



Narco-Terrorism: Tracing the Drug-Terror Nexus in the Death Crescent and its Impact on Jammu and Kashmir

Shuvam Sharma¹

¹ ICSSR Doctoral Fellow, Dept. of National Security Studies, Central University of Jammu, J&K
shuvamsharma76@gmail.com

Dr. R. Sudhakar²

² Associate Professor, Dept. of National Security Studies, Central University of Jammu, J&K
drsudhakar83@gmail.com

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ABSTRACT

The phenomenon of narco-terrorism has become a significant security challenge, particularly in the 'Death Crescent', a region comprising Afghanistan and Pakistan, known as the world's leading hub for illicit opium production and trafficking. This research paper examines the development of the drug-terror nexus in the region, highlighting how violent groups such as Taliban and Al-Qaida have systematically exploited the narcotics trade to fund their activities. From the formalized taxation of poppy cultivation under the Taliban in 1966 to Al-Qaida's efforts to diversify drug smuggling post 9/11, the intersection of narcotics and terrorism has become deeply established. The study examines how the drug trade has served as a crucial financial pillar for terrorist activities and supported related operations. The study further investigates the cross-border impact of this nexus on India, with special focus on Jammu and Kashmir (J&K), where the infiltration of drug trafficking networks has worsen security challenges and deepened socio-political instability. This study employs a qualitative research approach, utilizing historical case analysis and secondary sources, including government reports, reports from UNODC, academic literature and data's from the narcotics control



authorities. The research traces the evolution of the drug-terror nexus in the Death Crescent and Examines its spillover effects on Jammu and Kashmir, with a focus on security and strategic implications.

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1. Introduction

The North-Western region of South Asia, which includes, Afghanistan and Pakistan, has emerged as one of the most volatile and strategically sensitive regions of the world (Wani, 2022). This region is characterized by a complex juncture of ethnic fault lines, geopolitical rivalries, historical grievances, and ideological extremism, making it a focal point for terrorism and radical militancy. A critical and frequently underestimated factor at the centre of the ongoing turmoil is the influence of narcotics. The illicit drug trade, particularly opiates, has not only aggravated socio-economic challenges both in this region and globally. Moreover, it is evident and necessitates further investigation that narcotics significantly contribute to the financing of terrorism across this geostrategic region. (Buddenberg & Byrd, 2006)

Afghanistan, which is the westernmost country of South-Asia, has been the world's largest producer of opium for almost two decades (UNODC, 2023). Despite international counter-narcotics efforts, opium cultivation and its trafficking remain resilient and adaptive, embedded deeply within the fabric of local economies and conflict systems. After the resurgence of the Taliban in 2021, there is further consolidation in the relationship between narcotics and terrorism. Narcotics serve as the financial backbone for the Taliban's sustainability, as it got money through taxing poppy farmers, protection money from traffickers, and reaping profits from the illicit trade routes (Malkasian, 2021). While the Taliban officially announced a ban on poppy cultivation in 2022, many reports indicate that enforcement has been uneven, and the drug activities continue, including a rise in synthetic drugs such as methamphetamine.

Moving towards east, Pakistan serves as a transit route for narcotics provided in Afghanistan. However, its role is far more complex and strategically important. There is uninterrupted flow of drugs from Afghanistan into Pakistan, where organized crime networks, often with alleged ties to elements within the state, facilitate the further trafficking of narcotics across international borders. These revenues, in

turn, have been linked with the financing of terrorist outfits operating within and beyond Pakistan's borders. Terrorist groups such as Lashkar-e-Taiba, Jaish-e-Mohammed, and the Haqqani Network are often suspected of gaining financial benefits directly or indirectly from the narcotics trade, either through taxation, trafficking partnerships, or money laundering. This money is then used to procure weapons, to fund recruitment, propaganda and operational logistics, turning the drug trade into a strategic enabler of terrorism (R J, 2021).

The narcotics from the 'Death Crescent' (Golden Crescent) affecting Jammu and Kashmir (J&K), a region, afflicted by violence and cross-border terrorism. The conflict in the region has sustained over the decades due to external sponsorship and non-conventional financing sources. In recent years, narco-terrorism is seen as a growing concern in J&K as security forces have repeatedly recovered consignments of narcotics which includes heroin, being smuggled across the border.

