

ORGANIZED CRIME, CIVIL SOCIETY AND THE POLICY PROCESS

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AND THE POLICY PROCESS**

RiskMonitor Foundation

CONFERENCE PROCEEDINGS

**RiskMonitor Annual Conference
Lion Hotel, Borovetz, Bulgaria
28-30 May 2010**

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RiskMonitor Foundation

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ACKNOWLEDGMENTS

The new volume in the RiskMonitor Series presents papers, interviews and proceedings of the international conference “Organized Crime, Civil Society and the Policy Process,” held on May 28-30, 2010, in Borovetz, Bulgaria.

The conference was organized jointly by RiskMonitor and the Open Society Institute, Washington, D.C. David Holiday and Jonas Rolett came up with the idea for the conference about a year before that, in May 2009, at a workshop in Washington. I would like to thank them for their continued support and hard work throughout the entire process, from the idea to its successful realization. Without their assistance and cooperation, this conference would not have been possible. The conference gathered experts from three key sectors: prominent criminologists from academia, professionals from civic organizations, among them many representatives of the Open Society Institutes, and public officials engaged in anti-organized crime policies.

The notion of the role of civil society in the combat of organized crime was first introduced by Aryeh Neier in the beginning of the last decade. This idea gave the impetus to create dedicated programs as part of the portfolio of the Open Society Institute – Sofia, leading eventually to the establishment of RiskMonitor in 2006.

The Borovetz conference provided a venue for discussions and debates of the main theme – the relationship between the free civil sphere and the processes of organization of crime, from a variety of angles and viewpoints: empirical studies of criminal markets, journalist investigations, recent academic research and case studies (in particular, the development of critical criminology). The majority of the presentations emphasized the most recent trends in the development and critique of public policies designed to fight crime that obtains the capacity of organizing itself. This particular standpoint dominated the proceedings and discussions during the conference and defined its critical-conceptual profile.

On behalf of RiskMonitor, I would like to extend my gratitude to the East East: Partnership Beyond Borders Program, and its Director, Mary Frances Lindstrom, for supporting the conference. Sincere thanks also go to all the participants who contributed papers and facilitated conference sessions. Their invaluable contribution made the event memorable and a great success. We wish to acknowledge the contribution of Julia Rafailovich, who acted as rapporteur, capturing the conference proceedings and assisted in drafting this report.

Stefan Popov

Executive Director
RiskMonitor

INTRODUCTION

From 28-30 May 2010, at Lion Hotel, Borovetz, Bulgaria, the RiskMonitor Foundation, in cooperation with Open Society Institute (OSI) – Washington, convened its fourth Annual Conference. The theme of the conference was “Organized Crime, Civil Society and the Policy Process.” Like its three predecessors, the 2010 conference was part of RiskMonitor’s contribution to advancing democratic governance in Bulgaria and the Balkan counties through evidence-based policy analysis and recommendations in the field of prevention and the fight against organized crime.

The first annual conference of RiskMonitor, held in 2007, gathered a number of representatives of local NGOs and public policy experts to discuss the issues of institutions, networks, and organized crime in Bulgaria. The second conference in 2008 followed up with a similar scope and examined the multifaceted policy and inter-institutional relationships between organized crime and the state bodies involved in the process of combating this social and political phenomenon. The third conference, held in 2009, brought together an international group of academics and practitioners to deliberate on the challenges of organized crime to the overall political process in young democracies such as Bulgaria and the Balkan countries. The 2010 conference was by far the most successful, gathering distinguished researchers and public officials from four continents. The conference was made possible by the generous support and contribution of the East East: Partnership Beyond Borders Program of the OSI.

The primary goal of the conference was to examine the intrinsic and instrumental value of civil society in the fight against organized crime, by focusing on new trends in the theoretical analysis of organized crime and the development of crime prevention policies and how they can be managed successfully with a view to deepening democracy, ensuring stability and promoting social security.

The main objectives of the conference were:

- to provide a platform for discussion of most recent scholarship concerning the conceptual apparatus of organized crime studies, by highlighting challenges facing both scholars and policy-makers;
- to share best practices for the prevention and fight of organized crime-related threats and risks and propose appropriate legislative reforms;
- to explore constructive mechanisms to complement those that already exist in various countries (in Europe and America) for involving civil society and NGOs in the fight against organized crime.

The 2010 conference and its theme resonate with recent developments concerning national and international security (for instance, issues related to organized crime prevention and fight in view of future European Union (EU) enlargement; EU policies concerning the Shengen Agreement, etc.) Answers were sought to critical questions such as: What are the most essential trends in European and American policies on organized crime prevention and how do they differ? How successful are these different approaches in shaping the work of the institutions and practitioners responsible for fighting organized crime? How can academic research be effectively included in the policy-making debate related to organized crime, specifically in view of new paradigms of thinking and conceptualizing that phenomenon? What policy models should countries with high rates of organized crime and high-level institutional corruption (such as Bulgaria and Romania, or countries in South America), adopt, in order to prevent further threat to their democratic development? What could/should be the role of civil society in the policy process for the prevention and countering of organized crime?

This report summarizes the conference proceedings, highlighting key debates and deliberations and reflecting on best practices in the development of prevention policies and counter-measures in the European Union and countries in America. The report consists of six sections, each dedicated to one of the conference panels.

Sections one and three present the discussions of the respective panels, focusing on European and American research trends concerning organized crime. Panelists explore most recent scholarship and specific methodological issues related to the academic study of organized crime in the Balkan countries.

Sections two, four and five focus on organized crime as a policy challenge, discussing the systemic and institutional dimensions of organized crime and the policy-making process. The sections discuss the institutional framework in which this phenomenon, and consequently, organized crime-related threats and risks unfold; panel presenters highlight the role of political parties, government bodies and civic actors in the process. Panel discussions outline key stages in the policy debate, specifically linked to the EU mechanisms for developing and implementing anti-organized crime policies, best practices and the experience of US and Latin America. Discussions also offer specific case studies to assess the achievements and challenges faced by Balkan and European structures with regard to implementing such policies.

Section six looks in close detail at the role of civil society (NGOs, media, citizens groups, etc.) and the venues for its involvement in prevention and awareness-raising initiatives with regard to organized crime. A number of examples and good practices from Latin America and the OSI world network are presented. The section also suggests practical options for designing and programming new initiatives for research and policy development, considering also questions of funding for such programs.

The second part of this volume includes papers written for the conference and delivered by the keynote speakers. RiskMonitor also thanks Adam Edwards, Michael Levi, Letizia Paoli, Petrus van Duyne, and Peter Gastrow for sitting down with journalist Clive Leviev-Sawyer for extensive interviews on organized crime issues.

The conclusion includes the main policy recommendations emanating from the conference.

WELCOME AND OFFICIAL OPENING

The conference began with opening remarks by Stefan Popov, executive director of RiskMonitor. In his welcoming statement, he noted RiskMonitor's contributions to research and policy development in anti-organized crime initiatives in Bulgaria in the four year period since the foundation's establishment. He emphasized the continued efforts and commitment of the OSI Institute-Washington and the global Soros Network to the issues of organized crime and security, which have made possible the work of think-tanks such as RiskMonitor in Bulgaria and other countries around the world. He outlined the scope of the foundation's operations, encompassing research, advocacy, and policy work related to organized crime and high-level institutional corruption. Popov also stressed on the foundation's contribution to the development of strategic documents for the Bulgarian public authorities engaged in crime fight, some of which were introduced for the first time in the country.

S. Popov highlighted the relevance and significance of the 2010 conference in this regard, which, as he said, will provide a venue for NGO experts from both sides of the Atlantic to present their most current research and to play a more proactive role in developing policies and measures designed to counter organized crime in their countries. Outlining the objectives of the conference, he spoke of the significance of conducting empirical and theoretical studies of criminal markets. He also stressed on the challenges facing the policy development and implementation of organized crime counter-measures (for instance, the lack of critical criminology as a university discipline in Bulgaria.)

The diverse group of speakers and participants attending the conference – from the academia, policy institutes, government bodies, journalists, in his opinion, was evidence of the many issues that face the policy-making process and the practical efforts in combating organized crime, and respectively, of the need for consistent cooperation on all levels. He expressed the hope that deliberations on the conference topics would enhance the process of further research and prompt appropriate political and institutional reforms.

