

INTRODUCTION

“With transnational threats, States have no choice but to work together. We are all affected – whether as countries of supply, trafficking or demand. Therefore, we have a shared responsibility to act”.

United Nations Secretary-General
Ban Ki-moon

The number of human beings living together on the planet grows every year, and so does the volume of exchanges among them. The vast majority of these exchanges are legitimate and beneficial, but a significant share is not. The growth of global crime is a threat to the rule of law, without which there can be no sustainable world development. Transnational criminal markets crisscross the planet, conveying drugs, arms, trafficked women, toxic waste, stolen natural resources or protected animals' parts. Hundreds of billions of dollars of dirty money flow through the world every year, distorting local economies, corrupting institutions and fuelling conflict. What people all over the world wish each other at the beginning of a new year, health, peace and prosperity, is what transnational organized crime markets destroy, bringing instead disease, violence and misery to exposed regions and vulnerable populations.

Governments have realized the danger and decided to react. International conventions have been adopted to step up the collective response to these common threats. In 2003, the United Nations Convention against Transnational Organized Crime entered into force. The next year, the United Nations High-level Panel on Threats, Challenges, and Change, identified transnational organized crime as one of “six clusters of threats with which the world must be concerned now and in the decades ahead”. In February 2010, the UN Security Council noted “with concern the serious threat posed in some cases by drug trafficking and transnational organized crime to international security in different regions of the world.”

Stopping the operations of transnational organized crime has thus become a matter of international priority. Translating political will into concrete results will mean achieving two difficult goals: understanding transnational organized crime and integrating national responses into international strategies. This report is a contribution to the first effort.

What is “organized crime”? There are at least two competing definitions: one that focuses on particular groups of people, and one that focuses on particular types of crime. Both definitions have some validity, and neither is sufficient to completely

describe the global reality. Understanding the way that real-life organized crime situations fit these two definitions makes a big difference in the ways we might go about solving these problems.

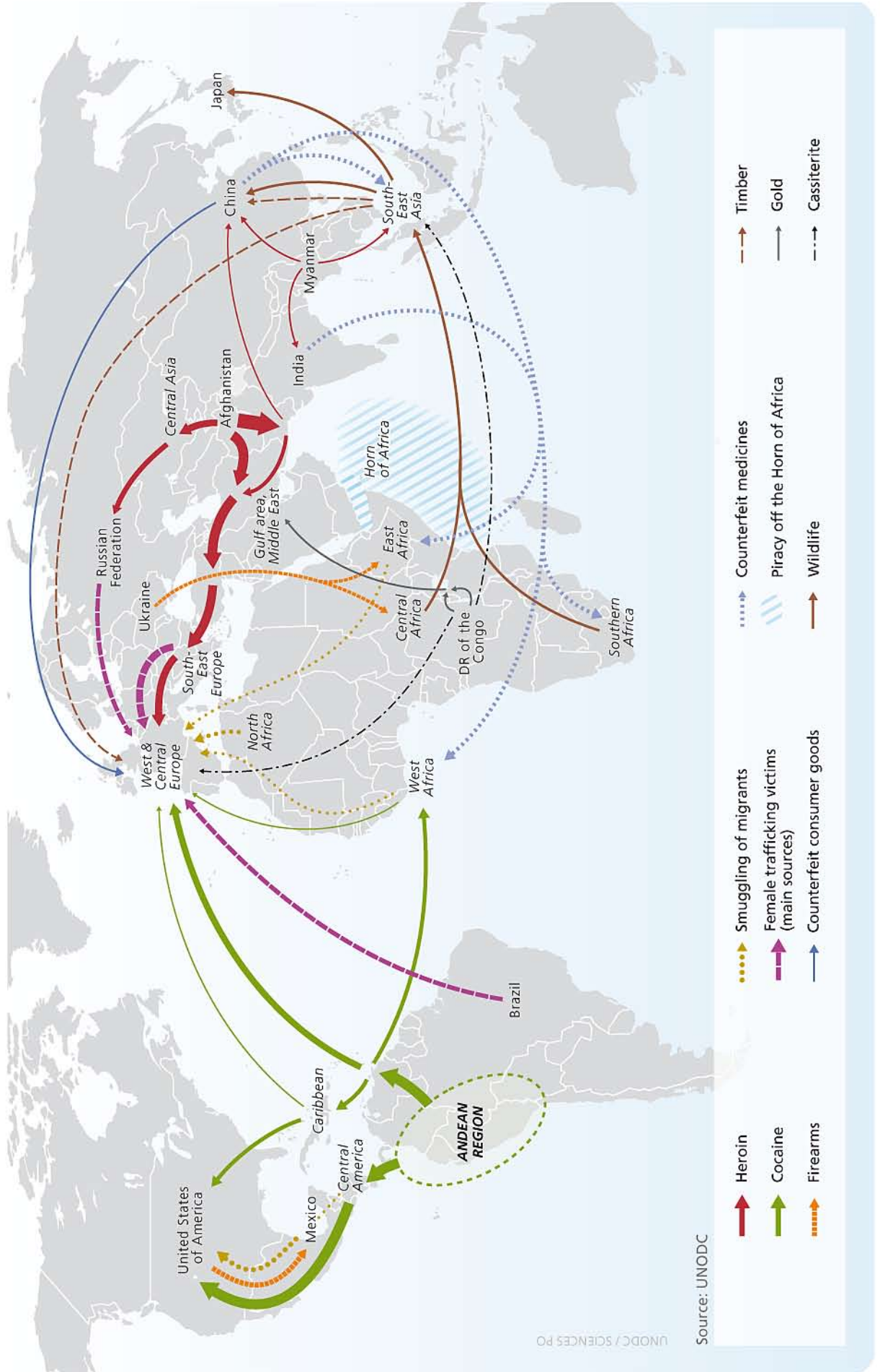
When most people say “organized crime”, it is often a shorthand way of referring to groups of people, usually “the mafia” and similar groups. Understood in this way, organized criminal activity is simply whatever these organized crime groups do. The people are consistent across time, although what they do may change: today maybe extortion, tomorrow maybe heroin trafficking, or check kiting, or procurement fraud, or all of the above. The emphasis is on the group, not the nature of the crime. This is an important distinction, because it implies a number of assumptions about the way that organized crime works.