Table – I: Substances Recovered by All Drug Law Enforcement Agencies of India in J&K 2019-2024.

Name of Substance	2019 (Quantity in kg)	2020 (Quantity in kg)	2021 (Quantity in kg)	2022 (Quantity in kg)	2023 (Quantity in kg)	2024 (Quantity in kg)
Hashish	550	927	975	573	324	373
Marijuana	250	1342	642	1274	983	1168
Heroin	103	159	196	239	186	114
Poppy Straw/Husk	25,062	23,840	19,206	17,205	8522	3560

Source: Annual Report, Narcotics Control Bureau 2019, 2020, 2021, 2022, 2023, 2024.

These narcotics are often concealed in sophisticated packaging and routed through networks of over ground workers and traffickers. These narcotics believed to serve the dual purposes of generating revenue for terror outfits and, on the other hand, destabilizing youth populations through addiction. The involvement of Pakistan-based handlers, both in pushing narcotics and coordinating terrorist operations, emphasizes the deliberate intent behind the convergence of drugs and terrorism.



This triangular geography Afghanistan, Pakistan, and India-J&K forms a region where narcotics not only flow flawlessly across the borders but also finance and fuel terrorist infrastructure (Malkasian, 2021). The term ‘narco-terrorism’ has gained popularity in counter-terrorism discourses to describe fusion of terrorism and drug based financing. The convergence of drug and terror is more dangerous as it has multifaceted impact as it finances terrorism, corrodes governance, weakens counter terrorism efforts, and sows socio-economic disorder.

The terrorism in this region cannot be understood merely through political or ideological lenses. A deeper analysis such as Makarenko, 2004; Ünal, 2019; Sharma & Hanjabam, 2024 reveals that narcotics have involved in the economy of terrorism. The transactional nature of narcotics provides liquidity, logistical leverage and high profit revenue makes it an ideal tool for non-state actors. Unlike traditional state-sponsored terror financing, which is susceptible to diplomatic and economic pressure, narcotics financing operates below the radar, exploiting local vulnerabilities and transnational criminal linkages.

This paper seeks to explore; narcotics act as a means and method of sponsoring terrorism in the North-Western region of South Asia. It aims to map the contours of the drug-terror nexus, identify the key actors and networks involved, and its implications on regional security, counter-terrorism policy, and international cooperation. By focusing on the interconnected dynamics between Afghanistan’s opium economy, Pakistan’s trafficking routes, and the terrorism of J&K, this study attempts to fill a critical gap in understanding how illicit drugs shape and influence modern conflicts through terror financing.

2. Theoretical Framework

Terror Financing: To establish the groundwork for this research, it is crucial to clearly define the concept of terror financing. Broadly, it refers to the act of providing financial resources or support to individuals or organizations involved in terrorist activities. The United Nations, in its International Convention for the Suppression of the Financing of Terrorism (1999), provides a legalistic perspective, stating that terrorist financing occurs when “any person who, by any means, directly or indirectly, unlawfully and willfully, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, to carry out terrorist acts.” To acknowledge this, the Financial Action Task Force (FATF) defines terrorist financing as “the solicitation, collection or provision of funds with the intention that they may be used to support terrorist acts or organizations” (FATF, 2025). Both institutional definitions emphasize the illegality and intentionality involved in terror

financing, conceptualizing it not merely as a supportive activity but as a critical enabler of terrorism itself. Building on this conceptual foundation, terrorism scholar Alex P. Schmid argues that “financing terrorism is also a form of indirect participation in terrorism because without finance, many attacks would not be possible” (Schmid, 2011). This interpretation reorients the discussion by identifying financiers as essential participants in the broader terrorist ecosystem, rather than peripheral actors.

Terrorist organizations exploit a diverse array of financial sources, ranging from legal to illegal means. While some utilize legitimate enterprises such as stock trading, real estate investments, or charitable fronts, the majority rely on illicit activities like smuggling, extortion, drug trafficking, kidnapping for ransom, robbery, and money laundering (Teichmann, 2018). Moreover, terrorists draw funding from both state sponsorship and private individuals, illustrating a complex web of formal and informal financial channels. King and Walker highlight the emergence of newer streams of funding such as proceeds from counterfeit currency, oil refining, and the use of crypto-currencies (King & Walker, 2015).