CONFERENCE PROCEEDINGS REPORT

PANEL 1. CHARACTERISTICS OF BALKAN ORGANIZED CRIME

1.1. “Organized crime in the Balkans reveals a dangerous interpenetration of crime groups and state structures.”

Stoycho Stoychev, a political science expert, provided an overview of a recent project conducted by RiskMonitor and a group of Balkan experts, “Organized Crime and the Balkan Political Context.”¹ The purpose of the project was to study the interaction between organized crime and the Balkan political context, looking for the political factors that may have contributed to the development of organized crime in this region. The research team was also looking to identify similarities in the composition of crime groups and their operations. The methodology is based on separate case studies conducted by country experts. Six countries were studied as part of the project; the studied period covers the last 30 years.

The main project findings, presented by Stoychev, reveal three clusters of countries; the first group comprises Bulgaria, Romania, and Albania. The commonalities they reveal concern the development of organized crime with the help of the secret services in the last years of the respective communist regimes; a pronounced criminalization of the political process and political parties; shadow financing of political parties. In the second group are Serbia and Croatia; they are characterized by the emergence of black markets in the 1990s and the UN embargo. Another feature is the legitimization of criminals as war heroes which has made the process of prosecution very hard; political parties provide support to criminals and vice versa. The third group includes Greece, which is a functioning democracy and early member of the EU (has never been under communist regime). The research team has not established any structural connection between organized crime and political bodies; in this sense, the study presents organized crime emerging as a typical confrontation between the state and crime groups.

Stoychev also emphasized that in all countries studied the main factor for improving the fight against organized crime is external, namely, the process of EU accession. Public pressure is not that strong and there is a slow emancipation of political parties from criminal interests. Stoychev further outlined as issues during the research process the lack of a common concept of organized crime in the studied countries; this has made difficult the process of working out a common methodology, as well as the implementation of cross-border references concerning key theoretical premises and good practices. The lack of conceptual clarity also on the level of policy makers and law enforcement prevents a systematic study of organized crime in South East Europe. The contribution of the research and the information collected by RiskMonitor is therefore an important step in the direction of understanding better organized crime in the Balkans and setting up mechanisms for gathering reliable data concerning the future of the region. Stoychev also stressed that one reason for the current state of affairs is the lack of a straightforward approach to the issue also on the level of the European institutions; in his view, this is another obstacle to developing and implementing effective measures against organized crime. This view was shared also by Jana Arsovska and Nemanja Nenadic who were part of the research team.

¹ The report is available at www.riskmonitor.bg

Nemanja Nenadic provided further details on the development of organized crime in Serbia, underlining the strong relation of crime groups to the former security services. The division between them starts in the early 1990s, when the security services tried to keep their positions and influence. Another factor conditioning the development of organized crime is Serbia's geographic position; the country is a center for criminal activities such as drug smuggling and human trafficking. On the other hand, there is no strong cooperation between the police and state security against organized crime; typically, the political parties in power rarely have the support of other parties or structures to fight crime. There is a clear tendency for serious criminal investigations to be politically driven and politically approved, which prevents any systematic efforts in this direction. He recounted the time of Serbian prime minister Zoran Djindjic; his attempt to counteract organized crime resulted in his assassination. Nemanja Nenadic emphasized the need to keep account of regional and national perspectives; in this way we can have reliable and in-depth understanding of the processes in the region. One of his main conclusions, which seems to apply to all of the SEE countries, is the lack of capacity with law enforcement agencies. This fact also lessens the opportunities for inter-agency cooperation with other countries in the region.

Further case studies concerning Kosovo and Albania were also presented, detailing the current state of organized crime in these countries. Both Arsovska and Nemanja Nenadic confirmed the main conclusions of the report. They stressed the lack of reliable information on the real scope of organized crime in these countries, as well as the reluctance, and in most cases, refusal, of state institutions to share data or to be interviewed in such studies. Both of them also spoke for the need for further cooperation on both policy level and practical implementation of policies in order to have effective counter-measures in the entire region.

In her presentation, **Jana Arsovska** explained that organized crime in Albania has existed since communist times, beginning in 1944. The report she has prepared studies the political aspects of organized crime and its dependence on the political processes in Albania, identifying six time periods in the development of organized crime networks in the country. A major part of the report is also devoted to the key factors that have contributed to improving the governance outcomes in Albania over the past decades, particularly with regard to organized crime. Arsovska has studied, among others, the incentives of political and institutional actors and the demand for change; external factors stimulating democratic changes, etc. She concludes that, "despite important achievements, uneven enforcement presents a major challenge to the broader rule of law" in Albania. Systemic gaps continue to exist in the public administration's implementation of legislation. Albania also continues to trail other countries in Central and Southeast Europe with regard to the tackling of corruption. Arsovska concludes that despite efforts on the political and policy level, it will take considerable time for Albania to fully meet the criteria set by the international community with regard to combating organized crime.

KEY ISSUES AND RECOMMENDATIONS

- Further support for academic studies on organized crime in the Balkans; persistent efforts are needed to improve the collaboration between NGOs and academia working in the area of organized crime and public institutions.
- Community experts and academics should devote considerable effort to provide alternative data, as well as to facilitate expert discussions seeking a common methodological approach for specialized studies of organized crime in the Balkans.

PANEL 2. ORGANIZED CRIME: OVERVIEW OF POLICY TRENDS

2.1. “The problem of organized crime is the concept itself. [...] The concept of ‘organized’ crime is dead.”

Professor Adam Edwards provided a review of key moments in thinking about organized crime, specifically focusing on the challenges to develop a concept of organized crime. In some sense, as he put it, we may even be seeing the end of “organized crime” at the level of European policy making, consisting in the key shift from the idea of “organized crime” to the *organization of serious crime* and problematizing the *harms* that it causes. The limitations of the concept of organized crime have become today more visible than ever; we do not benefit from conflating everything from trafficking drugs to smuggling people to arms and financial crime into this broad category (as he defined it, this is a problem of “false universality”). In his view, it is a category that has been defined for legal rather than sociological or criminological purposes. He emphasized that the lack of conceptual clarity and consensus prevents the dialogue and collaboration between the different kinds of actors involved in anti-crime efforts; between policy makers, practitioners and researchers. Under the spell of this conceptual “false universality,” we come to ignore local particularities, the importance of context, which damages our ability to build causal explanations about harms, in order to then be able to develop more effective policy responses. The other extreme, that of “false particularity,” is not much more productive, either.

For Edwards, the main focus should be on developing a conceptual language which would help professionals identify the *necessary* causal relations that make serious crime possible; what has to happen for a serious crime to be commissioned is then considered a *contingency*. Working out the relations between necessity and contingency would yield a more adequate concept of how crime is organizing itself. He pointed to the seeds of a potential conflict here between the way practitioners understand and apply concepts to organized crime and the researchers who are working on this new conceptual level; convincing people on the ground to accept a new conceptual apparatus would be a hard job to do.

Prof. Edwards outlined the main paradigms that have so far informed the thinking of organized crime. First, the conspiracy theory, associated with the *Kefauver* Committee. It relied on the classic notion of mafia, the crime syndicate, and was preoccupied with *actors* and structured groups. These are often defined in ethno-nationalistic terms, e.g., American or Italian mafia, Cosa Nostra, Albanian mafia, Russian mafia, Columbian cartels, etc.

Second, the “illegal enterprise paradigm” which defines organized crime in terms of several features: an organization, combining for an indefinite period of time on a distributed task basis, adopting commercial or business-like structures, using violence and intimidation, exerting influence on politics, and media, etc., for political and economic gain. This definition of organized crime prevails up to the early 2000s. It has begun to change with the increasing importance of the notion of threat, arising first from the European Union organized crime threat assessment reports (they first became public in 2006). In all previous conceptions of organized crime, the focus is either on the attributes of actors and activities, or on listing risk factors (what could be called, in his view, a *content* definition of organized crime). Such conceptions yield indicators referring to the organized crime groups’ structure, their use of legitimate business structures, but they do not provide any causal explanations or ranking of risk factors, nor an attempt to try and measure such factors.

