of state employees in Mozambique was about 700,000 Meticals per month—about US\$40. The salary of a police officer who investigates organised crime is less than four million Meticals per month—approximately US\$180. Senior prosecutors at provincial level earn salaries of about eight million Meticals, or approximately US\$360, per month.³⁶ Very high unemployment rates also mean that jobs are precious, particularly in the state sector where a degree of job security is assured.

Bribery and corruption

Criminals spend thousand of dollars in bribing state officials and individuals in the private sector. Members of the Satar family, referred to above, are suspected of having bribed prosecutors, judges and senior police officers to preempt and neutralise the investigation into their alleged involvement in the loss of US\$14 million by the Commercial Bank of Mozambique. They are today accused of spending about US\$2 million on such bribes. No thorough or effective investigation into their conduct has taken place. Details of their alleged

role in the disappearance of the US\$14 million from the bank have not come to light and it is therefore not possible to say whether, and to what extent, the bribing of bank officials and others played a role in that case.

The fact that some prosecutors and police officers, whose state salaries are low, publicly display their luxury vehicles and other expensive possessions, inevitably arouses the suspicion of corruption.

The criminal groups involved in drug trafficking use the same procedures in their penetration of state structures. They rely on the 'purchase of impunity' through bribery and corruption in order to operate without too much state interference. They cultivate connections at the highest levels of the state hierarchy or of the ruling Frelimo party and seek their protection in exchange for money. Buying impunity might also require the bribing of customs officers to facilitate the importation and exportation of drugs, of immigration officers to buy DIREs to facilitate the movement of their foreign collaborators, and of police members to ensure that they do not take steps when receiving reports of illegal activities or in order to get them to act supportively.

Reliance on political influence

The cultivation and use of links with top political figures often results from the 'buying' of influence. Senior political figures, mainly those whose political authority is derived from their participation in the war of liberation in Mozambique, use their influential positions to intimidate those state officials who would be in a position to act against corruption and organised crime.

There is a perception among some in Mozambique that the state mainly serves a minority of political supporters who benefit from its resources. The expansion of the so-called 'national bourgeoisie' in Mozambique is being helped along through the accumulation of capital, often derived from commissions that supporters of political parties and their relatives receive as a result of having cultivated influence, often through corruption.

Mozambique could not have become an international transit centre for narcotics without widespread collusion between organised criminal groups and state officials. The international Mavalane airport in Maputo is regarded as a relatively 'open' and low-risk exit and entry point for drug smugglers or couriers. This all contributes to Mozambique being considered an important international transit country for drugs. The large-scale re-routing of drugs such as hashish, cocaine or mandrax to countries in Europe and East Asia or to South

Africa requires low-risk storage facilities. As with any other business, the traffickers need to build up stocks from which to supply their markets in Southern Africa and, more importantly, abroad. The policing of such storage facilities is a problem, even in countries with adequate resources and large police agencies. The size of Mozambique, its long coastline and land borders, and its underfunded police force, all contribute to making this task even more difficult.

Intimidation and coercion

This is a method used by criminal groups with links to politicians and senior state officials involved in organised crime. The case of the illicit importation of liquor, facilitated by the son of a top politician (referred to above) serves as an example. When this person expects any obstacles in the process of clearing his illicitly imported goods, he allegedly uses his position as the son of a well-known politician to intimidate and influence customs officials. In the circumstances in which Mozambique finds itself, it is perhaps understandable that state officials will be reluctant to prevent a person with such connections from proceeding with his illegal activities for fear of possible reprisals.

The impact of such penetration on government structures and their ability to supply an effective service

It is to be expected that the penetration by organised crime of governmental structures erodes the trust that citizens have placed in them. Where this phenomenon becomes part of the public discourse, an impression soon develops that the state does not have the political will to fight crime.

Because of the undermining networks it creates, the penetration of state structures by organised criminal groups limits the state's ability and scope to take effective action. It also directly compromises the transparency of government and of the structures affected. For example, the Mozambican minister responsible for customs and excise may have laudable intentions when promoting the reform of customs policies and procedures in order to increase state revenue so that more money can be spent on activities and projects aimed at alleviating poverty or advancing education. However, if the son of a senior politician is involved in the illicit importation of goods, it becomes very difficult to take action for fear of the consequences.

Transparency and trust are also compromised when the state appears to have double standards. The failure by the state to publish information relating to the

involvement of well-connected figures in criminal activities clearly sends the signal that it is protecting such persons or the public figures with whom they have connections.

Criminal penetration also has a significant impact on the administration of justice. The criminal justice system is seen to be subservient to powerful organised criminal groups, thereby seriously undermining its public credibility. Once again, the activities of the Satar brothers can serve as an example. They allegedly not only interfered with the investigation of the case involving the loss of US\$14 million from the Commercial Bank of Mozambique, but also managed to influence police investigators when they faced other allegations of unlawful conduct. They were accused of having used the funds allegedly obtained from the Commercial Bank of Mozambique to lend money at usurious rates. Traders in financial difficulties allegedly borrowed money from them because the banks declined to advance them funds. The Satars would then impose high interest rates and very short repayment periods. Some traders, such as the Central Market Group of Maputo, incurred heavy debts with the Satars. When collecting their debts, the Satars appear to have been able also to rely on the human and material resources of the state. In this way they were allegedly placed in a position from which they were able to influence orders of imprisonment for their debtors or their release from imprisonment.³⁷ The police and prison officials involved allegedly acted in a compliant manner and did not always abide by the law.

After Carlos Cardoso was assassinated in 2001, one of the suspects who was arrested implicated the Satar brothers. The police involved in the case then allegedly released or removed this suspect, causing the investigation to change its focus. It was only at this stage, when the public became aware that the investigation appeared to be strongly influenced by the Satar brothers, that the police who were probing Cardoso's murder were dismissed from the case. The penetration of the Satar brothers into police circles contributed to the failure by the police to undertake their task in a professional and impartial manner. Such conduct, which is the subject of public discussion in Mozambique, inevitably creates the perception that any citizen who has a conflict or fallout with the Satars does not enjoy the protection of the state or the law. In such circumstances the state is seen to be ignoring the law and serving the interests of the Satars instead of acting in the public interest.

A few year ago a judge ordered the release of ten citizens of Asian origin who were implicated in the trafficking of drugs after they had been found in a

mandrax factory in Maputo. They were released under conditions which the judge did not disclose to the Supreme Court or to the Juridical Magistrate. The suspects immediately escaped from Mozambique, resulting in the closure of the case against them. The judge who released them was subsequently dismissed in May 1996.⁴⁰

The inability of the criminal justice system to deliver effective justice has on occasion led to tension between the police and the judiciary. Members of the police maintain that arrested criminals are often released the following day and they blame the prosecutors and judges for this, accusing the courts of releasing important suspects. The judges, in turn, respond with accusations that police investigations are poor and that insufficient evidence is placed before them to justify convictions or detention in prison. It appears that growing frustration within some police circles has led to the formation of unofficial groups that kill suspects while, it is alleged, they were resisting arrest or trying to escape. This form of organised criminality emanates from within state structures and is not a result of criminal penetration. Sources claim the existence of at least one such group,³⁸ composed of police members but operating without the authority or mandate of police management. It pursues its own agenda, eliminating important criminals who are thought to have the means to escape the judicial process.

