

Has organized crime become less organized?

Crime experts appear to agree that the traditional image of organized crime groups as highly structured, hierarchical entities has become outdated. Increasing emphasis is being placed on more flexible structures involving networks of skilled individuals. For example, Europol has recently argued that, “Organised crime groups are becoming increasingly heterogeneous and dynamically organised in structural terms, moving toward loose networks rather than pyramidal monoliths ... While there are criminal groups organised along the homogeneous and hierarchical lines, many groups are in practice loose networks of relatively independent members that coalesce around one or more prominent criminals. These networks take up tasks of varying structure, length and complexity according to the demand and concrete profits.”⁷

The consensus among experts seems to be that the global drug trafficking situation has also become more complex in recent years, with many groups emerging that are smaller, more flexible and more temporary than they were in the past. As one Rand study points out, “The old [mid-1980s] images of highly centralized and controlled drug distribution systems have largely disappeared in [the] face of growing evidence of competitive violence and the failure of individual organizations to endure in dominant positions.”⁸ This decentralisation has allegedly manifested itself in several new features:

- *Diversification of activities* – Criminal activities are increasingly diversified,⁹ with drug traffickers moving other forms of contraband as well, and simultaneously engaging in legitimate business. In some regions, such as Europe, poly-drug trafficking has become common.¹⁰ Of the European drug seizures captured in the UNODC Individual Seizures Database in 2003, 39 per cent involved more than one drug, a trend not reflected in data from the Americas. In some user countries, poly-drug brokers have emerged, linking what are often single-drug importers to street distribution networks.¹¹
- *Diversification of personnel* – While ethnic links remain important, many groups involve people of multiple ethnicities and nationalities. If expertise is needed which lies outside the group, alliances may be made with other organized crime groups or individuals may be contracted to do the work. These service providers may be otherwise uninvolved in criminal activity and maintain an image of legitimacy.¹² Individuals from non-criminal backgrounds may also be recruited for specific tasks, including murder.¹³ Gangs from ethnic minority communities may also be contracted to do the “dirty work” of majority organized crime groups.¹⁴ Transnational organizations may make alliances with indigenous crime groups to access a new territory as a destination or a transit zone.¹⁵

It is difficult to determine to what extent these perceived changes are real and to what extent they are a manifestation of a growing understanding of what constitutes organized criminal activity. In the past, many may have regarded the classic mafia-type hierarchy as the only true manifestation of organized crime, but research and legislative changes, including the use of the Convention definition, have expanded the scope of the discussion. For example, based on commissioned research, the European Union has begun to shift its focus from “criminal groups” to “criminal activities and the individuals involved in those activities”.¹⁶ In other words, it has been recognised that the past focus on criminal organizations may have been misplaced, as many relevant individuals and activities fall outside these structures. This change in perspective may lead to the recognition of complexities that were previously overlooked.

2.2 Assessing the degree of organization

The Convention definition supports the idea that the size and longevity of the groups involved are essential components of organization. But how can the size and permanence of the groups involved in any given drug flow be determined? This chapter suggests that at least five currently available indicators could be useful for this purpose:

- The share of total seizures that are large seizures.
- The diversity of techniques and routes used.
- The nationality of those arrested in connection with seizures.
- Regional price differentials and volatility in drug producing countries.
- The levels of drug use in transit countries.

This is not an exhaustive list, of course. Many other variables could be useful if the data available were sufficiently robust. For example, although UNODC gathers drug price data from countries around the world,

these data are provided by local law enforcement agencies, which may use a range of methodologies in making estimations. As a result, these data are not easily comparable and there are many gaps in the information base. Further, any one of these indicators is subject to multiple interpretations and could be misleading if viewed in isolation. Looking at a range of indicators and combining this information with qualitative intelligence can generate a more accurate picture of these hidden enterprises. Where apparent contradictions emerge, exploring these can lead to even greater insights into the world of drug trafficking.

Among available data, some sense of the size of the organizations can be gained by reviewing law enforcement records of **major seizures**. While small seizures do not preclude the involvement of large organizations, large seizures are indicative of well-resourced actors. Groups that can afford to invest in individual drug shipments worth hundreds of millions of dollars are likely to be large and professional. In contrast, anyone with a small amount of operating capital and the right connections can attempt to transport drugs concealed on their person on a commercial air flight. It is possible that a temporary consortium of independent actors could pool resources to import, for example, a one-off multi-ton maritime consignment of cocaine from South America via the Caribbean and West Africa into Europe, but it is far more likely that such activity is directed by large and sophisticated organizations with some longevity.