Extending this discourse, scholars like RJ Aishwarya introduce a conceptual linkage between terror financing, ideological orientation, and operational capacity. Capacity, in this context, refers to a group’s ability to procure financial and logistical support, either through direct sponsorship from state actors or via networking with other criminal and insurgent entities such as pirates or drug traffickers. Ideology, on the other hand, shapes the group’s motivations and dictates its preferred sources of funding, influencing whether it seeks donations, engages in criminal activities like drug trafficking, or forms strategic alliances. With the increasing influence of non-state actors and the proliferation of political instability, particularly in fragile regions, there has been a notable rise in critical issues such as drug trafficking and terrorism (Aishwarya R.J, 2021). This convergence further blurs the boundaries between criminal and terrorist enterprises.

In the Indian legal framework, the Unlawful Activities (Prevention) Act (UAPA) provides a comprehensive definition of terror financing. According to the Ministry of Home Affairs, an offence is committed when an individual “raises funds, invites another person to provide money or property, receives money or other property with the intention to fund a terrorist organization, or has reasonable cause to suspect that the money would or might be used for the purposes of terrorism” (Ministry of Home Affairs, India, 2013). Taken together, these definitions construct a multidimensional understanding of terrorism financing. They collectively highlight the pivotal role of financial



mechanisms in sustaining terrorist operations and underscore the need to examine both structural and ideological dimensions in any comprehensive analysis.

Narco-Terrorism: In the context of narco-terrorism, the United States Drug Enforcement Administration (DEA) defines the term as “the direct or indirect participation in the cultivation, manufacture, transportation, or distribution of controlled substances by terrorist organizations to finance their activities.” This definition highlights the operational involvement of terrorist groups in the drug trade as a means to secure financial resources. Similarly, the United Nations Office on Drugs and Crime (UNODC) acknowledges narco-terrorism as a “nexus between drug trafficking and terrorism” (UNODC, 2019), recognizing the use of illicit drug proceeds to fund terrorist activities, particularly in politically unstable or conflict-affected regions.

Expanding upon these institutional perspectives, Bjornehed conceptualizes narco-terrorism as the revenue generated through illicit drug trafficking to fund terrorism, a phenomenon of growing global concern, especially in conflict-prone regions (Sharma & Hanjabam, 2024). Alex P. Schmid characterizes narco-terrorism as “the use of drug trafficking to fund or engage in terrorism, often resulting in hybrid criminal-terrorist organizations” (Teichmann, 2018). This conceptualization underscores the dual nature of such groups, where the line between terrorism and profit-driven criminality becomes increasingly indistinct. Building upon these scholarly and institutional definitions, narco-terrorism may thus be understood as a strategic convergence of terrorism and transnational criminal economies, particularly the illicit narcotics trade.

Terrorist organizations are engaged directly in drug production and trafficking, or indirectly through cooperation with organized criminal networks, to generate revenue for their operations. This reflects a broader strategic shift from reliance on state sponsorship to more autonomous and illicit means of funding. This concept gained prominence in the 1980s with the convergence of narcotics cartels and insurgent groups in Latin America but has since become increasingly relevant in South Asia.

Drug and Terror Nexus

The convergence of drug trafficking and terrorism is commonly referred to as the drug-terror nexus. It has emerged as a critical area of concern in contemporary security studies. This nexus describes the mutually reinforcing relationship between drugs trafficking and terror financing, whereby terrorist



organizations engage in drug-related activities to fund their activities. The phenomenon illustrates how terrorist organizations exploit illicit activities to sustain, challenge state authority, and destabilize regions.