Referring to most recent policy developments at the EU level, Edwards claimed that there is a strong shift to the notion of *serious* crime, with a distinct focus onto *harm reduction*. In support of this, Edwards quoted a EU Council decision regarding the work of Europol, where “organized crime” is replaced with “serious crime,” stressing on the impacts and harms falling on individual and collective victims. With this shift, the analytical focus itself will fall upon certain types of

crime; on the activity, not the actors and their characteristics. This is not to say that actors and attributes can form no part of the explanation, but the role of the actors and their attributes serves a conceptual analysis, the building of a theory about the *activity*, about the *practice* in certain *context*. For Edwards, helpful in accomplishing this shift for both research and practitioners would be principles taken from the Routine Activities Theory of Marcus Felson; it focuses on the notion of motivated offender, suitable targets, and guardianship as the necessary relations for the accomplishment of any crime, be it trafficking cocaine or shoplifting. The theory's main value lies in explaining the necessary relations which can then lead to understanding contingencies in terms of the actors of crime. For Edwards, the importance of this theory and the new shift in the conceptual language regarding organized crime is that the analysis does not proceed from the tried and true universal categories of organized crime, filling them afterwards with some sort of universal definitions irrespective of the activity or the particular context of the crime.

As concerns the distinctions between threat assessment and enterprise theory, Edwards stressed the need for a debate about norms and prioritization, taking into account local contexts rather than „Washington or Brussels exporting their concepts and priorities.“ In this process important is the trust in the state agencies amongst the public. Open societies must initiate debates on such issues and reach common decisions. Edwards also emphasized that the importance of switching the analytical and policy focus away from law-enforcement to harm reduction is in order to get away from the rather legalistic drive of the definition of organized crime. In his view, further debate is needed on the notion of harm reduction and not just prosecution and law-enforcement. The focal point remains the explication of the specifics of the context and avoiding generalizations and definitions that will lead us towards that kind of universalism that we are putting to critique now. Developing a non-legalistic conception for reducing harm is as important as prosecuting bad people, Edwards said in his conclusion.

2.2. “Organized crime issues should be considered issues of community development.”

Michael Levi, Professor at Cardiff University, focused his presentation on developing harm-based policies on organized crime and how they would differ from other crime and security policies; linked to that, he also spoke about the cause-effect relationship between socio-economic development and crime policies. He noted that there is a growing trend to incorporate some elements of organized crime issues into development policy; as an example, he mentioned that the World Bank Development Report in 2010 will focus on that linkage, including harm from violence associated with organized crime activities.

Levi began his exposition on the problems with the concept of organized crime by citing the 2008 European Council framework decision, which involves the following elements: *criminal organization means (1) a structured association established over a period of time, of more than two persons, acting in concert with a view to committing offenses to obtain directly or indirectly a financial or other material benefit*. A structured association, following this definition, means an association that is not randomly formed for the immediate commission of an offense nor does it need to have formally defined roles for its members, continuity of its membership or a developed structure. Levi pointed out several critical loopholes in this definition (e.g., the method of association, the reference to indefinite period of time, the absence of a requirement for formally defined leadership, etc.). In his view, such definition prevents law-enforcement and prosecutors to try white collar crimes, for instance. A definition like this is confusing: following it, one would be hard pressed to decide whether having more or less organized crime groups (in absolute numbers) is good or bad. Less crime groups might mean, as he put it, that crime is not very well organized, it isn't monopolized. In this respect, he pointed out as a problem with definitions and theoretical frameworks like this the need for very low threshold criteria so as to minimize the number of obstacles to prosecuting crime. On the other hand, a low threshold definition will allow us to lump together as organized crime

everything from drugs, people trafficking, terrorism, corruption and more recently, tax and identity fraud or theft. On the positive side, this will enable cooperation among states and institutions, in terms of an approximation of mutual legal systems, as is the current policy of the European Union. Any conceptual effort, however, must then take into account how this conceptual construct will be applied in practice, to whom and to what effect.

Touching on the issue of harm, Levi stated that thinking of organized crime in terms of harm may provide more tools for counteracting activities, both to law enforcement, civil society, public private partnership, and the state. People should be encouraged to look at the impact of different kinds of crime or kinds of organized crime on the local community (for instance, people in the trading business are already looking for ways to apply the harms concept to harms resulting from trading violations; there are physically dangerous adulterations of drugs, for example).

Levi continued with critical remarks regarding the concept of transnational organized crime. On the one hand, it enables people to cooperate but not necessarily in a way promoting international criminal justice. On the other hand, as he put it, we should probably work to define a more “modest role” of criminal justice. Part of the debate here concerns a distinction between harm and criminal harm; for Levi, this kind of issue is at the basis of developing a different type of critical criminology today. In conclusion, Levi also underlined the need to be careful in transposing legal norms and statutes between countries, as well as in discriminating between policies that would affect the prevention of harm from crime versus easing the way of prosecution to punish criminals.

2.3. “NGOs and researchers can play an important role initiating discussion about the harms and benefits of criminal activities and the unintended consequences of anti-crime policies.”

Responding to the ideas presented by Levi and Edwards, Professor **Letizia Paoli** focused her statement on the issue of mobilizing civil society in light of recent proposals for theoretical and policy shifts concerning organized crime. In her opinion, it will be very hard to mobilize people against organized crime unless “there exist specific forms of organized crime like the mafia in Italy, Southern Italy.” Italian mafia has very stable and powerful criminal organizations engaged in crimes from stealing money from local people to carrying out violence acts like murders of high-ranking police officers or mass murders. In light of what she called an “umbrella concept of organized crime,” one of the reasons why it is hard to mobilize civil society against crime is also because *many forms of organized crime activities also deliver benefits*. This can be seen in many countries (in Europe and Latin America, for instance); extreme cases today are Afghanistan and Tajikistan, where people still depend for income on opium and opium trafficking. Professor Paoli claimed that in such situations, in particular, the harm approach to organized crime can be more fruitful than the current more universalist definition.

She raised another important point, namely, recognizing that harms can be also the result of policy assessments and decisions. For example, harms associated with cocaine trafficking (violence, corruption) are the result of the fact that cocaine trafficking is criminalized. As a guideline for research and policy activities, therefore, Paoli proposed thinking about *minimizing harm, or the fight against harmful activities*. Initiating discussion about the harms and benefits of criminal activities and the unintended consequences of policies is, in her view, the field for NGOs and researchers to play an important role in the future.

2.4. “A rights-based policy approach may help fight the state’s complicity with organized crime.”

David Holiday spoke about the risks of defining organized crime in terms of what is legal and what is not legal. As an example, he cited an act on organized crime passed by Federal Congress

in 2006 which lowered the threshold from the Palermo Convention,² creating a special regime reducing rights for persons labeled as organized criminals. In his view, three elements should be taken into account by policy makers: *crime, finance, power*. Trillions of crime dollars are moving around the world and it is not only a problem of legality or illegality, it is a matter of actual power, of how informal power structures relate to formal power structures; this, strictly speaking, is a matter of [good or bad] governance – in other words, it is about the *state's complicity with organized crime*.

He described the situation in Mexico as an opposition of “us *and* them”; in terms of governance, it is not enough for politicians to say “We have fired 3000 cops; we got rid of 5 attorney generals.” In a situation where the state has been infiltrated, anti-crime efforts translate into actually cleaning up the state. By and large, it is no longer an issue about legality, this is a problem of clientelism. In this respect, David Holiday raised the question if politicians who wanted to go after organized crime but talked about harms would in fact come up with different indicators from the traditional indicators used to describe successful counter-measures. From a political leadership perspective, but also from a civil society perspective, here we must emphasize the ability to construct new social norms or to rescue old social norms, moving away from the legal framework of crime. In this case, a rights-based approach might be helpful; harm can be defined as something affecting the rights of the citizens. In that sense a legislation that is restricting the rights to combat organized crime would be harmful. Taking the issue of rights may provide a more interesting frame of reference that is universal, along with the opportunity to develop respective benchmarks for anti-crime initiatives.

2.5. “States are complicit in crime when they do not want to be labeled as harmful and dangerous.”

Taking her lead from a case study in Macedonia against traffickers who were actually prosecuted for “mediating prostitution,” not human trafficking, **Jana Arsovska** spoke about states dealing with the actual assessment of crime. In her view, there is “the danger that countries will manipulate data just so they do not have the label of harmful and dangerous stuck to them.” She claimed the same about Europol; since they would like to keep their jobs, they can decide on how to count the number of organized crime groups and to present it to the world. Speaking about cases in Kosovo, she referred to the fact that many cases and investigations in which officials were involved in organized crime were left without legal prosecution. One of the reasons was that the international community did not want attention going to these cases so they were left aside. The most danger to both working out a proper definition and practically implementing policies against organized or serious crime, according to Arsovska, comes from the states’ unwillingness to put the necessary effort or they will just find ways to ignore the issues. *State officials protecting other state officials in crime is the most serious danger of organized crime.*

KEY ISSUES AND RECOMMENDATIONS

During the Q&A period, the panel speakers and conference participants also discussed some of the following issues and reached the following conclusions.

