
Dawood Ibrahim – Convergence of Crime and Terrorism

On 9 July 2019, the United Nations Security Council (UNSC) members addressed the issue of the links between organised crime and terrorism. During the open debate, India's permanent representative to the UN, Syed Akbaruddin, recognised the relevance of the nexus between terrorism and organised crime, stating: *"Terrorism and Organised Crime are both manifestly malicious organisms drawing sustenance from the same deadly swamp. At times, they coexist; at other times, they cooperate; and in instances, they converge"*. He then identified one of the most well-known examples of such a convergence; Dawood Ibrahim and his crime-syndicate turned terrorist-network, the D-company.

Mr. Syed Akbaruddin, eluded to the whereabouts of Dawood Ibrahim, who has been on the run since 1993 and is wanted for his involvement in a series of bombings in Mumbai that killed more than 200 people. In his statement, Mr. Akbaruddin declared that Ibrahim is operating *"from a safe haven that declines to acknowledge even his existence"*. As diplomatically as this sentence was phrased, the identity of the accused *"safe haven"* is blatantly obvious: Pakistan.

Pakistan has continuously denied India's allegations that Ibrahim is operating from its territory. While the D-Company network extends to the four corners of the world, it appears that Ibrahim has established a base in Pakistan, more specifically in the port city of Karachi. Moreover, during his recent meeting with United States President Donald Trump, Pakistani Prime Minister Imran Khan admitted that an estimated 40,000 militants and 40 militant groups are active in Pakistan. Prime Minister Khan admitted to the presence of militant groups in Pakistan, their training activities in the country and their involvement in Afghanistan as well as in Jammu & Kashmir, however, the country has been reluctant to admit the use of its sovereign territory by a man notorious for funding terror activities through crime.

Dawood Ibrahim and the 1993 Mumbai terror attacks

Dawood Ibrahim Kaskar was born in India's Maharashtra state in 1955 in a Muslim family and was raised in Dongri, on the outskirts of Mumbai. While his father was a head constable in the Mumbai police, Dawood Ibrahim became involved in petty street crime from an early age. After dropping out of high school in the early 70s, Ibrahim and his brother Shabir formed the D-Company, a gang of young criminals mostly involved in smuggling and gang violence, but they quickly rose through the ranks of the Mumbai underworld. The Ibrahim brothers' influence grew as they managed to rival and eliminate other gangs, and consolidated their expertise of criminal activities such as drug and arms trafficking, gold smuggling, extortion, counterfeit currency, contract killings and film piracy.

However, in 1981, Shabir Ibrahim was murdered on the orders of Samad Khan, the leader of the Pathans, another Mumbai gang. This event was recorded as one of the most violent mafia killings in Mumbai's history. For Dawood Ibrahim, the grief of losing his brother and partner in crime quickly turned into a thirst for vengeance. In 1984, Ibrahim executed Samad Khan, the man who had orchestrated his brother's murder. The police had previously turned a blind eye to the D-Company's rivalry with the Pathans, in the hope that the Ibrahim brothers would eventually eliminate the more

vicious Pathan gang, yet Khan's death brought about more consequences than the police had wished for. Ibrahim had become too powerful a criminal, and could be ignored no longer. The police went after Dawood Ibrahim and charged him with the murder of Samad Khan, on top of pre-existing charges for smuggling and extortion. In 1986, Ibrahim left Mumbai to avoid prosecution for Khan's murder and settled in Dubai.

In Dubai, Ibrahim was able to consolidate his crime syndicate into an international network. At this point, his operations were still primarily financially motivated. However, all this changed following the destruction of the 16th century Babri Masjid mosque in Uttar Pradesh, India, by Hindu nationalists and *kar sevaks* (those that offer services for free to a religious cause) in December 1992. The demolition of the mosque sparked divisions and soon the country was engulfed in violent communal riots that caused the deaths of thousands of Indian nationals, of both Hindu and Muslim faith.