Elaborated by United Nations Security Council Resolution 2462 (2019), which affirms that terrorist organizations raise funds through both legal and illegal means, including the abuse of charitable organizations, lawful business enterprises, natural resources, and crowd funding. These are supplemented by a wide range of organized criminal activities, such as drug trafficking, human trafficking, arms smuggling, extortion, and the looting of cultural property. This resolution underscores the hybridization of terrorist and criminal networks, resulting in what are often referred to as “gray zone” actors. Numerous terrorist organizations across the world exemplify this nexus. Organizations such as Revolutionary Armed Forces of Colombia (FARC), Peruvian Shining Path, Taliban, Al-Qaida, Islamic Movement of Uzbekistan, and Boko Haram have found inadequate source of funding through narcotics (Nkwede et al., 2020). Makarenko also identifies Hezbollah, Kurdistan Workers' Party (PKK), and Taliban as key actors who involved in narco-trafficking.

In the Indian context, groups like the United Liberation Front of Assam (ULFA) have similarly exploited the drug activities. Estimates suggest that the FARC, for example, derived nearly 50% of its operational revenue from coca cultivation and cocaine trafficking (Makarenko, 2004). King and Walker argue that terrorist organizations benefit from the absence or weakness of state authority in specific regions. In such areas, they collaborate with local criminal gangs to exploit natural resources, and where illicit markets are transnational in nature, terrorist organizations linked up with international criminal organizations to move contraband and manage financial transactions (King & Walker, 2015).

The Taliban's coordination with criminal groups in Pakistan for narcotics trafficking into international markets serves as a notable example. Further refining the conceptual scope, Ünal categorizes illicit drug trafficking as one of the four primary channels of terrorist financing alongside state sponsorship, legal business operations, and popular support. However, the author notes that due to ideological and reputational concerns, terrorist groups may avoid direct involvement and instead rely on intermediaries. Nevertheless, Ünal argues that terrorists often assume key roles within narco-terror networks as leaders, strategists, or facilitators, occupying central positions that either control critical nodes or serve as connectors across network subgroups (Ünal, 2019).



Taken together, these perspectives underscore that the drug-terror nexus is not a peripheral phenomenon but a central feature of contemporary terrorism. It reflects a strategic adaptation by terrorist organization to toward criminal economies as sustainable sources of revenue. In regions such as the death crescent where porous borders, insurgency, and weak governance intersect, this nexus becomes especially significant and required focused academic and policy analysis.

3. Historical Context

The region commonly known as the "Golden Crescent" including mountainous areas of Afghanistan, Pakistan, and extending up to eastern Iran, has earned a more ominous nickname: the "Death Crescent" in India. On 17 July 2023, during the Conference on 'Drug Smuggling and National Security' held in New Delhi, the Union Home Minister of India, Shri Amit Shah, argued for a change in terminology. He suggested replacing the conventional terms "Golden Crescent" and "Golden Triangle" with "Death Crescent" and "Death Triangle," respectively. The Government of India is actively promoting for this redefinition at the international level. This designation reflects its emergence as the world's leading hub for illicit opium cultivation and processing. The region's history with opium significantly predates that of the "Golden Triangle" in Southeast Asia, which only rose to prominence as a modern opium-producing area in the 1980s. By contrast, the Golden Crescent had already established itself in the global illicit drug trade by the 1950s (UNODC, 2003). Afghanistan, at the heart of this region, presents a unique geographic and economic landscape that has long favored opium poppy cultivation. The country's arid climate and rugged terrain make the cultivation and export of perishable agricultural goods extremely difficult. In contrast, the opium poppy is highly drought-resistant, non-perishable, easy to transport, and commands a high price on the black market. For instance, in 2007, Afghan farmers earned approximately \$4,622 per hectare from opium, compared to only \$266 per hectare from wheat, making poppy cultivation a vastly more lucrative choice (UNODC, 2007).

The initial surge in Afghanistan's opium production began in the mid-1950s, prompted by Iran's prohibition of poppy cultivation. In response, Afghan farmers expanded their output to meet Iran's demand (UNODC, 2017). During the mid-1970s, a amalgamation of political instability and prolonged drought in the Golden Triangle led to a global supply vacuum, which was quickly filled by the Golden Crescent, specifically Afghanistan and Pakistan, as both countries became major suppliers of opiates to North America and western European countries (UNODC, 2003). Importantly, the cultivation of opium poppy in Afghanistan predates the modern Afghan state itself by several centuries. Traditionally used