Concluding comments

This paper has focused primarily on recording the information that emanated from the study on organised crime and related corruption in Mozambique. Much work remains to be done to analyse this information in order to assess its impact on governance in Mozambique. However, what the study clearly shows is that Mozambique is very close to becoming a criminalised state. Unless there are dramatic and far-reaching interventions by the Mozambique government, this slide will lead to criminal networks, involving also top political and government figures, becoming a routine part of governance in Mozambique, operating in the shadow of the formal state administration. Attorney-General Joaquim Madeira's report to the Mozambique parliament needs to be taken seriously.

Studies that have focused on the phenomenon of the criminalisation of the state accept that it is difficult to quantify the definition of criminalisation. In their book, *The criminalization of the state in Africa*, Bayart, Ellis & Hibou avoid any attempt to arrive at a strict juridical definition of criminalisation and instead offer the following more general and generic definition:

The criminalisation of politics and of the state may be regarded as the routinization, at the very heart of political and governmental institutions and circuits, of practices whose criminal nature is patent, whether as defined by law of the country in question, or as defined by the norms of international law and international organizations or as so viewed by the international community, and most particularly that constituted by aid donors.⁴¹

If Mozambique has not already reached that point, then it is certainly very close to it. The concept of the 'captured state' has also been used to describe government structures that have become captives of uncontrolled corruption. It has generally been used to describe the conditions in countries with transitional economies where, as a result of grand corruption, so-called oligarchs have been able to manipulate policy formation and even shape the emerging rules of the game to their own advantage. State capture has been defined as "the efforts of firms to shape the laws, policies, and regulations of the state to their own advantage by providing illicit private gains to public officials".⁴² Unlike Russia and some of the former states of the Soviet Union, Mozambique did not enter its economic transition with powerful oligarchs in place who could manipulate the state to their own advantage. The Mozambican 'oligarchs' appear to be the wealthy organised criminal networks that have secured political protection and that operate parallel to the state with relative impunity. This form of 'double state authority' is potentially even more pernicious as it emasculates state authority and democratic governance in areas far beyond those that would be of interest to real oligarchs in countries such as Russia.

In addition to undermining the accountability and transparency of state structures, organised criminal networks in Mozambique have also successfully penetrated sectors of commerce and trade. Cynics might argue that, against the background of Mozambique's astounding economic growth during the past few years, the wide-scale smuggling of goods, such as the illegal importation of sugar, constitutes part of capitalism gone rampart. Small and medium-sized traders in Mozambique, who have benefited from years of trading in goods smuggled into the country without customs duty having been paid, might have benefited as a result of the involvement of organised crime in business.

However, for the fledgling sugar industry in Mozambique, the smuggling into the country of 70 000 tonnes of sugar per annum can only spell hardship. Such relatively large illegal imports will certainly undermine domestic production as they distort the price structure and make local production less competitive, resulting in an outflow of the capital to pay for the imported sugar. Consumers

who are able to buy cheaper smuggled sugar may argue that they have benefited, but this would have been at the expense of domestic employment, state revenue collection, and longer-term self-sufficiency. Such activities lead to a skewed economy with serious consequences for longer-term investor confidence, fixed investment and economic growth.

Mozambique should therefore recognise the red warning lights that are flashing and act decisively to restore accountable and transparent governance. There is a tendency by some developed countries to minimise the corrosive impact which organised criminal networks and corruption have on the Mozambican society, or to look the other way because of the significant steps towards democratisation and a market economy that Mozambique has taken. The serious situation on the ground certainly does not justify such complacency. SADC governments, some of whom face similar threats to governance in their own countries, should also demonstrate that they have the political will to combat organised crime and corruption more effectively. What happens in Mozambique will inevitably have repercussions for the entire SADC region as far economic stability, democratic governance and the investment environment are concerned.

Notes

- 1 Economist Intelligence Unit, *Country profile Mozambique*, Report 1, June 2001, <http://db.eiu.com> accessed 26 October 2001.
- 2 Ibid.
- 3 United Nations Development Programme, *Human development report 2001*, www.undp.org/hdr2001/presskit.pdf
- 4 Luis Antonio Mondlane, quoting Samora Machel's *A luta contra o subdesenvolvimento*, in *The growth, extent and causes of crime: Mozambique*, Crime and policing in transitional societies seminar report No. 8, Konrad-Adenauer-Stiftung, Johannesburg, 2001, p 94.
- 5 Interview by Peter Gastrow, Maputo, 16 November 1999.
- 6 Pan African News Agency (PANA), 4 April 2001, reported in the Reuters *Business Briefing* on 5 April 2001.
- 7 See also article by Joseph Hanlon, *Metical*, June 2001.
- 8 According to the report, authorities seized 3 tonnes of *Cannabis sativa*, 13 000 tablets, 660 kilograms of mandrax and 15,542 kilograms of hashish in 2000.
- 9 Marcelo Mosse, interview with sources in Maputo, July 2001.
- 10 Hanlon, op. cit.
- 11 Peter Gastrow, interview with source in Maputo, November 1999.
- 12 Ibid.
- 13 Mondlane, op. cit.
- 14 This information derives from an investigation into the case during 1995 by Marcelo Mosse, published in the newspaper *Savana*, 6 October 1995.
- 15 Marcelo Mosse, unpublished research.
- 16 Marcelo Mosse, interviews with various individuals, July 2001.
- 17 Hanlon, op. cit.
- 18 A study by economist Carlos Nuno Castel' Branco, referred to in an article by Joseph Hanlon in *Metical*, July 2001.
- 19 Marcelo Mosse, interviews with sources within the Secret Police (SISE).
- 20 *Metical*, various articles.
- 21 Hanlon, op. cit.
- 22 Information on these groups was collected from prisoners in Machava Central

Jail, Maputo. One of the sources was involved in the transportation of the 40 tonnes of hashish in 1995.

- 23 Attorney-General paints sombre picture of justice system, Mozambique News Agency, 7 March, 2002. The report reads as follows:

Mozambique's Attorney-General, Joaquim Madeira, on Wednesday painted a sombre picture of the country's legal system, pointing out "flagrant facts that lead to lack of credibility, distrust and even contempt for Mozambican justice".