- “Civil society involvement against organized crime: it is about community development and human rights.”

In the context of the existing conceptual framework on organized crime and recent research and policy shifts to “serious” crime and harm assessment, it is still hard to envisage effective and engaged community activists in on-the-ground projects. This was an issue raised by

² Further information about the Palermo Convention and the Convention’s text is available at <http://www.unodc.org/unodc/en/treaties/CTOC/index.html>

Jonas Rolett. This new conceptual approach might be helpful in developing new efforts to involve citizens. Interesting is that the people who are engaged in those activities don't necessarily think of their work in terms of organized crime; rather they think about community development or about human rights (when they engage, for example, in building shelters or re-entry programs for trafficked women in the community.)

In this respect, more work is needed to discuss how the conceptual frame of harm and social relations can apply to experimenting and mobilizing civil activists in cohering ways.

Responding to Rolett's comment, other participants argued that moving towards "serious" crime and away from organized crime may have a significant impact from a civil society perspective. An example from Latin America supports this: there are funding programs that sponsor activist groups that do not call themselves "committee against organized crime" but focus on specific issues such as violence against women or corruption. From a civil society perspective such a shift in terms from actors to activities may provide a better tool for civic activism.

In this respect, 1) an issue for further discussion is to "*let civil society define what are the norms that we want to promote instead of letting the policymakers decide*" what the agenda is, defining what will be considered threat or threats from serious crime.

A second issue is 2) the reorganization of social policies, by making the civil society more involved in the debate; the key issues are about the legitimacy of these policies; further democratization of the debate is needed in order to get people to feel more committed to law.

- "Need for conceptual clarification."

Regarding the interactions of various theories mentioned and the new conceptual language of threat, "*further analysis is needed to differentiate between enterprise theory and threat assessment*" and how this would affect policy efforts. The same applies to the differentiation between actors and activity; it may not be advisable to give preference to only one, simply falling for the latest theoretical fad.

- "We must keep in mind that people on the ground won't simply switch from one concept to the other overnight."

Peter Gastrow brought up a point that most of the time remains out of the sight of policy makers: in many parts of the world (specifically, developing countries), people engaged in crime fight are still struggling to understand "old" conceptions such as the illegal enterprise paradigm. It is counterproductive to overwhelm them (on a more or less regular basis) with new theories and conceptual language, even though we must admit that the "*organized crime concept has massive loopholes.*" Policy makers have to understand that and the need for a more leveled discussion of key concepts and underlying frameworks when it comes to practical implementation.

PANEL 3. ORGANIZED CRIME: PROBLEMS RELATED TO RESEARCH

3.1. “Organized crime’ as currently defined is no coherent unit of analysis. It is an umbrella concept encompassing very different issues.”

In her first presentation, **Professor Paoli**³ spoke about methodological issues related to the research on organized crime, caused by the very broad concept of organized crime. The conceptual ambiguities relate to 1) is organized crime focused on a set of criminal groups, 2) a set of actors or 3) a set of activities. The concept inconsistently incorporates two notions, the provision of illegal goods and services, on the one hand, and the idea of a criminal organization, understood as a large scale entity, primarily engaged in illegal activities with a well defined collective identity and subdivision of work among its members. A further ambiguity proceeds from the notion of “enterprise.” The “illegal enterprise” paradigm has dominated the European debate, both for scholars and policy makers, in particular in countries that didn’t have an experience with the mafia. Yet the mix between concepts involving “mafia” and “enterprise” has produced a serious gap between the political rhetoric and the academic definition. On the other hand, the definitions that have been adopted are very loose and vague, partly because this is the character of the United Nations (UN) definition of organized crime. According to the definition, it is enough to have an organized crime group, e.g., structured groups of 3-4 persons, so anything from a small gang of thieves or a youth click to Cosa Nostra and Al ‘Queda can be considered an organized crime group.

In the Action Plan to Combat Organized Crime of 1997 adopted by the Council of the European Union the following words appear: “Organized crime is increasingly becoming a threat to society as we know it and want to preserve it. Criminal behavior no longer is the domain of the individuals only but also of organizations that pervade the various structures of civil society and indeed society as a whole.”

This definition has later changed, creating a gap that has had a negative impact, in Paoli’s opinion, on the level of research, policy and law enforcement operations. As she argued, “organized crime” as currently defined is “no coherent unit of analysis.” It is an umbrella concept encompassing very different issues. Empirical studies need to focus on a specific sub-set, on a specific group or a specific activity, if they want to have a coherent research object or they should instead thoroughly abandon the concept itself. For Paoli, it is important to move the discussion from *is* an activity organized or not to understanding *how* specific criminal activities are organized, searching for a causal link between the activities, their organization and the environment. As well, she suggests opening a debate on the issue of harm, in order to single out the different harms that are associated with different crimes and their individual assessment.

In the second part of her presentation she reviewed some of the technical difficulties related to research. She outlined the following problems: 1) first, the difficult access to criminal actors and victims of crime; 2) lack of reliable statistical data. The only organized crime related statistics concern the number of people reported or convicted for the crime of membership in a criminal organization, which gives very scarce information on organized crime as a whole; 3) lack of statistics on profit making activities; 4) lack of a monitoring system in Europe on criminal markets (incl. drug markets). This prevents researchers and public officials from monitoring the effectiveness of specific policies. An additional problem is 5) the crime reports published in various countries, which differ widely both because the problem is conceptualized in different ways in different countries and also because the data collection procedures vary. Practically, these reports are not very useful for researchers, also because only abridged versions are made public. The last problem concerns the difficult access to criminal justice data in many countries.

³ More details on this topic can be found in Prof. Paoli’s paper “Organized Crime: Problems of Methodology and Research” published in the ‘Papers’ section of this volume.

In her second presentation in this panel, Professor Paoli reviewed some of her most recent research, a project designed to provide evidence-based information to policy makers in setting up their strategic priorities on organized crime. The research focuses on the notion of organized crime activities, in particular, the concept of harm. In Paoli's argumentation, harm is to be preferred because it is less 'spoiled' than previous concepts and provides a link to the concept of risk. Furthermore, on the European level there seems to be a policy trend towards harms and harm reduction as a policy goal (in drug policies). On the other hand, assessing the harms in criminal activities presents many challenges. Paoli outlined the four major challenges – conceptual as well as technical – that have been so far identified in her research.

1. The first conceptual challenge is that the selection of harm is normative; defining harm and criminal activity depends on the [social, cultural, political] values. The same revenues that are considered harm by the policy makers constitute a good for the illegal activities of the offender. In this case, research has to be inclusive in order to leave ample room for selection by policy makers.
2. A second challenge has to do with what is called the "infinity of harm"; it is hard to produce an exhaustive list of harms in terms of scope and possible standardization/ typology of harms (for instance, the same activity may pose different harms to different people).
3. Third, the issue with *remote* or *accumulative* harms (where the original perpetrator has no direct choice when there are other intervention actors. A typical case is the case of drug trafficking; here the harms are related to the drug use, yet there are a number of intermediaries between the wholesaler and the end user.) In the project, this issue is dealt with by stressing the relevance of establishing causality – the harm related to the original activity and also what is then the ultimate cause of the harm. Important here to realize is that sometimes harm may be the result of the policy itself.
4. The fourth challenge is more technical and has to do with quantification (for instance, cost and benefits of crime, of human life, corruption, etc.) Connected to this is the incommensurability of harms, even though loss of life, corruption and many other harms tend to be measured in terms of comparable units. Paoli suggests that there be a comparison of the frequency across all harms, as well as comparison of the frequency and severity within some sub-sets of harms – to individuals, to governments, harms to private sector entities, etc.

Her research team has so far developed more detailed frameworks for assessing harm, and this frame may as well apply not only to organized crime activities but also other activities beyond those that have been criminalized. The taxonomy the team has developed includes both the harms associated directly with the criminal activity, for example the harms directly associated with cocaine trafficking but also the harms of what is called "enabling activities." They are the use of cocaine trafficking, the use of corruption and violence which are part of the full picture (the logic here is similar to the remote harms.) Other components of Paoli's research include developing scales to measure the severity and frequency of crime, which can be used to assess a specific context and the specific harmful activities prone to take place in it.