for medicinal purposes, the scale of cultivation remained relatively limited until the late 1970s (UNODC, 2017). At that time, Afghanistan accounted for roughly 20% of global opium production (Wilson, 2018). However, the Cold War era saw a dramatic shift in this dynamic. During the confrontation with the Soviet Union, the CIA allegedly provided political protection and logistical support that linked Afghan poppy fields to heroin markets in Europe and the United States via Pakistani territory (Haq, 1996). In recent decades, Afghanistan's dominance in global opium production has only intensified. By 2018, approximately 86% of the world's opium was cultivated in Afghanistan (UNODC, 2018), with a significant portion of the crop grown in areas controlled by the Taliban (UNODC, 2017). This overlap between opium production and Taliban influence points to a convergence between illicit drug trafficking and terrorism. Between 2000 and 2015, the Taliban not only profited immensely from the opium economy but were also responsible for 73% of terrorism-related deaths in Afghanistan and 13% globally (UNODC, 2017; Fromiti, 2020).

4. Regional Case Studies

a. Afghanistan

Afghanistan has long been recognized as the epicenter of global illicit opium production. As of 2021, it accounted for over 90% of the world's illicit heroin supply and more than 95% of Europe's heroin consumption (UNODC, 2023). This dominance began in the late 20th century and peaked in 2007 when Afghanistan produced 93% of non-pharmaceutical-grade opiates globally. Despite a slight decline, it still contributed around 84% by 2019. Although the export value of opiates was estimated at \$4 billion, only a quarter reached local farmers, the rest was absorbed by insurgents, warlords, traffickers, and corrupt officials (UNODC, 2003).

The linkage between narcotics and insurgency is vividly illustrated in the case of Khan Mohammed, a Taliban operative who collaborated with associates to attack NATO forces using heroin proceeds. In 2006, an informant revealed the plan to the DEA, leading to Mohammed's conviction in 2008 on charges of international drug trafficking and terrorism financing. His conviction was later upheld in 2012, setting a precedent for linking drug trafficking with terrorism (Fromiti, 2020; United States v. Khan Mohammed, 2012). The narcotics trade in Afghanistan has deep historical roots. During the Soviet invasion in 1979, resistance groups such as the Mujahedeen began cultivating opium to fund their insurgency. With the collapse of centralized governance, the drug economy flourished. The Taliban



quickly recognized the potential of the drug trade. They taxed poppy cultivation, protected smuggling routes, and forged alliances with traffickers.

Notably, the Taliban's policies on drugs have been inconsistent. In 2000, Mullah Omar banned opium as haram, and cultivation fell by 99% in Taliban-controlled areas. However, the 2001 U.S.-led invasion disrupted this ban. The Taliban soon reverted to using opium profits to fund their insurgency, reportedly earning between \$19 million and \$500 million annually from the trade (Azizi & Hughes, 2024). This return to narcotics was partly due to the lack of other funding sources and the entrenched infrastructure of the drug economy. Regional dynamics also contributed to Afghanistan's dominance as countries like Turkey and Iran enacted bans and the Golden Triangle declined in production created a vacuum and Afghan warlords like Gulbuddin Hekmatyar and Mullah Nasim Akhundzada exploited the vacuum. Hekmatyar allegedly ran heroin refineries in Pakistan, while Nasim enforced brutal cultivation quotas. These developments occurred amid U.S. support for anti-Soviet forces, raising allegations of indirect complicity in the narcotics economy (Felbab-Brown, 2010; McCoy, as cited in Martin, 2014).

After 2001, the Karzai government's reliance on warlords and weak institutional control made counter-narcotics efforts ineffective. By 2006, over half of Afghanistan's GDP was estimated to be drug-related (UNODC, 2006). Taliban-aligned networks taxed producers, provided protection, and ensured transport, embedding them within the rural economy. Their ties with local traffickers helped them gain legitimacy in key provinces, particularly Helmand and Kandahar. The return of Taliban's to power in 2021, a new ban on opium cultivation was announced in 2022. However, enforcement has been patchy, and large stockpiles remain (UNODC, 2023). Southern provinces remain key centers of production and money laundering, with 60% of laundered funds and 90% of Hawala operations reportedly drug-related (Buddenberg & Byrd, 2006). Methamphetamine production has also increased, pointing to a diversification in narcotics.

b. Pakistan

Pakistan plays a significant role as a transit hub in the regional narcotics trade, primarily due to its geographic proximity to Afghanistan, the world's largest producer of opium. The porous border between the two countries, especially in the provinces of Balochistan and the Khyber Pakhtunkhwa (formerly known as Federally Administered Tribal Areas (FATA)), has made Pakistan a critical route for the trafficking of narcotics including heroin and hashish. According to the UNODC, nearly 70% of



Afghanistan's opium in 2007 was produced in provinces bordering Pakistan, underlining the impact this flow has had on Pakistan's internal security and governance.

