

## **Transnational Threats: Current and Future Trends**

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### **Two Case Studies that Illustrate Major Current Transnational Threats:**

#### **Case Study 1: Dread Pirate Roberts and the Silk Road site on the Dark net**

The Silk Road website operated in the darknet from Feb. 2011 until July 2013 selling drugs and other illicit commodities. This case shows the scaling the drug trade and other forms of illicit trade in cyberspace. During its period of operation, 600,000 messages were exchanged monthly between buyers and sellers. Its founder, the American, Ross Ulbricht, hid his identity by calling himself “Dread Pirate Roberts. He received an 8 to 15% commission on sales through the Silk Road site. Processing \$1.2 billion in transactions in a little over years, through the cyptocurrency, bitcoin, he netted \$80 million.

Ross Ulbricht had no history of criminal activity, as a youth he had been an Eagle Scout (the highest level Boy Scout). But in the darknet, he used cryptocurrency to try and hire hitmen to kill rivals and those who did not pay their debts to him. Others involved in this criminal operation include two law enforcement personnel charged with investigating him. They are now serving seven-year prison sentences for their collaboration with Ulbricht and their theft of digital currency from the site.

Yet when law enforcement shut down the Silk Road site, it did not eliminate the problem of drugs and illicit products on the dark net. Since Silk Road’s closure in 2013, transactions for illicit drugs on cryptomarkets have tripled and revenues have doubled. Advertisements for illicit drugs have increased six-fold in less than three years. In 2016, the most successful vendor made ten times more than his counterpart in 2013.

#### **Identified Trends:**

- 1) Trade for illicit goods such as drugs, people, and many other illicit commodities (counterfeits, weapons etc.) can scale rapidly in cyberspace. Cyberspace has also made the products and services of the illicit economy more widely available to consumers around the world.
- 2) Cryptocurrencies are key in the scaling of illicit activity.
- 3) The patterns of criminal behavior associated with the Silk Road site resemble the crime we know in the real world. Cybercrime operates in many familiar ways because it is real world criminals operating by means of new technology. Therefore, we recognize the patterns we see in the dark web-- violence (including orders for contract killings), corruption of government officials and conflicts among rival criminals. Cybercrime is not a special type of crime but reflects known criminal practices.

- 4) Going after kingpins does not eliminate the crime problem but may provide growth and promotion opportunities for other criminals. Removing kingpins, both in cyber and the real world, may lead to more criminal violence and greater profits.
- 5) Other cybercriminals recall the pirates of the past who were allowed to raid ships if they also served the state.

### **Case Study 2: Natural Resource Depletion and the Syrian Conflict**

The roots of the current crisis in Syria lie in the 1970s when the father of President Bashar al-Assad, President Hafez al-Assad, launched an unsustainable program for agricultural self-sufficiency to be achieved by growing crops requiring significant amounts of water without considering whether Syria had sufficient groundwater to raise those crops. With diminishing water tables, Bashar al-Assad in 2005 made it illegal to dig new wells without a license. But in an environment of high levels of corruption, the digging did not stop as those that had money bribed to get licenses and dug deeper.

Between 2002 and 2010 there was incredibly rapid urbanization in Syria as desperate people abandoned agricultural areas that lacked water. Before the invasion of Iraq in 2002, there were 8.9 million Syrians in cities and in 2010 there 13.8 million. Syria, in a decade, became one of the most urbanized countries in the world. Almost one-third of the migrants were fleeing the drought.

Recent migrants to urban areas congregated in the illegal settlements that developed on the periphery of Syrian cities. These communities were neglected by the Assad government and were therefore characterized by an absence of infrastructure, high crime rates, absence of services, unemployment and “became the heart of the developing unrest” during the Arab Spring. The devastating conflict that has followed relies on transnational criminal activity and the desperate refugees pay off human smugglers to escape.

#### **Identified Trends:**

- 1) Resource depletion and climate change have been and will be key drivers of human displacement in the future and will contribute to many different forms of illicit activity as people do anything to survive
- 2) Those profiting from the rise in drug, human, oil, antiquities, cigarette trafficking and smuggling in Syria include government officials, criminals and terrorists.
- 3) The phenomenon I previously described as “Dirty Entanglements” in my most recent book emphasizes the interaction of crime, corruption and terrorism and is central to the endurance of the conflict. In *Dirty Entanglements: Corruption, Crime and Terrorism* (Cambridge University Press, 2014), I explained that an interaction of the three elements may have consequences far from the initial point of interaction. Therefore, the planning and funding for terrorist attacks may derive far from their locale where they

occur. Criminality and terrorism are increasingly linked as seen in the recent terrorist attacks in Europe where almost all the terrorists have a background in crime.

- 4) Conflicts will continue to be supported by illicit trade and illegal activity.

### **Future Transnational Threats**

Future threats already evident are a) crimes that attack human life b) crimes that attack the sustainability of the planet 3) crimes that use new technology and crimes unique to the new technology

#### **1) Crimes that Attack Humans**

Increases in the drug trade and human trafficking and smuggling  
Increased distribution of counterfeit and diverted pharmaceuticals  
Increasing sale of counterfeit pesticides that are harmful to users  
Increased production and distribution of counterfeit food, beverages  
Identity theft and other technology enabled crime that harm individuals

#### **2) Crimes that Attack the World's Resources and Survival Strategies**

Increase targeting of the world's natural resources by diverse illicit actors as well as companies and corrupt officials. The 7.5 billion inhabitants of the planet are straining the planet's resources. Organized crime has always targeted time sensitive sectors-- garbage, fish markets, ports. Now we are dealing with a "time sensitive planet."

Illegal wildlife crime is increasing at a rate of 5-7% annually, 2 to 3 times the growth rate for the legitimate economy. Some categories, of environmental crime experience growth of 21 to 28% annually, whereas world population is growing at a little over 1 percent.

Illicit actors (criminals, terrorists) also attack the mitigation strategies to counter climate change such as the carbon market in Europe that cost the EU 5 billion euros.

#### **3) Abuse of New Technology**

Facilitation of criminal activity by state and non-state actors  
Cryptocurrencies will facilitate illicit activity and financial flows  
Criminal abuse of the Internet of things may create new threats