Concluding her presentation, Paoli emphasized that the harm assessment process can be used for different policy goals, as it allows a comparison between harms associated with different criminal activities and identification of the activities which are most harmful. These activities can become a strategic priority for law enforcement. This approach can be also used to identify the actors that are associated with most harms. Over time, such studies and comparisons will also allow us to see whether or not policy interventions have had any impact (possibly also in a cross-country model).

3.2. “A bottom-up approach to defining organized crime harm will emancipate civil society.”

Panagiotis Kostakos took up the question of harm again, in the context of the conceptual debate on organized crime. Looked at semantically, “organized crime” implies both a structure, an entity, an *it*, which must engage in a specific illicit activity. On the other hand, the noun “crime” implies an act. As Kostakos put it, we may be tempted to define organized crime as a crime that is organized which would produce only a tautology, not an analysis. Historically, the first efforts to define and analyze organized crime have focused on the organizational aspect of the problem; these are group-based models which stress the notion of organization and the place and role of offenders (for instance, models that focus on the role of ethnic networks or local networks.) Such models focus on how the criminal structure can engage in criminal activities. However, these models have received criticism because they are anthropocentric and ethnocentric.

With the emergence of the illicit enterprise paradigm the focus shifts to the activity, but then one ends up with the problem of organization. For instance, analyzing the problem of organized crime in the Balkans we may say that it is the result of the Albanian clans and networks that have specific cultural codes. Analyzing it in the perspective of the illicit enterprise paradigm, we end up again with the issue of ethnic identity. In this context, the notion of harm is introduced in order to shift the analytical focus away from the offenders and the group into the real economic activity or criminal activity that causes harm. In Kostakos’ opinion, such shift can produce concrete theoretical models and effective anti-organized crime strategy.

The critical issues to consider here are several. 1) Whose harms are we talking about? The harm against state monopolies, state oligopolies, businesses or international tobacco companies, the music industry, the software industry? Is it the harm against a way of life, against the establishment or against the illicit political economy, or is it the harm caused by organized crime to the ordinary, average citizens, the minorities, the poor? To identify harm it is necessary to identify the victim, which is a normative and political task. For Kostakos, the notion that organized crime causes harm can be approached from a top-down and bottom-up view; in the first case, harm will merely extend policy powers and state powers, falling back into the same old discourse. If we approach the problem from the bottom-up perspective, civil society most certainly can associate with this cause; the issue is then rescripted not as a problem of organized crime but a problem of corruption, for instance. As Kostakos concluded, this will most likely engage civil society in the effort and also bring emancipation especially for the powerless groups within societies.

3.3. “The counter-trafficking industry is not effective.”

Cornelius Friesendorf presented the findings of a project on human trafficking conducted over the last two years. The project included about two hundred talks with policy practitioners and academics and NGO personnel on problems of trafficking in the Balkans. The project also sought to find the efficiency of what he called the counter-trafficking industry.

Friesendorf focused first on several key issues related to human trafficking, the so-called three “P’s”: *prosecution of offenders, the protection of victims, and prevention of trafficking*. To what level these have been implemented depends on the countries’ laws and strategies, as well as international conventions, etc. There have been, recently, more trials and sentences for offenders but there isn’t enough data what happens to them afterwards; even less is known about what happens to trafficked persons once they have been rescued. What seems very unclear is the impact of counter-trafficking efforts, and a huge issue here is the protection or non-protection of the human rights of trafficked people. Friesendorf identifies as such the continuing deportation of migrants; insufficient reflection periods and social support networks; lack of systematic reintegration programs. The reality also proves, in his view, that there is no distinction made between trafficked people, who deserve support, and smuggled people who are basically criminals, who pay smugglers in order to exploit the state and undermine the social fabric. On the other hand, he sees a lot of biased focus on sex trafficking and neglect of areas such as forced labor trafficking for agriculture, construction, etc.

It is very hard to fight trafficking because it requires complex policy networks, bringing together a vast set of institutions which may have different views (e.g., women's rights NGOs and special police squads). There is lack of cooperation even between specialized NGOs. At the same time, very little of the money allocated for trafficking victims has trickled down to the people in need; there is no data showing how much money has been spent on the trafficking and how much money it takes to re-integrate a trafficked person; shelters have had to close for lack of funding.

The third point Friesendorf made, was that corruption and counter-human trafficking efforts are ad-hock driven and their focus is on measurable outputs. He outlined several important issues related to this:

1. Problems of evaluation: there is little primary data. We know relatively little about the scope of trafficking, the most prevalent types, the places and the modi operandi of perpetrators; it is not known if there has been a decline or transformation in trafficking practices.
2. Lack of investment into impact assessment and lessons learned studies; issues with external and internal evaluation, divergent assessment methodologies.
3. Poor impact of awareness campaigns: they reflect mainly the priorities of the donor programs but do not affect the victims.
4. The risk of abusing the case of better rights for potential victims: reconciling between different groups and their rights (victims of trafficking vs. asylum seekers).
5. More research is needed to study how traffickers respond to prosecutions – increasing the exploitation to offset higher operational costs or reducing violence and exploitation to make trafficked people less likely to contact the authorities.

Friesendorf concluded by saying that a lot more efforts are needed both to research the issues and take specific measures to improve the current state. In these efforts, in his opinion, NGOs and the state must be partners.

3.4. “Bulgaria is among the countries in Europe with the highest number of victims trafficked for sexual exploitation.”

Alexander Vele and **Georgi Petrunov** presented two recent studies conducted by RiskMonitor. The first one is related to money laundering from human trafficking. Vele and Petrunov spoke about the difficulties that RiskMonitor's researchers experienced during the studies: the lack of any literature on the topic, no existing empirical information and data, uncooperative and suspicious public institutions. For the interviews with actual actors in trafficking, RiskMonitor used the services of other NGOs and social centers with past experience in helping victims of trafficking. Over two hundred interviews with prostitutes, pimps and law enforcement representatives were conducted during the project.

Vele and Petrunov also discussed some key data that originated from the study. According to Europol, for instance, Bulgaria is one of the main source-countries of victims trafficked to the EU, sharing the lead with Ukraine, Romania, Russia, Nigeria and Moldova. Having in mind that Bulgaria has a very small population, the percentage of victims from Bulgaria is very high. Data from the Prosecutor General's Office in Bulgaria show that over 85% of the verified cases of human trafficking with Bulgarian victims were for the purpose of sexual exploitation. That number is estimated at between 8,000–12,000 victims.

Vele and Petrunov also explained the formula used to calculate the proceeds generated from sex-trafficking; they set the figure between 900 million and 1.3 billion Euro annually generated from trafficked prostitutes in Europe, not only in Bulgaria. They went on to discuss the detailed models and organizational schemes used by traffickers, the links between actors in the crime groups, their

roles, their connections with the police, businesses, etc. Crime groups resemble the structure of mafia-like organizations. Velev and Petrunov explained that the legislation regarding prostitution in Bulgaria dates from 1968. According to the law, pimping and human trafficking are prohibited; the usual court practice is to penalize pimping and prostitution, and sometimes the clients. Because foreigners who use paid sex services are an easy catch, Bulgarian police have more success with prosecuting them than the pimps.

The second study provides information about the sex markets in the capital Sofia and in several of the largest cities, including winter and summer resorts. Three main strata of prostitution are identified in this market: the lower level is highway prostitution; the middle level includes clubs around the town, so-called VIP clubs and erotic bars; the top level, which is twice as large as the middle level, includes luxury houses and bars. Most of the prostitutes here are supplied by fashion model agencies. The study provides information about the distribution of prostitution levels, the proceeds, the crime organizations which hold these markets, criminal networks, the methods of recruiting girls and women, etc.

In their conclusion, Velev and Petrunov also emphasized that it is still hard to penetrate into these networks and data may not always be reliable, not to mention the dangers associated with this type of research for the interviewers. Nevertheless, the studies conducted by RiskMonitor have been used by both academics as well as law enforcement and specialized bodies counteracting organized crime. In this respect, RiskMonitor can be a good example for an NGO which has developed valuable professional expertise in its area of research so that it could be a good and reliable partner to both academic institutions and policy makers.