Muslims are a minority in India, and in 1992 they consisted of 12% of the population. In order to avenge the destruction of the Babri Masjid mosque and ensuing riots, Ibrahim smuggled bombs and arms from Dubai to Karachi, allegedly with the help of the Pakistani Inter-Services Intelligence (ISI) Agency. These explosives were used in the Mumbai Blasts of March 1993. 13 explosions went off in three hours, killing 257 people and injuring more than a thousand. While the attacks were not claimed by any extremist groups, Indian authorities pinpointed Dawood Ibrahim as the principal mastermind behind the attacks.

Shift to a religiously motivated terror network

In the aftermath of the 1993 Mumbai Blasts, Dawood Ibrahim shifted his operations from Dubai to Karachi and is widely believed to have received protection from the Pakistani ISI. By orchestrating the bombings, and using his smuggling routes to provide the weapons used in the attacks, Ibrahim condemned himself to be branded a "terrorist", thus stepping away from the mafia don label that he had worn for two decades. Aside from being wanted in India on charges of murder, extortion and terrorism, the United States identified him as a Specially Designated Global Terrorist in 2003 and a Significant Foreign Narcotics Trafficker in 2006. Dawood was listed on the UNSC Consolidated List in 2003, pursuant to paragraphs 1 and 2 of Resolution 1390 (2002) as being associated with Al Qaeda, Osama bin Laden or the Taliban for "*participating in the financing, planning, facilitating, preparing or perpetrating of acts or activities by, in conjunction with, under the name of, on behalf or in support of*", "*supplying, selling or transferring arms and related materiel to*" or "*otherwise supporting acts or activities of*" Osama bin Laden, Al Qaeda and the Taliban. Earlier, in 2002, evidence revealed that the D-Company had financial links to Lashkar-e-Taiba (LeT) and that Ibrahim had financed attacks in Gujarat, India.

Adhering to the ideology of such radical Islamic groups and engaging in the planning and logistics of terrorist attacks provides some evidence as to how Ibrahim's organisation shifted from a financially motivated crime syndicate to a politically motivated terror network. While the D-Company itself has not claimed any terrorist attacks, there is evidence which links it to providing the financial and logistical support needed to carry out such attacks. This transition of the D-Company also created a schism within the syndicate; the organisation had previously been secular, but the new alignment with radical Islamist ideologies caused Hindu members of the syndicate to leave and join a gang formed by Ibrahim's former right hand man, Chota Rajan.

Scholars have argued that the convergence of organised crime groups and terrorist outfits and their evolution towards hybrid forms can be explained by resource dependence theory, as well as inter-organisational structures. For example, Wu and Knoke (2017) explain that the resources required for terror groups to carry out their operations are often controlled by organised crime syndicates; as in the case of D-company – smuggling routes. Hence, a collaboration between both the terror organisation and crime syndicate is a logical business agreement. Yet, the fee extracted by the crime syndicate cuts back on the terrorist organisation's profit and operating revenue, because of which some terror organisations may choose to concentrate more efforts directed at organised crime, in order to cut out "*the middleman*". In the event this happens, it would also show a transformation in the aims of the terror group, depending on the extent to which its activities become profit-motivated. In regards to inter-organisational structures, Wu and Knoke suggest that terrorist organisations develop a structure similar to organised crime syndicates in order to escape detection and counter-terrorism measures. This evolutionary path can be observed in Al Qaeda's change from a central command structure, which is more effective in terms of conducting complex operations and communications, yet more vulnerable to detection and disruption from counter-terrorism measures, to a "*franchise-based system*", which loses communication effectiveness but gains in security. While decentralised cells gain independence by managing their own logistics and selecting their own targets, this could disrupt the '*political*' aims of the organisation.