A large number of smaller seizures does not preclude organization, however. For example, until recently, the Netherlands Antilles was a major transit country for body couriers bringing cocaine to Europe in their intestines. Between 1 January 2004 and 1 April 2006, 6,147 couriers were identified arriving at Schiphol Airport from the Dutch Caribbean, and 7.5 mt of cocaine were seized.¹⁷ It is believed that between 80 and 100 couriers per day were passing through the Hato International Airport in 2003, with tens arriving on a single flight.¹⁸ This “shotgun” method of couriership is highly associated with West African crime networks and other similar groups, which employ small armies of couriers carrying around a kilogram of cocaine apiece. But while such trafficking organizations are highly flexible and endeavor to stay one step ahead of law enforcement profiles, they tend to utilize a single channel and technique of trafficking until it is no longer profitable. Where it is clear that a wide range of **trafficking techniques and routes** are being employed, this is probably indicative of a wide range of independent actors, rather than a few puppet-masters coordinating thousands of individual strings.

However, a caveat must be registered here. In general, the smaller the share of the total drug flow reflected in the seizure figures, the less certainty these figures provide. The resolution of our image of drug trafficking is proportionate to the number of pixels available. For example, the absence of large seizures does not preclude the existence of large syndicates if seizures comprise a small share of the total flow. Under these circumstances, it is possible that large shipments are protected by corruption, and that the small seizures only reflect the removal of petty competition. Where seizure rates are low, the other indicators, as well as police intelligence, become more important.

UNODC maintains two databases on seizures: the national seizure totals as reported by Member States in the Annual Reports Questionnaire (ARQ)¹⁹ and the Individual Drug Seizures database.²⁰ The latter includes detail on seizures above a threshold amount, including seizures of above 100 grams for cocaine and heroin. This amount is too large for personal use or even for most dealers to hold in stock at any given time: 100 grams of cocaine or heroin retails for about US\$10,000 in Western Europe. The intent is to focus on drugs held by traffickers, rather than the small amounts encountered when domestic users are arrested. Additional details are provided in these reports that allow a comprehensive picture of seizure patterns to be formed, including the exact geographic location of the seizures, trafficking method, and nationalities of those arrested. Unfortunately, a relatively small number of countries provide this information and when they do, it is not always complete. The dynamics of global drug markets would be much clearer if every country endeavoured to contribute their information to the international data pool.

Where sufficient data are available, it is possible to compare the individual large seizures with national seizure totals. If the bulk of the seizures in a particular transit stream comes in the form of very large shipments, this suggests that the groups involved are large and well resourced, because smaller groups simply could not afford shipments of this size. Similarly, seizure of large amounts of cash or expensive property could be used as an indicator of large organizations. If, on the other hand, most of the drugs are seized in a large number of small seizures, this indicates smaller trafficking groups, especially if these seizures involve diverse trafficking techniques.

A further indicator of the degree of organization is the **nationality of the arrestees** when a seizure is made, particularly in destination countries. If the arrestees originate from the drug producing countries, this would suggest that the groups involved could have a hand in all aspects of the trade, from cultivation to distribution,

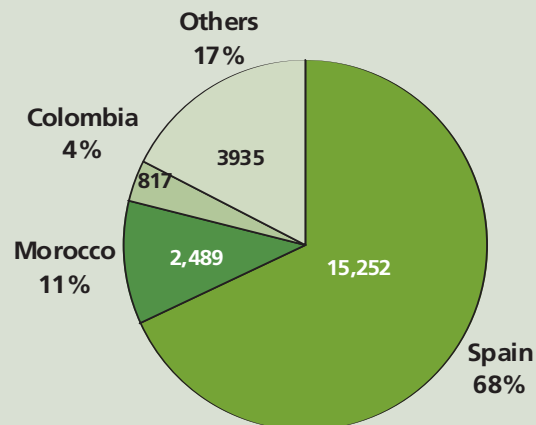
Nationality/ethnicity and organized crime

Describing organized crime groups is problematic, not only due to their clandestine nature. Organized crime groups are often described by the dominant nationality of their members. However, some researchers argue that although "...culture, language and set of values can sometimes (but not always) increase trust, communication and, ultimately, competitive advantage for some groups, it is inaccurate to adopt ethnicity as the only, or main, dimension for classification of organized crime groups."²¹

Clearly, speaking about the relationship between criminality and ethnicity/nationality is dangerous. In addition to fuelling xenophobia and reinforcing stereotypes, it is politically problematic because the language used suggests the involvement of national governments or impugns national character. Often, no distinction is made between foreign nationals and citizens of foreign descent. But while there certainly exist multinational and multiethnic organized crime and drug trafficking organizations, there remains a strong relationship between ethnicity/nationality organized crime.

Due to the transnational nature of the crime, a significant share of the traffickers who are arrested each year are not nationals of the country where this arrest took place. For example, of the 11,787 people arrested for cocaine trafficking by the federal authorities in the USA in 2004, 2,373 were foreign nationals (25%), including 1,410 Mexican nationals (12%). This does not include those US citizens of Mexican descent who are involved in domestic drug markets. Past research has indicated that just under half of all federal drug arrestees were Hispanic,²² and people of Mexican descent comprise by far the largest Hispanic group in the USA. Similarly, in Ecuador, of the 915 people arrested for cocaine trafficking in 2004, 227 were foreign (25%), including 117 Colombians (13%). In Spain, 34 per cent of cocaine trafficking arrests in 2004 involved foreigners, as did 32 per cent of drug trafficking arrests overall. Looking just at major seizures, of the 40 people who were arrested with more than 100 grams of cocaine in Nicaragua in 2004 and whose nationality was known, 14 were foreign nationals (35%), including eight Guatemalans and five Hondurans.