KEY ISSUES AND RECOMMENDATIONS

The following questions were raised during the Q&A session after the panel presentations.

- NGOs and their participation in the research process; how reliable and unbiased are data about crime gathered from NGOs; is there a clash between the academics and NGOs in terms of reliable studies and field work? Are NGOs used or misused as partners of academia and the state?
- How can the social reaction to organized crime be institutionalized?

PANEL 4. ORGANIZED CRIME AS A POLICY CHALLENGE

4.1. “Developed countries must join forces with developing countries if they want anti-crime efforts to succeed.”

In his presentation, **Peter Gastrow** focused on the macro influences on policy and the challenges that civil societies, academics and NGOs face in influencing policy in organized crime, specifically on the level of the United Nations and how UN policies in return affect national level efforts.

He identified as one major influence power politics, the foreign policies of major global powers that export definitions of crime as part of a foreign policy approach (the most recent example being the 1998 Geneva Drug Convention, where the influence of norms and definitions coming from the US is quite noticeable). Gastrow also spoke about the alarming speeds at which organized crime and transnational organized crime is moving up in the agenda as an international security threat (in 2010, the UN Security Council has had two meetings dedicated to *drug trafficking and the financing of terrorism*). In his view, the policy debate on this level will determine the future discourse on these issues, specifically in connecting international security and organized crime in terms of “*aggravated threats to international security in a globalized society.*”

Gastrow spoke in detail about issues related also to the visible imbalance in the influence of various countries – the discrepancy between powerful players and the delegates from developing countries. In addition to that, he identified as a problem the lack of real involvement and participation of civil society in the policy making process, despite their formal presence at such summits. Gastrow defined as a “challenge” the effective inclusion of NGOs, academics and think-tank representatives in the process, proposing that specific strategies need to be developed for channeling the policy interactions between CSOs and official representatives of the respective country on any such issue.

A third problem, identified by Gastrow, was the imbalance and “a widening gap” between developed and developing countries both in terms of the quality of anti-crime policies and inter-governmental and inter-institutional cooperation. He argued that developed societies must address these phenomena by supporting joint policy research and law-enforcement collaboration, to aid the efforts in developing countries to deal with organized crime as it feeds into international crime (apart from the issue of corrupt officials and police in developing countries).

4.2. “Illicit social networks are an advanced model of state capture.”

Luis Jorge Garay and Eduardo Salcedo-Albarán presented research related to a comparative analysis of illicit networks in Columbia, Mexico and Guatemala; the study is conducted by METODO, an interdisciplinary research group of social scientists using the so-called *social network analysis*.

The study is based on the premise of illicit networks and organizations, in the context of the concept of state capture. State capture is a term originally introduced by the World Bank in the 1990s to analyze the transition in Eastern European countries to market economy, whereby legal agents, by means of bribes and other non-financial means, succeed to obtain economic benefits; they put pressure on the state in order to issue new laws, norms and rules to benefit themselves. The research team has introduced another term, “advanced state capture” to signify the multiple levels of influence (both inside and outside the state) and the variety of means used to gain benefits (legitimacy, judicial benefits, economic and social benefits) by such actors. Based on the research, they also propose the concept of “co-opted” state, to account for the emergence of social illicit networks which infiltrate the state.

Garay identifies as a challenge for public policy understanding in which stage of the process we are and how to tackle that. This is a complex issue, since the relation between the state and the illicit networks is not always one of confrontation; sometimes they are of cooperation, for instance, as it is the case in Guatemala. The social networks analysis assumes that there are different social structures and different types of relationships within and between the social networks, based on various activities – violence, bribes, etc. This model of analysis allows us to

understand the composition of bigger criminal organizations and their sub-networks; the method allows for understanding, for instance, who are the most connected agents who would channel the information flow within/outside the network. Different indicators are used to calculate the position of various agents in the social networks.

As the authors claimed, with this methodology we can determine at what stage of institutional impact is the social network (local vs. national, on what specific branches of government, etc.) As well, it helps explain on what levels and how state officials participate in such networks. Garay reported that the highest proportion of agents in such illicit social networks, for instance in Columbia, are congressmen. This is the so-called phenomenon of para-politics in Columbia which means that almost 35–40% of the congressmen elected in the period 2002-2006 work in some form for the narco-paramilitars.

The benefit of this model for policy development is that it allows a trans-disciplinary approach and the identification of a variety of institutions instrumental for state capture: political capture, election capture, instrumental capture of media, instrumental capture even of academia. State capture threatens and affects the national security (in the case of Colombia, the head of the security agency at the national level was part of the illicit network). In the case of advanced state capture, Garay and Salcedo-Albarán identify what they called a “re-configuration of the rule of law”: it is a level of corrupt state reconfiguration, where lawyers and congressmen as members of illicit social networks have in fact agreements with the criminals. In their position as public officials, they have the power to change or “reconfigure” legislation and statutes in behalf of the criminals. Part of this process are in fact written agreements between drug traffickers and mayors, congressmen and so on. For instance, mayors may be required, according to such agreements, to assign 50% of the public contracts to people from such a network.

4.3. “Cooperating witnesses can make or break a trial.”

Jeffrey Goldberg, a state prosecutor in the Eastern District of New York, spoke about issues related to prosecuting mafia-related organized crime cases, and more specifically, ways to deal with witness and victim cooperation, including the Witness Security Program of the US. “Cooperating witnesses” are members or associates of organized crime groups who have chosen to plead guilty to crimes based on a written agreement that requires them to testify when called upon in exchange for reduced sentencing.

Based on a case from his practice as a state prosecutor (the case related to the Gambino crime family), he raised important questions concerning the process of gathering evidence and persuading people from the community to testify in such cases. Often, in his opinion, the harm done to individuals by the mafia may not be significant, but on the aggregate crime is a serious harm to society (something such as the ‘mob tax,’ for instance, where retailers push prices up so they can pay the mob to operate). Making people come forward, esp. in homicide trials, is very hard because they fear punishment from their community or crime group members afterwards. Recent numbers show that almost 80% of people have said they won’t testify if called upon.

Goldberg identified as critical issues for the success of any trial getting reliable witnesses but also the need for independent corroboration of any testimonies. He told a story of a murder case trial he prosecuted in 2006 against the Bonanno family, where just a small detail from the witness’s testimony would have made or broken the deal.

4.4. “Organized crime = threat: a vicious tautology for policy makers.”⁴

Professor van Duyne focused on several key issues related to his most recent research, namely of the concepts of threat and harm as a way to think organized crime. In his view, we are dealing here with a tautology, speaking of the threat of organized crime because there is no unthreatening

⁴ More details on this topic can be found in Prof. van Duyne’s paper “Organized Crime (Threat) As A Policy Challenge: A Tautology,” published in the ‘Papers’ section of this volume.

organized crime. He proposes to think risk using statistics and probing if, say, an insurance company could sell insurances for “organized crime risk.” That means, determining the risk from organized crime in a calculable way. What prevents such a calculation is something van Duyne calls the Z variable, namely mal-governance and corruption (or, the “Berlusconi exception clause.”)

The second topic he discussed was the threat of crime money, including terrorist crime financing, which is a major concern because it can threaten the financial system. Through his research, Van Duyne’s hypothesis is that this is not true, because compromised banks, as he put it, are dangerous, especially to money launderers. The integrity of the financial system can sustain crime money. He spoke at length about the correlation between crime money, the financial system, and a country’s GDP, developing his argument that there is no threat to the system, or at least, it is comparable to the threat of fraud, white collar crime, etc. He emphasized the lack of reliable data, too. Referring to a case study of the confiscation files of the Dutch Public Prosecution Office since 1994, the database allowed his team to identify per convicted person: the confiscated bank accounts, the cash money and the real estate apart from valuable moveable items. The preliminary results (project still in progress) revealed that:

- the majority of the 440 criminals (not all ‘organized’) having a bank account had a modest saving or deposit with a median value of € 18.000. Twenty percent had a bank account of more than € 100,000;
- foreign banking played a less important role than has always been assumed: 94% of the value of the bank accounts was in Dutch banks;
- real estate is just one of the outlets for crime-money, but the value of the acquired real estate did not surpass the average value of houses. A small minority had more than one piece of property, some even a substantial amount, but these exceptional occurrences were widely spread over time (10 years) and space.