Giving his annual report to the country's parliament, the Assembly of the Republic, Madeira pointed to incompetence, corruption and abuse of power at all levels of the administration of justice—police, attorneys, judges, lawyers and prisons.

Work done by the Criminal Investigation Police (PIC) was often of such poor quality, that the public prosecutor's office had to carry out supplementary inquiries of its own before it could draw up a proper charge sheet against suspects. Much worse was corruption within PIC. "Cases concerned with theft from the state, from banks, and from other private bodies do not advance", said Madeira. "The papers disappear, and nobody knows about them because they've been shelved, hidden or even destroyed". His office had received from the Bank of Mozambique a list of such cases that were supposedly with the Maputo City PIC. Months ago, Madeira's office had asked PIC for these cases "but so far we've had no reply". Madeira argued that the only way to deal with serious anomalies within PIC is to take it out of the Ministry of the Interior, and put it under the direct control of the Attorney-General's Office. As for Attorneys, Madeira said he continued to be surprised by those who failed to press charges against suspects, when there was more than enough evidence to haul them before court. Such tolerance smelt of corruption, he noted. There were also prosecutors who took no initiatives, but just waited to be contacted about crimes that occurred within their area of jurisdiction. Disciplinary measures had been taken against such people, because this inertia made them accomplices to crime "and is incompatible with the duties of public prosecutors". There were some prosecutors, he added, who in an entire year did not appear in court. There were judges too whose rulings paid no attention to the evidence produced, and who ordered "interminable extra investigations in order to drag out the cases deliberately, so that the accused will be released because the time limit for the trial has expired". Madeira also said his office was aware of a case where a judge condemned a criminal to 12 months in jail: a relative of the criminal went to speak to the judge, and he promptly scaled the sentence down to two months. Some lawyers too acted in a highly irregular way. "Some interventions by lawyers in criminal cases are a real distortion and obstruction of due process and of justice", accused Madeira. There were lawyers who forbade their clients from making statements, even when the clients wanted to,

and others who “smuggled in components of equipment that would allow their detained clients to communicate with the outside world”. No names were mentioned, but last year the lawyer Espírito Santo was accused of trying to smuggle a mobile phone into the cell of Momade Assife Abdul Satar, one of those accused of the November 2000 murder of Mozambique’s best known journalist, Carlos Cardoso.

Madeira attacked the Mozambican Bar Association itself. The anomalies committed by lawyers, he said, although they offended against the ethics of the Bar Association, “rely on the protection, or at least the apathy, of the Association’s leadership, which, although informed about these matters, has given no sign that it will do anything”. Some of Madeira’s most severe criticisms were directed at the country’s prisons. “Inmates escape from almost all the country’s prisons, sometimes in a spectacular fashion”, he said.

“Preliminary investigations indicate that these escapes enjoyed the connivance of prison guards, or were at least facilitated by their inexcusable negligence.” Some of the cases mentioned by Madeira indicate serious corruption: a woman prisoner serving a long sentence (whom he did not name) not only left the jail, but was provided with all the documents needed to flee to the United States. In other cases, guards and prison directors severely abuse prisoners. Madeira spoke of the practice of using unpaid prison labour on farms belonging to the prison directors, and of a case in which a guard beat a prisoner to death. One of the tasks of the Attorney-General’s office is to inspect the prisons. Madeira said that in general the prisons are overcrowded, “with all the health problems that flow from that”. Thus the central prison in the Maputo suburb of Machava, has an installed capacity for 800 inmates. When it was last visited, on 23 October, there were 2,800 prisoners living there. Living conditions in the prisons “remain deplorable,” said Madeira. He thought the solution was more open prisons, where inmates could produce food for their own sustenance. Perhaps the worst aspect of Mozambican prisons is that most people incarcerated there have not been found guilty of any offence. They are simply awaiting trial. One of the most bizarre reasons given for postponing trials is the lack of vehicles to take the accused from jail to the courtroom. In Maputo, this was “one of the main constraints on the administration of justice,” claimed Madeira. “The irregular functioning of the prison vehicles that carry detainees between the prisons and the courts severely hinders the timely holding of trials,” he said. “The dates are marked for trials but they are not held, or when they are held it’s much later than the time stipulated, which creates problems for everyone involved in the case.”

- 24 The Attorney-General responsible, Mr Muthisse, was subsequently dismissed from his position.
- 25 During 1999 and 2000, Carlos Cardoso wrote several articles in *Metical* about the involvement of the Satar brothers in the CBM case.

- 26 Mozambique's downward spiral, *Mail & Guardian*, 23 March 2001.
- 27 Marcelo Mosse, information obtained from reliable sources.
- 28 Ibid.
- 29 Mozambican top police officers sacked, Xinhua News Agency, Document ID: 20011219340000165, 19 December 2001, <http://library.northernlight.com/FB20011219340000165.html?cb=0&dx=1006&sc=0#doc>
- 30 Marcelo Mosse, op cit.
- 31 Smuggled sugar threatens local industry, Xinhua News Agency, Document ID:20010906990000101, 9 June 2001, <http://library.northernlight.com/FB20010906990000101.html?cb=0&dx=1006&sc=0#doc>.
- 32 Ibid.
- 33 *Metical*, September 2001.
- 34 Interview by Marcelo Mosse, published in *Demos*, February 2001.
- 35 Antonio Souto, *Metical*, 2 January 2001.
- 36 Marcelo Mosse, information obtained from the office of the Attorney-General.
- 37 Marcelo Mosse, sources from within the Policia de Investigacao Criminal.
- 38 Ibid.
- 39 Joel Hellman & Daniel Kaufmann, Confronting the challenge of state capture in transition economies, *Finance & Development*, September 2001. See also Joel Hellman, Geraint Jones & Daniel Kaufmann, *Seize the state, seize the day: State capture, corruption, and influence in transition economies*, World Bank Policy Research Working Paper No. 2444, 2000, <http://www.worldbank.org/wbi/governance>.
- 40 Jean-Francois Bayart, Stephen Ellis & Beatrice Hibou, *The criminalization of the state in Africa*, The International African Institute in association with James Currey, Oxford and Indiana University Press, Bloomington and Indianapolis, 1999.



Source:

University of Texas at Austin, UT Library Online, http://www.lib.utexas.edu/maps/africa/tanzania_pol_1989.jpg
 Accessed 27 May 2003.

CHAPTER 4

TANZANIA

Prince M. Bagenda

Introduction

Tanzania occupies a strategic location in Africa, situated at the juncture between countries in East, Central and Southern Africa. While Tanzania accrues important benefits from its location, there are also negative consequences, one of which is that both the nature and level of crime are partially determined by the manner in which transnational organised crime groups exploit opportunities and incentives in Tanzania itself as well as in its neighbouring countries.