During the 1980s, the narcotics trade in the region surged in the context of the Soviet-Afghan War. The U.S. Central Intelligence Agency (CIA) and Pakistan's Inter-Services Intelligence (ISI) collaborated to arm and fund the Afghan mujahideen. This covert operation indirectly fueled the growth of opium cultivation in Afghanistan and linked Pakistan's heroin processing labs to international markets. By 1989, Afghanistan and Pakistan had become the world's top two suppliers of illicit heroin, demonstrating how geopolitics and narcotics became intertwined (Haq, 1996). However, after the Taliban's temporary ban on poppy cultivation in Afghanistan in 2001, high market prices encouraged resurgence in cultivation within Pakistan, particularly in Balochistan and FATA. Though eradication campaigns reduced cultivation by 2007, enforcement has remained inconsistent due to ongoing insurgency and limited state presence in the border regions. FATA, in particular, has remained problematic due to the convergence of tribal dynamics, weak governance, and the presence of terror groups. Terrorists have utilized these areas to facilitate drug trafficking as a means of financing their operations. The lack of sustained counter-narcotics action is partly due to fears of alienating local populations amid broader counter-terrorism operations.

There is a long history of involvement of Pakistan's military and intelligence services specially the Inter Service Intelligence (ISI), in the drug trade. In 1994, former Prime Minister Nawaz Sharif said that in early 1991, then-Army Chief General Aslam Beg and ISI Director General Asad Durrani proposed a plan to fund covert military operations in India especially in Kashmir and Punjab, through heroin trafficking (Anderson & Khan, 1994). Although never officially confirmed, foreign diplomats and analysts have suggested that such plans were plausible, especially after foreign funding to ISI declined post-1989.

Reports from the early 1990s estimated that around 70 tons of heroins were produced annually in Pakistan, with one-third smuggled internationally. It was estimated that 20% of heroin in the United States and as much as 80% in Europe came from the Afghanistan-Pakistan region. These figures underscore the scale and global implications of Pakistan's role in the regional narcotics network and terror financing.



c. Jammu & Kashmir

The strategic geographic positioning of Jammu and Kashmir (J&K), sharing a porous border with Pakistan, makes it highly susceptible to the influences of the narco-terror nexus emerging from Afghanistan and Pakistan. This region serves not only as a transit route but also as a target zone for narcotics driven destabilization and terrorist activities. A narcotic trafficking in J&K plays a dual role: it acts as a major source of financing for terrorist activities and simultaneously fuels social unrest, particularly among the youths, who are increasingly vulnerable to drug addiction. As per the Ministry of Social Justice and Empowerment (MoSJ&E), over 8% of the population in J&K is addicted to drugs. An estimated ₹3.5 crore is spent daily on illegal transactions of narcotics in the region. The number of individuals seeking treatment for substance abuse has surged after 2019. In 2023, de-addiction and rehabilitation Centers in J&K provided 14,180 outpatient department (OPD) treatments and 1,931 inpatient department (IPD) treatments. In the first half of 2024 (till the end of July) these Centers provided 5,318 OPD and 561 IPD treatments (PIB, 2024). J&K has now surpassed Punjab to become India's most drug-affected region.

Pakistan's Inter-Services Intelligence (ISI) has been consistently implicated in promoting terrorism in J&K and Punjab through covert support to terrorist organizations. Considerable number of researches indicates that a significant portion of the ongoing insurgency in Kashmir has been funded through proceeds from drug trafficking. Studies by Burger (1995), Jamwal (2001), Prabha (2001), and Narula (2022), and more recently by Sharma & Hanjabam (2024), underscore how drug money has consistently been funneled into terror networks operating in the region. This strategy of state-sponsored terrorism has created a long-standing infrastructure for terrorism that continues to thrive with the financial backing of the narcotics trade.