Van Duyne’s conclusion is that the “threat of organized crime as a policy challenge” implies a tautology with a circular reasoning contained in the two little words *organized crime*. Indeed, there is no non-threatening organized crime and, further, which threat is not also a policy challenge? To double the circle, policy makers and the police draw up an “usual suspects” list of people recognized as organized criminals who are considered “threatening” only for that reason. Subsequently, data that could be the foundation of a time series trend analysis are discarded in favour of “future-oriented” thinking based on the shaky methodology of Europol. The research so far casts a different light on the subject: organizing crime as a way of doing things. Having compared smugglers and economic crime-enterprises of various sorts, the conclusion for van Duyne is that the level of *organizing* in the corporate crime field used to be more sophisticated; there is also more collusive, if not corruptive, interaction between perpetrators and the upper world to facilitate criminal commercial operations. Future research and analysis, including a stricter methodology, should focus on developing hypotheses about the future trends of the explored sectors; substantiated threat assessment should not be based on ill-designed questionnaires and police hunches. Van Duyne’s conclusion is that, unfortunately, the present state of data collection and management hampers such an undertaking. If policy makers and law enforcement agencies are really worried about organized crime developments, this would be the first challenge to address and to break out of the self-made tautology.

KEY ISSUES AND RECOMMENDATIONS

The following issues and questions were raised during the Q&A session.

- Power politics and policy making: is there a place at the negotiation table for developing countries?
- The UN vs. the EU: who’s taking the lead in policy development?
- Can research really help fight organized crime: *pros* and *cons* of advanced research models.
- How to calculate threats and risks: do we have reliable data?

PANEL 5. ORGANIZED CRIME AS AN ISSUE IN THE PUBLIC POLICY DEBATE

5.1. “Organized crime: an economic threat blown up by media and governments.”

Krassen Stanchev's presentation revealed a different approach to organized crime, namely through research on the impact of different embargoes on the Balkans and the embargo economies on the Balkans. In his provisional definition, organized crime must be considered as “some sort of a business which is the intentional and repeated production of supply of criminalized goods and services.” Stanchev began with dismantling some myths still persistent in the public debate; the first concerns the size of the criminal economy, the black or gray economy. The gray economy in the Balkans (1990-2003) was between 30% and 40% in all countries, including Greece and Turkey. Based on the numbers, the criminal economy of Bulgaria would be at the level of 1.2-3.2 billion leva which in Euro is 650 million to 1.6 billion. The interesting case here is that if we assume the gray economy to be at 10%, it would mean that the inflation in Bulgaria should have been consistently 20% higher than it used to be. Apparently, assuming these 10% of the gray economy is rather unrealistic.

Stanchev also joined the debate concerning the concept of organized crime; in his view, the notion that organized crime resembles a corporation is incorrect. As he argued, organized crime groups resemble rather a “sole proprietorship”; he gave examples of the history of the banking sector in Bulgaria, where many organized crime groups were establishing their own banks because other banks were refusing to finance them as they were considered sole proprietorships. Second, Stanchev argued that criminal industries are relatively decentralized; they have nothing of the features of a corporation or the management methods of a corporation. RiskMonitor's survey data of court cases related to organized crime show that under the working definition of the Bulgarian courts there were crime groups not larger than five or six individuals. In terms of statistics, he claimed that the closest to organized crime is the cost of crime and the cost of security (calculated as percentages of sales.) For example, crimes such as theft, robbery, racketeering, cost 1.5% of the sales of the companies in the world. Similar is the situation with security, understanding security as all the payments to keep the business; in the world it is almost 3%, in the former communist countries less than 3%, in Sub-Saharan Africa it is more than 3%, the worst situation is in the Caribbean and Latin America – 3.5%. At the same time, he also showed data according to which the perception of crime as a threat to business is much different. In the world the percentage is roughly 1.35%.

Based on his research, Stanchev concluded that in the most likely probability, the profits of organized crime amount to about 1% of GDP. For Bulgaria, the figures would be about 330 million leva in 2010; for the EU it is estimated at around 118 billion Euro. Taking the EU example, this size of the market is 5 times smaller than the compliance cost to meet the requirements of the EU legislation. For Bulgaria, that amount of money is roughly equal to five days worth of government expenditures in 2010. In his words, this is basically 33% of the alleged, most conservative estimate of the volume of embezzlement through public procurement in Bulgaria. This is why he believes that the media attention and political talk about organized crime and its impact on the European Union or Bulgaria is often misused in order to manipulate public opinion.

5.2. “Arms dealing in the world is nothing but ‘legalized bribery’.”

Andrew Feinstein presented an interesting case concerning corruption in arms trading in the world. Currently, Feinstein, is working on a book on that topic as well. His presentation involved a case in South Africa, as Feinstein is also a former member of parliament in South Africa from the African National Congress (ANC.)

In his initial remarks, Feinstein spoke about the fact that arms trading and trafficking is not something separate from organized crime; rather, it intersects with a wide range of criminal activities. Even more so, it seems that government to government trade can be difficult to detach from the illicit shadow trade. In any deal, he claimed, there are legal and illegal actions to varying degrees by all players involved. He cited a Transparency International study which estimated that for 2003, the trade of weapons accounted for more than 40% of the corruption in all world trade. As he put it, among those involved in arms trading, there is an implicit understanding that arms trading is a form of “legalized bribery.” Corruption, associated with arms deals is only one among the many harms caused by it: the opportunity costs of massive defense spending especially in developing countries, the lack of accountability in the trade that undermines accountable governance.

The case he presented was from the 1990s, when he became an ANC member of parliament in the first democratic elections in 1994; he also became member of the Public Accounts Committee overseeing the financial public expenditures. The weapons deal that the committee came to investigate was for an amount close to 8 billion dollars for weapons that the country didn't need. The investigation showed about 100 million dollars in bribes paid to senior politicians, including officials in the State Arms Company and the Defense Department, as well as from the ANC (eventually, some of those proceeds were used for the party's next election campaign). The then president of South Africa Mbeki was involved; the current president, Jacob Zuma, also faced 783 counts of corruption in relation to this deal. The charges were dropped ten days before he was elected president. Because of the investigations of his committee, Feinstein was forced to leave the party and his parliamentary seat.

In Feinstein's recounting of these events, he stressed that such corruption deals undermine key institutions and the rule of law. He presented more recent arms trading cases from South Africa, involving also Swedish and UK companies, where bribes had been a main tool to close the deal. He also emphasized that it was of enormous impact that the media and NGOs in South Africa took up these facts and disclosed them to the public. This was important to inform the people and to keep the government in check, insofar as this had been possible. For Feinstein, this is one of the primary ways for civil society organizations to get involved in the fight against corruption and organized crime. Concluding, he also referred to a recent case of explosions in Albania, the Gerdec case, which, in his opinion illustrates the systematic lack of accountability of key politicians and the undertakings of shadow businesses supported by corrupt politicians, an “extreme political cynicism,” as he put it. In his view, dismantling such political cynicism is the leading role civic activists can play today.

5.3. “Media can put a real face to real crime.”

Drew Sullivan, an advising editor for the Center of Investigative Reporting of Bosnia and Herzegovina and the director of the Organized Crime and Corruption center based in Sarajevo, began with a startling statement: the academic discussion of definitions is of no use for the journalists. Writing about organized crime seems to be rather of the type “I know it when I see it.” On the other hand, journalists are expected to follow the beat of time, and to write, as he put it, “the first version of the history” of the day.

Speaking about his own work and the organizations and countries he's worked for, Sullivan said that journalists can gather a vast amount of detailed knowledge of organized crime. He identified corruption as the first and most serious problem; what would be called corruption in the West, Bosnian politicians would call “political organization.” For Sullivan, that shows the gap in understanding in the West and in the East that something might be legal and still corrupt. Corruption undermines transparency, it undermines accountability and the entire judicial process. He spoke about different cases in Bosnia where politicians had been indicted but none had been sent to

jail. Sullivan argued that organized crime and corruption undermine the democratic process to the extent that crime groups have essentially formed parallel governments in many of our countries where they provide employment, pensions, security; they provide all of the things that traditionally the governments would provide. One indication of that is the rate of small business development in Eastern Europe: it is among the lowest in the world and part of that is because the governmental contracts are going to organized crime connected businesses, supporting a patronage system that generates a very toxic environment for the entire region.