Transnational organised crime is a relatively recent development in Tanzania. In general, a traditional mode of life predominates and it has therefore been less vulnerable to organised crime as an aspect of globalisation. As in all other societies, however, indigenous organised crime has taken place in Tanzania for many years, including crimes such as stock theft and poaching, the killing of 'witches', and armed robbery. The relative absence of transborder organised crime was a function of the society's underdevelopment, in particular of infrastructure and communication systems, and its relatively low level of involvement in international trade. In addition, the fact that much of the appropriate legislation essential to combating transnational organised crime has not yet been passed or is ineffective has also created opportunities for transborder groups.

In recent years a number of factors have made organised crime probably more pronounced than it was in the past. The growth in Tanzania's regional and international trade and investment has probably been accompanied by increased transborder organised crime. This has been facilitated, in part, by a lack of appreciation of the nature of the risks to which Tanzania is exposed and a consequent lack of effective legislation. International organised criminal groups have therefore used Tanzania as a transit point, mainly in drug trafficking, money laundering and car theft.

This report explores the phenomenon of organised crime in Tanzania. The first section below explores the nature and functioning of indigenous organised crime, while the subsequent section looks at transnational organised crime.

Indigenous organised crime groups

Introduction

Indigenous organised criminal groups comprise individuals who are citizens of Tanzania and who are engaged in organised criminality within the borders of that country. Among the more important forms of organised criminal activities committed by indigenous groups are:

- stock theft;
- the killing of ‘witches’;
- armed robbery; and
- the cultivation of cannabis.

Tanzanian criminal groups are also involved in the theft and smuggling of motor vehicles. In order to avoid duplication, their role is discussed in the following section, which deals with transnational criminal groups.

A number of indigenous organised crime groups have been identified, operating in different parts of the country. Some groups, such as those engaged in stock theft or ‘witch’ killing, operate in traditional and rural areas, while armed robbery and the middlemen who traffic in cannabis are associated with the more developed, monetised economy.

Stock theft

In the many areas of Tanzania where agriculture is the main economic activity—especially in the tropical, savannah and semi-dry areas in western, central and northern Tanzania—stock theft is an extensive criminal undertaking.

Organised groups involved in stock theft can be divided into two categories: more-or-less traditional cattle raiders, who trek distances of 20–30 kilometre from their village to steal cattle from other villages; and groups recruited by rich cattle dealers, who seek to profit from the sale of stolen cattle.

Cattle raiders are often members of families who already have relatively large herds, but who seek to increase their stock. As cattle have increasingly become a valuable commodity, the recruitment of people into organised criminal groups has attracted different types of people from both rural and urban areas. However, most members of these criminal groups tend to originate from a single tribe and a single district. They also operate in reasonably small geographical

areas, the size of which is determined by the practicalities of movement and distance. There have been instances, however, of raiding parties that operate in more than one administrative district or region and that cover long distances in the process.¹ In addition, Somali cattle raiders roam the Savannah woodlands stretching from northern Kenya to northern Tanzania and move across common borders to engage in stock theft in Tanzania. This means that in some cases foreign nationals (Somalis and Burundians) are involved. Generally, however, they use local accomplices who drive the cattle to Tanzania's borders.

The act of stealing cattle usually involves a gang of stock raiders, numbering between four and 10 persons, armed with locally made handguns, spears and machetes, who attack a village some 20–30 km away. They attack in a military fashion, with the raiders operating under the cover of their armed colleagues. Cattle are then driven out of the village at high speed and are taken through difficult terrain (woodlands, forests, marshes or valleys) in order to avoid detection. These attacks are often preceded by a visit by reconnaissance groups disguised as local traders to identify homesteads with substantial herds and to assess the environmental surroundings of the target area.² For obvious reasons, these crimes can result in cycles of revenge and counter-attack.

It is believed³ by the government and the public at large that levels of stock theft are rising because of the increasing availability of firearms and the ease of exchanging cattle for money and goods in neighbouring countries such as Kenya and Burundi. However, it appears that fewer foreign nationals are involved because of increased police and military patrols along Tanzania's borders.

Due to its lack of resources, the Tanzanian government does not have the capacity to significantly reduce the levels of stock theft in the country. However, the police have established a Stock Theft Prevention Unit, with a staff of approximately 100 police tracers and 10 vehicles. It concentrates its activities in those areas traditionally known for stock theft, namely Mara, Arusha, Shinyanga, Morogoro, Mwanza and Singida. Border patrols by members of Defence Force have been strengthened and have become more effective. Increasing checks of cattle about to be moved across borders into neighbouring countries have taken place. Under the aegis of the East African Community, the member countries have adopted a regional policy aimed at the more effective patrolling of common borders and a better exchange of information to reduce stock theft.

However, police tracers are ill-equipped to engage in hot pursuit of cattle raiders. Vigilante groups have therefore tried to 'assist' the police in retrieving stolen

cattle. While such vigilante groups have occasionally succeeded in this, there have been allegations that they also target innocent people, extort money or take their property from them, or even kill them.⁴

Allegations have also been made that some government officials and local political organisations in villages have intimidated the victims of stock theft or extorted money from suspects.⁵ There have been court cases in which police officers and councilors have been charged with being involved in stock theft.

Killing of 'witches'

'Witch' killing is most common in western Tanzania and in the Lake Zone, where nearly 90% of people live in rural areas and where traditional forms of society continue to function. In the Mwanza and Shinyanga regions, many elderly women have been murdered in the past decade with more than 1,300 deaths recorded in the latter alone between 1995 and 1999.⁶

The underlying motives leading to 'witch' killing are complex. They include a belief in witches, the hope of earning a reward, and a lack of education. There is often a conviction that the poverty or misfortune that individuals experience is a consequence of witchcraft practiced by others.

Most of the groups involved in the killing of 'witches' establish themselves spontaneously in the very localised settings of villages. The groups tend to be small (three to five people) and informal, without clear recruitment criteria apart from a willingness or a desire to become involved. However, those involved in killing 'witches' are often also involved in committing other types of crime such as petty theft, robbery, or stock theft, and they rely on their pre-existing criminal associations with others to jointly 'hunt witches'.

A witchdoctor undertakes the identification of the alleged 'witch' after being approached by those who believe that they may have been bewitched. He or she then identifies the alleged culprit, sometimes on the basis of aspects of the appearance of the presumed 'witch' with which he or she has been provided. Potential killers are then identified and recruited, with the most violent individuals likely to lead the group and perform the actual murder. Once they have committed the deed, they may be rewarded with beer, goats, or cattle.