Militant groups such as Lashkar-e-Taiba (LeT) and Jaish-e-Muhammad (JeM) are key actors in this nexus. Originally formed to fight Soviet forces in Afghanistan, LeT has shifted its focus towards terrorist operations in Kashmir, aligning closely with Pakistan's strategic objectives. Headquartered in Punjab (Pakistan), LeT is a well-organized and hierarchical group led by Hafiz Saeed, and it has received substantial support from the Pakistani establishment (Calderas, 2020). Similarly, JeM, a Deobandi outfit founded by Masood Azhar, has maintained strong links with both Al-Qaeda and the Taliban. The group gained international attention after the 2001 attack on the Indian Parliament, which it carried out in collaboration with LeT, coinciding with the escalation of the U.S. led 'War on Terror' in



Afghanistan (Calderas, 2020). These organizations have allegedly used funds from narcotics smuggling to finance high-profile terror attacks and sustain low-intensity conflict in J&K.

With regard to terror financing, it is estimated that approximately 15 percent of the funds utilized by terrorists in J&K are derived from drug-related activities. Although terrorist organizations may not be directly engaged in the drug trade, they extract protection money from drug traffickers in exchange for allowing the secure transit of narcotics from across the border and through their territory. Furthermore, drug traffickers play a facilitative role in supporting terrorist organisations by assisting in their cross-border movement and providing them with financial resources and safe shelters within the region (Das, 2019).

5. Challenges in Combating Narco-Terrorism

The fight against narco-terrorism in J&K is fraught with significant challenges, primarily due to the region's porous and rugged terrain. The region shares a long and difficult border with Pakistan, including volatile sectors like Poonch and Kupwara along the Line of Control (LoC). These areas, marked by dense forests, mountains, and unmonitored paths, provide ideal conditions for the infiltration of both drugs and terrorists. The situation is further aggravated by the use of modern smuggling techniques such as drones, underground tunnels, and hidden trails that bypass conventional surveillance. Compounding this geographic vulnerability is the well-documented complicity of Pakistan's intelligence agency, the ISI, in supporting narco-terrorism as a strategic tool to destabilize J&K. This state-sponsored nexus offers logistical support and financial lifelines to terror outfits operating in the region. Concurrently, the rise in drug abuse, particularly among the youth erodes the social fabric, creating a susceptible demographic for radicalization and militant recruitment.

Despite the presence of various enforcement bodies, efforts to counter narco-terrorism are often undermined by a lack of coordinated intelligence sharing and operational synergy between anti-narcotics units, military forces, intelligence agencies, and local police. As Teichmann (2018) observes, the multiplicity of funding avenues available to terror groups makes it exceedingly difficult to dismantle their financial infrastructure in a holistic manner.



6. Conclusion

In conclusion, Afghanistan's narcotics trade has been a persistent source of revenue for insurgent groups and a destabilizing force in the region. The Taliban's fluctuating policies, ranging from bans to full scale involvement reflect a pragmatic approach to funding operations. Pakistan's dual position as a transit country and an alleged facilitator of drug-funded operations highlights the deep interconnection between narcotics, terrorism, and state interests in South Asia. The death crescent comprising Afghanistan and Pakistan serves as a textbook case of a converging zone for narcotics and terrorism. Within this region, Afghanistan remains the primary source of opium, Pakistan serves as the main processing and transit country, and J&K acts as both a transit route and conflict zone where these illicit flows converge. Narcotics revenues not only fund terrorist activities but are also deliberately used to erode the region's societal structures, further entrenching instability and conflict. Without significant structural changes and international coordination, the narcotics economy will continue to thrive, undermining peace and development efforts.

To counter the narco-terror nexus in J&K, a multipronged approach is essential, strengthening border security, enhancing inter-agency coordination, targeting terror financing, engaging communities in de-radicalisation and enforcing strict action against traffickers. Additionally, stringent measures should be implemented to control terror funding through drug trafficking. International cooperation and investment in technology and training are also crucial to effectively disrupt these networks.

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