Law enforcement agencies use this definition almost as a matter of course, because the criminal justice system is designed to deal with specific offences committed by specific people. Police arrest suspects and seize their property, prosecutors secure convictions one-by-one, and only individual people can be sent to prison. When actors in such a system plan proactively, they are limited by the tools at hand, and this affects the way they conceptualize the problem. They can chart and pursue organized crime groups, which are made up of people they can arrest and prosecute. They cannot deal with the transnational markets in which these individuals are active, because they lack the jurisdiction and equipment to do so.

But there is another way of looking at organized crime, a vision reflected in the *United Nations Convention against Transnational Organized Crime*. Essentially, “organized crime” is any serious offence committed by a group of three or more people with the aim of making money. This definition is broad enough to encompass a range of activities, not just those committed by career criminals. For many of these activities, the organizing principle is the invisible hand of the market, not the master designs of criminal organizations. Looking at the world through this broader definition, it is often the groups that come and go, while the market remains constant.

From this point of view, disrupting any particular criminal organization will not solve the problem, because the incentives remain in place, and other people will rise to service the market. Law enforcement agencies, acting alone, cannot address these problems, because their toolkits are limited to interventions against specific wrongdoers. To take on

FIG. 18: GLOBAL TRANSNATIONAL ORGANIZED CRIME FLOWS DISCUSSED IN THIS REPORT



organized crime in the broader sense, the intervention of other agencies is required, those with the power to change the regulations and structures that give form to a criminal market.

Failure to identify the market-driven dimension of organized crime, and particularly of transnational organized crime, is one of the reasons these problems can prove so intractable. There is often a fundamental mismatch between the nature of the issue and the body assigned to deal with it. Police and prosecutors can do a splendid job of jailing offenders, and still make little headway in reducing the supply of drugs, or the number of human trafficking victims, or any of a number of the flows discussed in the chapters that follow. Making progress on global organized crime will require policymakers to have a broader understanding of the subject matter.

Another factor confounding progress is that organized crime today is truly global. Illicit commerce has globalized as quickly, if not quicker, than its legal counterpart. As will be illustrated in the examples that follow, most forms of transnational trafficking start on one continent and wind up on another, often by means of a third. In this context, purely national or even regional approaches are unlikely to solve the problem. At best, they may displace it, as traffickers find new sources, transit zones, or destinations for their contraband.

In particular, law enforcement, like all national actors, is not geared to deal with international issues. Regional organizations and INTERPOL have done much to facilitate information sharing and joint operations, but, in the end, each criminal must be prosecuted in a national criminal justice system. And after years of struggling with transnational organized crime, the world still does not have global strategies for solving perennial problems like the trade in heroin or cocaine. In fact, from an operational point of view, these issues are rarely addressed on a world-wide basis.

The task is daunting because information on organized crime is often limited to anecdotes and case studies. There are few global data sets on organized crime topics, and none are comprehensive. The topic is sensitive and international data sharing has been slow to develop. Particularly when it comes to estimating the size of the problem and trends in its development, any assessment is likely to be controversial. This report endeavors to make the best reading of the available information, acknowledging that these estimates must remain tentative until the data are improved.

The situation is also difficult to track because global organized crime markets are so dynamic. As with other global geopolitical events, a complex web of interacting factors can cause sudden shifts in the nature of illicit commerce. Issues of inequality, migration, and the informal economy all play a role in the way organized crime develops.

All this illustrates that organized crime is not a niche subject, of interest only to professional investigators and Hollywood directors. It has become central issue in international affairs, an important factor in the global economy, and an immediate reality for people around the world. Aside from the direct effects – drug addiction, sexual exploitation, environmental damage and a host of other scourges – organized crime has the capacity to undermine the rule of law and good governance, especially in developing countries. It is time the topic be placed where it belongs: at the center of our understanding of a globalized world. This report is offered as a small step in that direction.

The first chapter discusses our current understanding of transnational organized crime as a whole and what may influence its evolution. There is hardly any region in the world that is not affected by transnational illicit flows and activities, but some regions pay a particularly heavy price when these cross their territory. The last chapter examines a number of cases where transnational organized crime and instability amplify each other to create vicious circles in which countries may become locked. Chapters 2 to 10 review a number of transnational organized crime threats, ranging from trafficking in persons (ch. 2), to smuggling of migrants (ch. 3), to cocaine and heroin trafficking (ch. 4 and 5), trafficking in firearms (ch. 6), smuggling of natural resources (ch. 7), to the illicit trade in counterfeit goods (ch.8), to maritime piracy (ch. 9) and to cybercrime (ch.10). Maritime piracy and some forms of cybercrime are predatory offences rather than forms of illicit enterprise, as is typical in trafficking – this important distinction will be discussed in the relevant chapters. In each case, a brief overview is followed by a closer examination of some of the most acute cases. The list is not exhaustive, and important aspects of the problem such as money-laundering, criminal networks and groups, or a systematic review of the regional impact of transnational organized crime, could not be included in this report. Nevertheless, the cases put together in the following pages offer not only one of the most comprehensive presentations of current transnational crime threats, but also a striking view of the global dimensions of organized crime today.