The result is that many people in the areas concerned live in fear. 'Witch' killings have occasionally sparked cycles of revenge attacks, resulting in multiple deaths. Those involved in the practice are relatively immune from

prosecution, in that the Tanzanian criminal justice system has not been effective in apprehending and trying them. There is some evidence that members of these groups (who see themselves as protectors of their communities) also join their village militia—the *sungusungu*—and form cells of the political parties represented in Parliament at the village level.⁷ There have been allegations that local authorities and the ruling party have used these groups against their political opposition or for the purpose of collecting or extorting money from fellow citizens, i.e. from those who have not paid their local levies or who have not volunteered to participate in self-help schemes.⁸

With a ratio of one police officer for every 1,175 members of the population, Tanzania is relatively under-policed, with the per capita number of officers in rural areas even lower than the national average. This means that there is little risk of arrest and successful prosecution and, what risks there are, are even further reduced by attempts to corrupt the system. However, the government has instituted some measures to check the killing of suspected ‘witches’, for example by establishing a camp for ostracised old women who could be potential victims. Village authorities in affected areas have been mandated to provide protection to people and arrest all those suspected in involvement in such killings. There has also been increased collaboration between the government and organisations from civil society, such as the Tanzania Association of Women Media Workers, in creating awareness among the people in Shinyanga region. Other non-governmental organisations have also undertaken programmes aimed at stopping the practice of killing suspected ‘witches’. Initiatives include anti-poverty and educational programs geared towards involving people in productive work and improved cultural awareness.

Armed robbery

Organised groups involved in armed robbery operate in both rural and urban areas and, unlike stock theft and ‘witch’ killing, which are confined to specific regions, armed robbery is now widespread throughout the country. The main forms of armed robbery in which organised groups appear to be involved include:

- robberies committed against commercial establishments;
- car hijackings;
- bus hijackings; and
- attacks on homes.

In rural settings, organised robberies are often committed by between six and

eight people, including some experienced criminals who are armed, often with semi-automatic weapons.

Attacks on commercial establishments in urban areas usually involve the collaboration of insiders and external criminals. In 2001 in Dar es Salaam alone, police recorded more than 17 instances of such robberies resulting in two deaths and the theft of more than US\$2.5 million.⁹

Car hijackings are usually committed by groups of four to six persons, with two or three carrying automatic firearms to cover the rest. A number of bus hijackings have been committed in the Kagera region, taking advantage of an increased flow of small arms smuggled into Tanzania from Rwanda, Burundi and the Democratic Republic of Congo (DRC). In 2000, 42 instances were recorded.¹⁰

Bus hijackers target passengers and rob their goods, including cash and non-cash items, while car hijackers tend to steal the car as well. In the case of robberies at commercial establishments and banks, the criminals seek mainly cash. It is suspected that some of the proceeds of robberies are channeled into real estate in an effort to disguise their source.

Another form of armed robbery that takes place in urban areas involves a group of more than 20 youths who raid the suburban homes of wealthy individuals. They tend to seek cash, jewelry and household equipment. These attacks involve a number of distinct roles for members of the group, including the identification of potential victims and the overcoming of security measures. Others in the group have the task of carrying away the expensive equipment, holding persons found on the site hostage, providing cover, and driving the get-away vehicle when the mission is complete or has been foiled.

It does appear that the membership of the different criminal groups involved in robberies tends to be based on previous acquaintances. For example, the membership of some groups is drawn from people who work or have worked together (including members of the police and army), from those who have been incarcerated together, or from those who come from the same tribe or district. In most cases, the groups involved in armed robbery originate from within the country. There are instances, however, especially in areas bordering on neighbouring countries where there is internal conflict, in which armed robbers from such countries are involved.

Levels of armed robbery have been increasing: during 2000 recorded incidents of armed robbery increased 27% relative to 1999, compared to a rate of

increase of only 4% for the period 1995–1999.¹¹ Between January and August 2001, 49 deaths were recorded in cases of armed robbery throughout the country.¹² In response to increasingly violent armed robberies, the government has formed an Anti-Terrorist Squad, which has been trained by specialists from the USA to combat both terrorism and armed robbery.

Cultivation of cannabis

Many of Tanzania's peasant farmers have turned to cannabis cultivation because of grinding poverty and the fall in commodity prices for traditional cash crops such as coffee, cotton, cashew nuts and sisal. Ordinary peasant families are the basic production unit of cannabis, both for consumption in Tanzania and for sale across its borders. Often, however, the paymasters and those who supervise the drug's transportation are people of Somali or Arab origin. Nationals from other countries, especially Kenya, have also played a role in contracting peasant farmers in north-eastern Tanzania. In these more organised processes, families are recruited by drug dealers and provided with advance payment for the cultivation of one or two acres of land. Men, who control both the land and their families, use family labour to cultivate the crop and control the proceeds from its sale.

Cannabis is cultivated in ten of the 20 regions of mainland Tanzania, especially in those that border on the neighbouring countries of Kenya, Uganda, Rwanda, Burundi, the DRC, Zambia, Malawi and Mozambique. The cultivation of cannabis on contract for the illicit domestic or international market has been expanding significantly. It is now far more lucrative to cultivate cannabis than some of the traditional crops. Peasant farmers are given an advance payment of up to TSh200,000 per acre compared to the TSh4,000–10,000 that they would normally earn from an acre of coffee plants.¹³ The police have undertaken seek-and-destroy operations against cannabis farms throughout the regions in which cannabis is extensively grown, using helicopters to identify and destroy crops on farms. During 2001, 356 acres of ripe cannabis were identified and destroyed. During the same year, 265 tonnes of cannabis and 185 kilograms of cannabis seed were destroyed.¹⁴

Police believe that as many as half of the families in the ten regions of the country are involved in the cultivation of cannabis.¹⁵ Producers at village level sometimes collude with—or corrupt—local officials, so that they turn a blind eye to their activities. The Prime Minister has commented with suspicion on the fact that while the police have discovered cannabis farms, local authorities living in those areas often are oblivious to them.¹⁶ After cultivation, the crop is

harvested and packed into sacks and taken to other destinations for further processing and eventual cross border trafficking. The concealment, transport and export of cannabis involve multiple steps, many of which are assigned to particular individuals or groups.

Transnational organised crime groups

Transnational organised crime is a relatively recent phenomenon in Tanzania. Those criminal groups involved have become engaged in a number different activities, the most important of which are:

- drug trafficking;
- gems smuggling;
- small arms smuggling;
- vehicle theft; and
- money laundering.

Drug trafficking

Traffickers of hard drugs who have been arrested in Tanzania have mostly been couriers importing narcotics from international sources. In the main, those arrested have been so-called 'mules', individuals who carry heroin ('brown sugar' or unprocessed heroin) in their stomachs or hidden in their luggage. They normally fly in from Dubai, Pakistan, India, Thailand or Hong Kong. They are recruited and sent to the country by middlemen who provide seed capital, travel allowances and a contact in the source country, for example in Pakistan or India. The contact persons in the source countries are often Tanzanians engaged in the drug trade. The drugs, the purchase of which is facilitated by these contacts, are then transported to Tanzania from where they are shipped to their final destination in Europe or North America. Some of these middlemen in Tanzania are also instrumental in recruiting peasant farmers in remote areas of the country to cultivate cannabis for commercial purposes. They also provide for the safekeeping, storage, and transportation of the drugs.