While scholars have regularly used the example of the D-Company to illustrate the organised crime-terror nexus, some critics believe that organised crime groups are unlikely to completely merge with terror groups. In this case, the D-Company seems to share the ideology of certain terror groups, but has not declared itself publicly as an organisation that would challenge the political and social system of a territory and obtain full control over it, contrary to Al Qaeda or the Taliban. The D-Company uses its criminal expertise to aid in the operations of terror organisations, as it has gained notoriety due to its smuggling, trafficking and counterfeiting activities that can be considered essential to the survival of a terrorist organisation. Indeed, the D-Company's network is capable of smuggling terrorists across borders, trafficking narcotics and laundering money for a terror organisation. It is speculated that the boat used by the perpetrators of the 2008 Mumbai terror attacks to sail from Karachi to Mumbai was provided by the D-Company.

Based on academic theories and what we know about the D-Company's operations, it does remain unlikely that the D-Company operates fully as a terror organisation. Ibrahim's involvement in the 1993 Mumbai bombings led to him being branded an internationally designated terrorist, but the D-Company in itself has not been designated a terrorist organisation by either India, the United States or the UN. While the extent to which the D-Company has become a terror organisation in the traditional sense of the term can be questioned, the current alliance between an extensive criminal organisation and various terror groups is an undeniable threat to international security. If States and International Organisations hope to adopt effective measures to combat terrorism financing, all the facets of organisations such as D-Company must be thoroughly observed and analysed. Designating Dawood Ibrahim as an international terrorist does not take away the fact that he is, first and foremost, a mafia don and thus operates as such. What must be taken away from the story of Dawood Ibrahim and the D-Company is that the lines between terror organisations and crime syndicates are becoming more and more blurred, and the two threats must not be treated as mutually exclusive. International crime syndicates have continuously shown an ability to adapt to their environments in order to elude capture and detection, and their aptitude for forming short or long term alliances with terrorist

organisation must essentially be seen for what they are – business enterprises. What is different about Ibrahim’s case is his close relationship with terror organisations such as Al Qaeda and the Taliban. He is believed to have travelled to Afghanistan under the protection of the Taliban and met with Osama bin Laden and evidence suggests that he has shared smuggling routes spanning from Africa and the Middle East to South Asia with Al Qaeda. However, due to the mystery shrouding the D-Company and the extent to which it operates with terrorist organisations, it remains unclear as to what exactly the formal agreement between these organisations consists of.

The dark side of globalisation

In 2017, during an interview with a Pakistani news channel, former Pakistani President Pervez Musharraf stated: *“India has been accusing Pakistan for long. Why should we now become good and assist them? I don’t know where Dawood is. He must be here, somewhere. India has been killing Muslims and Dawood Ibrahim has been reacting”*.

This quote is a veritable illustration of the tense animosity between India and Pakistan. Pakistan is ready to shelter those who endeavor to act against the Indian State, owing to its decades-old spite and rivalry with the latter. However, in South Asia’s contemporary nuclear-proliferated geopolitical context, such bitterness can prove to have much more serious consequences, as was seen during the escalation of Indo-Pak tensions following the terrorist attack in Pulwama in Indian Administered Jammu & Kashmir, in February 2019. Using Dawood Ibrahim as an extension of this rivalry can generate grave geopolitical consequences that go beyond tackling terrorism and transnational organised crime.

There is another dimension of globalisation which could facilitate organised crime and terrorist activities. Pakistan is currently engaged in China’s infrastructural project of the century: the Belt and Road Initiative (BRI), as part of which China has pledged to invest \$60 billion in order to develop the China Pakistan Economic Corridor (CPEC), connecting China’s Xinjiang province to Pakistan’s Gwadar port, thus giving China much needed access to the Indian Ocean. Critics of the project have raised concerns regarding the opacity of the project arguing that China is investing such a financial package in an economically unstable country ridden with terrorist organisations, corruption and financial crimes, which may end up in the BRI and CPEC facilitating organised crime and terrorist activities. As noted above, terrorist organisations and crime syndicates have gained expertise at using their environments to their benefits and the CPEC and its routes could prove to be of much use to both crime syndicates and terrorist organisation and facilitate the already existing smuggling and trafficking infrastructures in the country. This is already visible as analysed by EFSAS in its [Commentary of 05-07-2019](#) that delves into the operation of Chinese organised crime rings, which traffic young women from marginalized Pakistani communities to China for the purposes of illegally entering them into marriages with Chinese men.