Fig.3 : Nationalities of individuals arrested for drug trafficking in Spain in 2004



Source: UNODC ARQ

Many non-criminal transnational business activities are commonly discussed in terms of nationality, because diaspora communities are a recognised basis for much international commerce. Cultural norms can explain behaviour that appears irrational in terms of simple market logic and can help in predicting how groups will behave. There are clear cases where relationships in the home country (including national political as well as neighbourhood/kinship relations) affect transnational operations – that is, the criminal behaviour has less to do with the country where it is manifest than the country from which the traffickers originate. Without reference to the origin country, this behaviour would be inexplicable. Finally, for simple operational purposes, the association between certain national groups and trafficking provides invaluable clues as to where fugitives may flee, likely transit countries, and favoured money laundering and investment sites. As a result, the dominance of certain national groups remains a key issue in many drug markets.

indicating a high degree of sophistication. High levels of participation by citizens of transit countries, on the other hand, suggest that the drug has been re-sold in transit. While there may be other explanations, this suggests the groups involved at the outset did not have the capacity to deliver the drugs all the way to their final destination. If arrests in transit countries involve primarily the nationals of these countries, this also indicates that the international drug flow is, in fact, merely the sum of national drug flows, percolating slowly toward higher value markets. Of course, when the user country and the destination country are the same, or immediately adjacent to one another, no such conclusion can be reached.

Provincial drug price data in drug producing countries can be useful in evaluating the degree of organization at the start of the market chain. Large regional price differentials which cannot be explained by geographic or law enforcement barriers suggest strong local controls over the supply. If the supply were not well controlled by regionally based interests, national price equilibrium would quickly be achieved by competition between these local markets. In other words, stark price differences in drug producing countries indicate an unseen barrier to competition, likely a regional monopoly held by a powerful organization. Of course, nationally homogeneous prices could be indicative of a single, all-powerful cartel. Price stability is likewise an indicator of large organisations, resistant to the vagaries of changes in production and interdiction rates, possibly holding drug stockpiles. High levels of volatility in prices, on the other hand, are indicative of competition or vulnerability to shocks, both of which could be indications of contested markets and thus possibly less organized criminal groups.

Another indicator of poor transnational delivery capacity is the **presence of drug users in transit countries**. The goal of drug trafficking organizations is to gain profits, and this is best achieved by delivering the drugs to the markets where they command the highest prices. Any “spillage” of drugs before reaching their highest-value destination represents the kind of inefficiency typical of under-resourced groups, who may pay couriers in drugs rather than cash. This manifests itself in drug use problems in transit countries with lower value markets. As a result, low levels of drug usage in these transit countries indicate that the drug flow is either highly organized or relatively new.

While all of these indicators – the size of seizures, the techniques and routes involved, the nationality of the traffickers, local prices in production countries, and the levels of drug use in transit countries – can be deceptive in some cases, their use in combination can provide an

important supplement to qualitative criminal intelligence. In order to explore the potential of using seizure, price, and drug use figures to get a sense of the extent of organisation in contemporary drug trafficking, two of the most important drug flows in the world are discussed and compared in the remainder of this chapter:

- the traffic of cocaine from Colombia via Central America to the USA; and,
- the traffic of heroin from Afghanistan via Central Asia to the Russian Federation.

These two examples were chosen to contrast a well established drug flow involving a number of large drug trafficking organizations (cocaine via Central America) with a relatively recent pattern of trafficking where the groups involved appear more diffuse (heroin via Central Asia). These are also the two drug flows where governments have contributed comprehensive data for several affected countries, including detailed information on a large number of seizures in Colombia and the Russian Federation.

This analysis is not intended to provide the final word on the level of organization in either of these trafficking areas, but rather to “test drive” the indicators to see how they might work in application to a real world situation. Despite excellent data in some instances, there remain great gaps in what we know about both trafficking patterns. In the end, this analysis is less about providing definitive answers than suggesting the kind of questions that should be asked.

2.3 Cocaine via Central America to the USA

The organizations involved in trafficking of cocaine to the USA have traditionally been highly organised. During the 1980s, the groups involved were even dubbed “cartels”. A cartel is a consortium of businesses whose combined domination of an industry is so complete that they can collaborate to set prices and otherwise manipulate the market to their mutual benefit. While some dispute the applicability of this term to the Colombian groups, at its peak the Cali cartel is said to have been responsible for up to 80 per cent of cocaine trafficking to the USA, then, as now, the world’s largest consumer of the drug.²³

The cartels were subjected to the full weight of international law enforcement during the 1980s and 1990s: their assets were seized and their leadership extradited and imprisoned. Insofar as the organizations were concerned, this strategy worked, and the Medellin and Cali cartels were effectively eliminated. In their place sprung