Each middleman is thought to control a number of couriers, whom he puts on assignment individually. It is estimated that each middleman employs between ten and 20 couriers at a time. Financiers for the cultivation of cannabis can contract as many as 30 peasant farmers to cultivate between one and two acres of cannabis per season.¹⁷

Smuggling is routed primarily through airports, especially Dar es Salaam and Zanzibar International Airports, which have become the main routes for heroin and mandrax (methaqualone). Mombassa, in Kenya, has the biggest harbour in East Africa and is the main supply route for drug trafficking (as well as arms smuggling and money laundering) into Tanzania, mainland Kenya and landlocked Uganda, Rwanda and Burundi. Mombassa has become a centre of drug trafficking because many long distance trucks from the east and central African hinterland, as well as oil tankers, cruise ships, and chartered foreign airlines ferrying thousands of tourists from Europe, arrive at or depart from this city.

In response to increased law enforcement at the Jomo Kenyatta International Airport in Kenya, heroin traffickers now fly to Uganda and Tanzania, bringing the heroin into Kenya by road or by small air carriers. Heroin is then transported on to Europe and to the United States.

Police are not certain how many drug trafficking networks exist in Tanzania but there are believed to be networks in Zanzibar, Dar es Salaam, Moshi and Arusha.¹⁸ It does seem that there has been an increase in drug trafficking, production and processing in Tanzania. This is suggested by, among others, the closure of a factory processing illicit drugs in Dar es Salaam in February 2001, and the volumes of drugs seized from individuals in Tanzania at airports, harbours and in the countryside.

Table 1: Drugs seized from individuals at airports, harbours and in the countryside in Tanzania

Year	Heroin	Mandrax	Cocaine
1998	2	3.5	—
1999	7.9	73	—
2000	5	295	—
2001	6.72	2107	6.7

Compiled by the author from Police statements to the press.

There have been allegations of police involvement in protecting drug traffickers and of collusion between police investigators and criminals. Immigration officials are also suspected of having been corrupted by those wishing to obtain fraudulent papers.¹⁹

Drug trafficking and consumption have contributed to rising crime levels in Tanzania, particularly in urban areas. In Dar es Salaam, for instance, police report that drug addicts are responsible for approximately 90% of the city's crimes, the containment of which has resulted in the overcrowding of police cells and remand prisons.²⁰ Other drug-related crime phenomena include clan fighting in areas where cannabis is grown and a number of mysterious killings and acts of arson that are thought to have been linked to intra- and inter-gang wars.²¹

Drug traffickers are involved in money laundering in order to conceal their estimated TSh10 billion proceeds, to avoid paying taxes, and to use the money to finance other illegal transactions such as smuggling. In 2001, the Minister of Finance claimed that dirty money was used to buy or construct real estate, and that funds obtained through crime had been channeled into the hotel industry.²² These activities also undermine state revenue collections by facilitating the development of a parallel black market economy outside the tax net.

An important social effect of the drug trade has been its impact on young people. School children have been targeted for domestic trafficking and consumption. The direct effect of drug use and the impact it has on levels of crime are all unfortunate by-products of the trade in narcotics, particularly where there are no rehabilitation programs. As a result, young men and women engage in theft to get money to finance their habits, girls engage in prostitution and civil servants are corrupted.

In 1995, Parliament passed the Drugs and the Prevention of Illicit Traffic in Drugs Act, leading to the establishment of an Anti-Drug Commission. The Commission is mandated to develop a national plan of action for drug control and to update and adapt drug control laws and regulations. It is also mandated to enforce drug control procedures and drug-related money laundering laws, promote the prevention of drug abuse and public information, establish a national system of data collection, interdict drug trafficking and money laundering, and establish control over precursors used in the manufacture of drugs. The Inter-Ministerial Anti-Drug Commission established in 1997 involves the ministries of Internal Affairs, Justice and Constitutional Affairs, Prime Minister's Offices, Defence, Labour, Culture and Sports, Education, Health, Finance and Tourism.

Kenya, Tanzania and Uganda have promoted efforts to enhance East African regional anti-narcotics co-operation. Recently, the three countries agreed to carry out joint transborder operations and have agreed to share information

on significant traffickers. Tanzania, which is also a member of the Southern African Development Community (SADC), also participates in and benefits from SADC anti-drug initiatives. It is now party to the 1998 United Nations Drug Convention and SADC Protocol on Drug Control.

Gem smuggling

Tanzania produces about 50 different types of gemstones, including tanzanite, alexandrite, green tamarind and rubies. The main mining centres are in northern Tanzania (tanzanite), central Tanzania (green tamarind), the Coastal Zone (rubies), and the Southern Zone (alexandrite). The number of stones produced rose to 300,000 per year in 2000 from 50,000 in 1998 according to the Tanzanian Chamber of Mines.²³

Of these stones, tanzanite is only produced in Tanzania and is highly valued on world markets. Despite the fact that this gem is estimated to generate up to US\$300 million annually, only US\$13 million has been officially recorded in sales annually. Indeed, between 1995 and 2000, recorded gems sales realised only US\$64 million, or about one sixth of the estimated actual value of production. The rest is believed to have accrued to gem smugglers.²⁴

Gem smugglers include middlemen who buy on the spot from artesian miners. They employ scouts who visit the mines to arrange illegal sales on site, or the sales are conducted with smugglers in the Arusha municipal area—some 70 kilometres from tanzanite mines. Some miners also personally smuggle the gems out of the country to Nairobi, Kenya, which is a renowned tanzanite trading area. These miner-smugglers act individually, though they might deal with the same gem dealer or a group of dealers. Smugglers are recruited and operate on the basis of mutual confidence based on long-term collaboration.

Smugglers are mainly drawn from Tanzania, but Somalis, Nigerians, Senegalese, Indians, Thailand, and Europeans are also thought to engage in these activities.²⁵

The actual smuggling takes place across un-patrolled borders between Tanzania and Kenya, with gems hidden in cars, or through airports either using forged papers or with the assistance of corrupt custom officers. Nairobi is a focal point for the smuggling of gems from Tanzania, southern Africa and the Great Lakes region. Thus the activities of organised criminal groups in Tanzania involved with the smuggling of gems gravitate towards this city.