By connecting markets, the BRI and CPEC can certainly create new business opportunities for legal enterprises, yet illicit enterprises may also use this to their advantage. One of the most worrying factors in this equation is the support and sheltering of such organisations by the Pakistani military. Should the D-Company use the Karakoram Highway to smuggle drugs and arms to insurgents in Xinjiang, could Pakistan afford to turn a blind eye, being aware of the repressive measures Beijing, their primary financier, has taken against the Muslim population in Xinjiang? Or, if the D-Company is

able to profit from the newly constructed facilities in Gwadar port to smuggle terrorists to India, Sri Lanka or any other State in South Asia, could it still do so without the protection of the Pakistani ISI?

The BRI also extends to South East Asia, which is known to be a hot spot for drug and human trafficking. Philippines President Rodrigo Duterte's growing enthusiasm for Beijing and the strengthening of Sino-Philippines relations has led Chinese companies to sign infrastructural and developmental deals that could be worth more than \$9 billion. Yet, the Philippines is a country that suffers immensely from the crime-terror nexus. Abu Sayyaf Group (ASG), which is unofficially known as the Islamic State of Iraq and the Levant – Philippines Province, has been linked to extortion crimes and narcotics trafficking and while it has an extremist Islamist ideology, the group also employs tactics similar to the D-Company.

As globalisation shrinks distances and increases interconnectivity, organised crime groups, which share similar political aims and extremist ideologies, could potentially use these global networks to form alliances and carry out malicious activities on a wider scale.

Conclusion

The crime-terror nexus has become an apparent reality of today's world, which flourishes in politically unstable regions such as South Asia. States have recognised the symbiotic relationship between terror groups and crime syndicates, and can no longer hope to abolish one without tackling the other. In 2017, the Washington DC based NGO Global Financial Integrity released a report estimating that transnational organised crime generated approximately \$2.2 trillion per year. Taking into account the proliferation of terrorist and militant groups, it is inevitable that these forms of consortiums, that *"draw sustenance from the same deadly swamp"*, will find ways to cooperate and/or converge.

The story of Dawood Ibrahim and his D-Company, and the consolidated influence it has over the South Asian region, is one that is constantly evolving and requires a comprehensive approach tackling various facets – crime syndicate and terror network included – in order to find the best methods to address such issues. As the problem is transnational in nature and not exclusive to South Asia, greater cooperation and intelligence sharing between States is paramount, which remains challenging when States such as Pakistan continue refusing to recognise their own complicity.

It further remains to be seen if China will be able to exert enough pressure on Pakistan's military establishment, and force a crack-down on terrorist groups and their associates, in order to protect its BRI or continue tacitly supporting Pakistan based terrorist organisations as long as these groups will focus on India, Indian Administered Jammu & Kashmir and Afghanistan, and thereby ignore the plight of their Muslim brethren in Xinjiang and not expand their operations or otherwise bridge their presence into China. With India, the United States and the international community at large continuously providing evidence against Pakistan, Islamabad may eventually be pushed into a corner and forced to change its foreign policy based on using criminals like Ibrahim and terrorist organisations as strategic assets. Much of this will also depend on the results of its review by the Financial Action Task Force (FATF).

Prime Minister Imran Khan's recent admission to the shocking figures that prove that Pakistan is indeed a territory from which terrorist organisations operate without much interference from the State, months before the FATF review, should provoke scrutiny on how these organisations are

financed in the country, followed by steps the international community, including Pakistan itself, must be forced to take to dismantle their infrastructures and more importantly, compel the country to halt its patronage to such actors.



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