The activity of gems smuggling is expanding, given the entry into the market of criminal networks involving Lebanese, Thais and Indians, who are all out to compete with international mining companies, like African Gemstones of South Africa Company Ltd. (AFGEM). Others who smuggle diamonds from different parts of African have also exploited the existence of these smuggling routes. Tanzania is now listed by the UN as a transit country for blood diamonds from the DRC and Angola.²⁶

Gem smugglers have allegedly made contributions to, and sought the protection of, members of the ruling political party. Some appear to side with the opposition parties and claim that they are being persecuted for their political beliefs when caught.²⁷

Investment in large-scale formal mining has been difficult because artesian miners, who engage in gem smuggling, are unwilling to subject themselves to the working conditions of the mining companies. In Arusha, where tanzanite is mined, there have been clashes between small-scale miners and larger mining operators, with the latter being more willing to impose measures to control smuggling and enforce the payment of taxes.

In October 1997 the government formulated the country's mining policy, with a vision to make Tanzania the gemstone centre of Africa within the next 25 years. It is in the process of developing a marketing plan and creating facilities for the international auctioning of gems in the country. This would result in the control, and ultimately the elimination, of gems smuggling, which would have no comparative advantage to the formal institutional setup within the country.

Arms smuggling

There are two main forms of arms smuggling in Tanzania: the theft of arms from official armouries in the police and military, and the trafficking of arms to or from rebel forces involved in the conflicts in the Great Lakes area.

Like drug smuggling, arms smuggling involves networks of persons performing different roles. These include obtaining or stealing arms, transportation, securing arms in safe places, marketing and delivery. Tanzanians, nationals of other African countries, Russians and Lebanese nationals are allegedly involved in this trade, which is also linked to the smuggling of gems and cars, as well as other forms of criminal activity, including money laundering. A United States State Department Report on Tanzania in June 2001 stated: "There are also

strong indications of drug-arms connection in Tanzania linked with the arms demand in the Great Lakes Region."²⁸

Generally, smuggled arms enter the country through un-patrolled borders such as the border between Uganda and Kigoma on Lake Tanganyika or from Kigoma, either across lake Tanganyika or down to the Zambia border—a distance covering over 1,500 kilometres. The main routes used appear to be unguarded borders and waterways such as the Kagera and Ruvuma Rivers, Lake Tanganyika and Lake Malawi.

Both the existence of conflict and the attempts at making peace facilitate the growing arms trafficking problem. On one hand, combatants and former combatants, particularly deserters, have been known to exchange their weapons for money or food, and, on the other, as peace processes unfold, arms flow onto the market if there is no strategy to ensure their surrender. In addition, some combatants resort to smuggling weapons because they are unable to find another form of earning an income.

The government has formed the National Focal Point on Arms Management and Disarmament and an amnesty has resulted in large quantities of arms being turned in. According to the police, in the Kagera region in North Western Tanzania, 179 guns were surrendered in five days in just two districts: Muleba and Biharamulo. Village Executive Officers have been assigned the task of receiving the surrendered weapons and members of the community have co-operated with the police to identify persons illegally possessing weapons.

Vehicle theft

The number of indigenous criminal groups involved in the theft of motor vehicles has increased significantly, targeting mainly government and donor-funded vehicles. About 100 vehicles are stolen in Tanzania every month. The most popular ones targeted are luxury and 4X4 vehicles, such as Land Cruisers or Range Rovers. The latter are popular among foreign aid agencies operating in rural areas. Many vehicles are not recovered. They are expertly worked on in order to provide them with a new look and often end up in the show rooms of car retailers, where they are marketed as new cars, or they are provided to used cars companies. For a country that lacks the foreign currency to import sufficient spare parts and motor vehicles, stolen vehicles and spare parts constitute important commodities on the parallel markets.

Tanzania is both a market and transit country for cars stolen mainly from South Africa and Dubai. According to Interpol many second-hand cars bought in Dubai are actually stolen cars, some from as far a field as Japan, while others originate from rich oil producing Arab states.

South Africa is the main supplier of stolen cars to Tanzania. Many of the vehicles stolen in South Africa are smuggled to the countries of Southern, Eastern and Central Africa, and as far north as Somalia and the DRC. However, there have also been instances of cars stolen in Tanzania being recovered in South Africa.

Tanzania is strategically located on the east African seaboard, making it a logical transit country for stolen vehicles that need to be trans-shipped into East or Central Africa. The theft or hijacking of vehicles in South Africa and their subsequent export requires a network of operatives in various countries. Because of the multiplicity of roles, car thefts are thought to be run by structured groups of people who both have technical skills and are in contact with buyers, within and outside the country. In addition to Tanzanians, they include South Africans, Kenyans, Ugandans, Zambians, Somalis, Mozambicans, Indians and Arabs.

The theft of vehicles by organised criminal groups can only be controlled with the assistance of the police, vehicle owners, insurance companies and the law enforcement agencies inside and outside the country of origin. During 2001, the police recovered over 200 cars suspected to have been stolen in South Africa, 106 of which were returned to their rightful owners, while the rest were still under investigation at the time of writing.²⁹ The exercise is still continuing.

Money laundering

Money laundering is a process with two distinct dimensions involving laundering the proceeds of crimes that originate either inside Tanzania or outside its borders. They share some commonalities, however, since, in both instances, individuals or organisations involved in illegal activities use official and non-official channels to invest in legal businesses or to deposit funds with Tanzanian financial institutions.

Tanzania is a preferred location for money laundering because the banking system is only now coming of age, skills are low and oversight is weak.

Locally sourced proceeds of crime laundered in Tanzania generally flow from drug trafficking, gems smuggling, corruption, arms smuggling, car theft or ille-

gal betting. The nature of crimes giving rise to foreign-sourced funds being laundered in Tanzania is not known. It is thought that the main sources of foreign funds laundered in Tanzania are the United Arab Emirates, Russia, the United Kingdom, Switzerland, Italy, Egypt, Iraq, Greece, India, Singapore and Hong Kong. It appears that some of these funds are transferred electronically while others are brought into the country physically.

These impressions were confirmed by the Minister of Finance, Basil Mramba, who said that much of the money laundered in Tanzania had its origins in smuggling, the drugs trade and other forms of racketeering. "We have reports that most of the dirty money in Tanzania could be channeled through real estate or even the hotel industry", he said, adding that organised crime was exploiting the fact that Tanzania had no legislation to deal with money laundering.³⁰

Although it is very difficult to determine the scale of the problem, one estimate puts the volume of funds laundered through Tanzanian channels at about US\$450 million to US\$500 million per year.³¹

Money laundering relies heavily on trust. It is therefore usually facilitated by reasonably small groups of people who have strong links with each other. As a result, internally sourced funds are often laundered through families.

In September 2001, the Director of Tanzania's Criminal Investigation Department organised a meeting with financial institutions in order to plan the combating of money laundering. Issues of banking secrecy and the entry of 'dirty money' into the banking system were discussed and a plan of action was drawn up. Although the Bank of Tanzania is yet to issue guidelines on money laundering, the objective was to help ensure that banks know the identities of people whose money they receive, as well as the source of their funds.

The Tanzanian government is also preparing an Anti-Money Laundering Bill. The legislation aims to crack down on the huge sums of 'dirty money' laundered in the country every year. The planned measures would require banks and other financial institutions to report certain kinds of customer transactions, such as cash purchases of stocks and foreign currency as well as cash transfers and cheque deposits over a certain value. The legislation is aimed to comply with the United Nations Convention Against Trans-National Organised Crime, to which Tanzania is a signatory.

Notes

- 1 Mwaikusa, 1995, p 169.
- 2 Ibid p 168.
- 3 Ibid.
- 4 Ibid p 170.
- 5 Ibid.
- 6 Tanzania Media Women's Association, n.d., p 12.
- 7 On the final day of the initiation ceremony, the functionary of the ruling party, CCM, is invited as the chief's guest, in order to demonstrate the proximity between organs of public power and private/traditional institutions. See Mwaikusa, op cit, p 172.
- 8 This allegation was made by the opposition parties during the elections in 1999.
- 9 Tanzanian Police Force, 2001.
- 10 Ibid.
- 11 Tanzanian Police Force, 2000.
- 12 Ibid.
- 13 Ibid.
- 14 Ibid, p 2.
- 15 Prime Minister's speech in Arumeru, a drug-producing district, on 21 August 2001, questioning their integrity concerning increased cannabis cultivation in the area.
- 16 Ibid.
- 17 Ibid. *Business Times*, 3 July 2001.
- 18 *Business Times*, 13 July 2001.
- 19 Tanzanian Police Force, 2001.
- 20 Statement to the Press, Dar es Salaam Regional Police Commander, 2002.
- 21 *Family Mirror*, 28 August–3 September 2001.
- 22 *Financial Times*, August 2001.
- 23 *Financial Times*, 24 September 2001.
- 24 Wangwe, 1997.

- 25 Tanzanian Chamber of Mines 2001.
- 26 UN 2001.
- 27 Bagenda, forthcoming.
- 28 US Department of State 2001, p 32.
- 29 Tanzanian Police Force, 2001.
- 30 The existing official document on money laundering is the Bank of Tanzania 'Circular on regulating the conduct of financial institutions'.
- 31 Figures provided by legal and financial crime experts at the Bank of Tanzania, and Criminal Investigation Department of the Tanzanian Police Force (including drug trafficking and money laundering through different channels). Computation by the author.

References

- P M Bagenda, *Civil society in transitional democracy: The case of Tanzania* (forthcoming).
- Business Times*, Arusha awash with drugs, 3 July 2001.
- Business Times*, Drug menace, 13 July 2001.
- Family Mirror*, Fight drugs now or never, 21–27 August 2001.
- Family Mirror*, Intrigues of narcotics war in Tanzania, 21–27 August 2001.
- Family Mirror*, Can Tanzania fly high inside big time illicit drug, political power and national drug cartels?, 28 August–3 September 2001.
- Financial Times*, Governments claim progress in war against money laundering, 18–24 July 2001.
- Financial Times*, August 2001.
- Financial Times*, 24 September 2001.
- C Goredema (ed), *Organised crime in Southern Africa: Assessing legislation*, Institute for Security Studies (ISS) Monograph series 56, ISS, Pretoria, 2001.
- Inter-Ministerial Anti-Drug Commission (IADC), *Report 2000–2001*.
- Interviews, Deputy Head of Criminal Investigation Department, Ministry of Home Affairs, Dar es Salaam.
- Interview, Deputy Head, Criminal Investigation Department, Tanzanian Police Force.
- Interview, Head of the Anti-Stock Theft Unit, Tanzanian Police Force.

Interview, Head of the Anti-Drug Unit, Tanzanian Police Force.

Interviews, compliance officers on money laundering, Bank of Tanzania, Standard Chartered Bank, Directorate of Public Prosecutions and Secretariat officials at East and Southern African Anti-Money Laundering Group (ESAAMLG), March 2002.

Interview, Prevention of Corruption Bureau.

M A J Kamara, Sungusungu and the maintenance of law and order: A case study of Sungusungu activities in Mwanza Region. Unpublished LL.B. dissertation, Faculty of Law, University of Dar es Salaam, 1999.

Majira, Cannabis contract cultivation, 4 August 2001.

Majira, One hundred seventy-nine firearms seized by police in Kagera Region, 4 August 2001.

Majira, Who are involved in cannabis cultivation in Mara Region? 26 August 2001.

Mtanzania, Ten out of twenty-five regions cultivate cannabis in Tanzania, 8 August 2001.

J T Mwaikusa, Maintaining law and order in Tanzania, in J Semboja & O Therkildsen, *Service provision under stress in East Africa*, Centre for Development Research, Copenhagen, 1995.

Mwananchi, Mwanza is the main arms bazaar centre, 15 July 2001.

National Focal Point on Arms Management and Disarmament, unpublished workshop proceedings, October 2001.

Report of a meeting on money laundering between the Director of Criminal Investigation and directors of financial institutions, unpublished, October 2001.

J Semboja & O Therkildsen, *Service provision under stress in East Africa*, Centre for Development Research, Copenhagen, 1995.

Southern African Development Community (SADC), Protocol on Illicit Drug Trafficking, http://www.sadc.int/index.php?lang=english&path=legal/protocols/&page=p_drugs, 1996.

Tanzanian Chamber of Mines, *Report*, 2001.

Tanzania Media Women's Association (TAMWA), Research report on the killing of old women in Lake Zone regions of Mwanza and Shinyanga, TAMWA, Dar es Salaam, n.d.

Tanzanian Police Force, unpublished report on the killing of suspected witches in Shinyanga, Mwanza and Singida, 2000–2001.

Tanzanian Police Force, *Criminal intelligence report 2000–2001*.

Tanzanian Police Force, *Anti-Stock Theft Unit report 2000–2001*.

The East African, Mombasa main conduct for drug trafficking, 18–24 July 2001.

The National NGO Conference on the Tanzanian National Action Plan to Combat and Eradicate the Proliferation of Small Arms and Light Weapons, *Final report*, Dar es Salaam, Tanzania, 2002.

United Nations (UN) Drug Control Programme, World Drug Report 2000 http://www.unodc.org/unodc/world_drug_report.html, 2000.

UN, Report of the Expert Panel on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of the Congo, S/2001/357, Geneva, United Nations, 2001.

US Department of State, Africa and the Middle East, Report on Drug trafficking in Africa South of the Sahara 15/6/2001. <http://www.state.gov/g/inl/rls/nrcrpt/2000/index.cfm?docid=893>, Tanzania p 32.

S M Wangwe, *The parallel economy in Tanzania: Magnitude, causes and policy implications*, ESRF Discussion Paper no. 11, Economic and Social Research Foundation, Dar es Salaam, Tanzania, 1996.