For Sullivan even more problematic is the corruption among journalists. He quoted data from a survey conducted by the Center for Investigative Reporting in Romania, which found that 50 percent of the media are directly or indirectly owned by organized crime. In Serbia, a prominent organized crime figure recently made a bid for a 24 hours news channel. Sullivan referred to a number of cases in Bosnia and in Serbia where local magazines and newspapers had been taken over by crime-related or organized crime groups (usually, they are described by the code word “controversial businessmen” despite the fact that most have murdered people and stolen money and lives). He spoke at length about the means such “businessmen” use to gain power, to influence governments both in the Balkans and in the West in establishing themselves as legitimate power brokers. All that, in his words, has “created a sense of hopelessness” in many of these countries. In this respect, Sullivan sees the invaluable role of the media: exposing the facts and pushing people and governments to act against organized crime; media must tell the true stories of such criminals in order to “prevent the rehabilitation of organized crime figures.” He gave an example with Ahmed Akhmetov, an Ukrainian 30-billion dollar oligarch, who’s conducting his business with the help of a fleet of English lawyers. For Sullivan, this indicates a “match made in the deepest, darkest pits of hell,” where the Western lawyers and the organized crime figures are teaming up to success, removing all obstacles on the way, bullying the government itself. The same “match made in hell” happens when Western businessmen seek local partners in the Balkan countries; this is another area where the media should blow the whistle hard. Media can and must help put a real face to crime.

For Sullivan, organized crime in the Balkan countries is a regional issue; it is not enough to look at it country by country. Rather, countries should cooperate in order to fight organized crime successfully.

KEY ISSUES AND RECOMMENDATIONS

The following issues and questions were discussed during the Q&A session.

- Involvement of the media: do public information campaigns work; how can the media make or break a political hero; are media in nascent democracies more vulnerable to becoming corrupt?
- The criminalization of media: can media in the Balkan countries rescue themselves from that danger? What guarantees the independence of media?
- Economic arguments for fighting organized crime and solving social problems with economic means; can we arrive at a methodologically sound way of measuring social issues (the cost of corruption, the cost of organized crime) and how would that inform the public policy process?

PANEL 6. ORGANIZED CRIME: WHAT ROLE FOR CIVIL SOCIETY

6.1. “A comprehensive approach to crime prevention requires police and non-police work. We have to move from state-centered policies toward more anthropocentric policies and that is something that NGOs and civil society can do.”

Juan Salgado talked about areas of opportunities for civil societies in dealing with the subject of organized crime and some of the risks involved in doing so, specifically, as concerns three groups of civic actors – NGO practitioners, activists, groups of victims.

There are a number of strategies undertaken by different states on how civil society actors can get involved. The first one is enforcement and that is common trend; this can be seen in the Balkans and in Latin America, in Africa. Something that is specific for Latin America and Mexico, is the allocation of temporary forces to act in public security matters in the combat of organized crime. In counter-drug operations special units may be created for the purpose. Second, the media, especially TV can play a very important role in shaping the perception about what could be done against organized crime. For example, organized crime in Mexico has become increasingly diversified in recent years, the organizations are involved in extortion, kidnapping, human trafficking, smuggling. Roughly 30 or 40 percent of their income actually comes from drug dealing but the media spends a lot of time discussing issues related to drug crimes and the other issues remain underreported. Besides this, Salgado identifies a serious lack of investigative journalism, at least in Mexico and Latin America. Part of the reason has to do with the huge risks related to the job and the large number of dead journalists; Mexico is the second country after Iraq in the number of killed journalists. Third, in terms of financial crimes and financial intelligence, civil society can be more active in monitoring business activities countrywide and transnationally; that would be an important supervisory role for civil society actors in this regard.

In the area of opportunities, he outlined several ideas. The first was evidence based research. In many countries, gathering primary data through victims services is not carried out systematically by the state authorities, so this is a niche for civil society organizations, academic institutions etc. Second, education services are needed, addressed to specific target groups, drug consumers, inmates in prisons. Along with that, there are opportunities to conduct ethnographic studies, anthropological studies related to crime, etc. In addition to assessing policy making, civic organizations can also participate in policy intervention in different aspects of criminal justice, law enforcement, drug policy and victimology.

A further area designated by Salgado is monitoring the accountability of state institutions, institutional reforms, for instance, police reforms; civilian oversight on law enforcement. From the harm reduction approach there are a number of factors in civil society that can be involved in more comprehensive risk assessment of social problems. For a rights-based approach there are a number of human rights violations perpetrated both by the state and non-state actors, and this is a challenge that needs to be undertaken by civil society organizations. The assessment of the participation of the military in counter-narcotic operations is something that civil society and advocacy organizations can focus on.

Traditional activities such as information campaigns, direct citizen participation, action groups, crime observatories, etc., should continue, in his opinion. The oversight of business activities is a new area for monitoring and has been done by some local civil society organizations (monitoring how the regular business community is involved in money laundering or in irregular activities).

The final topic of his discussion was the risks associated with such activities. First, there are high risks to life and personal safety. There is also a tendency by the NGOs to consider law enforcement institutions, particularly the police, as enemies. NGOs and especially human rights

organizations must think of ways to collaborate or to work on policing issues and to see a common enemy in organized crime.

6.2. “Collaboration, balance, and compromise are key for involving all civil society actors on the side of the state in the fight against organized crime.”

Following up on the issue of including civil society in the fight against organized crime, **George Vickers** focused on the different groups that collectively represent “civil society” and the various interests associated with such groups. This is especially relevant in societies that are coming out of a military dictatorship trying to transition to sustainable functioning democracy or coming out of one party totalitarian states and trying to build institutions that ensure participation of all citizens. The protection of the citizens rights and building the institutions that protect those rights are usually the main domains of research and work for NGOs.

Another issue Vickers outlined is that the main objective for those engaged in organized crime is to ensure that the state does not effectively protect the rights of its citizens and guarantee their security. In some cases that means keeping the state weak and therefore one of the challenges for civil society is how to make the state stronger. On the other hand, sometimes different rights may come in conflict and within policy alternatives each of those rights (and rights groups) will push in very different directions. Then the issue becomes one of balancing the interests and alternatives for action, including, among others, the need for activist groups, academics, NGOs, public institutions to agree to a productive division of labor between themselves. For Vickers, organizations must decide what resources and how they should be used, because the collaboration between law enforcement and the citizens is a need recognized by all actors.

He also stated that it is unreasonable to expect every different actor in civil society to have a comprehensive approach to the problem. It is also unreasonable to think that the perspective of any one of those groups is the only perspective that matters; for him, this is one of the challenges that donor organizations (such as OSI, for example), face in deciding what are the different kinds of activities that are important to support.

Collaboration and balance of activities is especially important in places where organized crime has penetrated the state apparatus quite early, so there is a corrupt judiciary, corrupt police forces, corrupt state institutions. In such cases, it is important to negotiate the various steps among all stakeholders to achieve the goals set ahead. That might mean agreeing to certain compromises for periods of time, say, between the policy implications of strengthening democratic institutions and the policy implications of trying to actually provide citizens security; between removing corrupt authorities and removing criminal elements from those institutions. Only a process of balancing and cooperation will have effect on the practical and policy level in the fight against organized crime.

6.3. “It is hard for developing countries and post-conflict societies to counter crime.”

Zohra Dawood began with a quote from a study funded by OSI and published in a book on South Africa and organized crime. It reads: “Southern African countries are experiencing an exponential growth in organized crime during the past decade. Organized criminal networks have been responsible for the increase in violence and other forms of crime such as trafficking in drugs and people. In developing countries these activities extract a high cost in respect of health and security. They also undermine investor confidence and hinder development. The high levels of organized crime can also lead to loss of confidence, the creation of competing centers of political power and public unruliness. In some African countries the operations of the criminal syndicates are precipitated by prolonged civil wars.”

In this situation, what OSI and its grantees have done is to focus on disseminating information and providing support to investigative reporters; she spoke about a recently created training facility, based on one newspaper, for investigative journalism. Investigative studies underline the impact of organized crime on democratic governance and the newly built democratic institutions.

Dawood stressed that civil society must include trade unions because in many parts of the developing world trade unions are significant and powerful actors, and they must be the allies of the state against organized crime.

6.4. "Food for thought and food for action."

In concluding the panel discussions, **Jonas Rolett** emphasized several key things. First, based on the experience of OSI and its partners throughout the world, it is clear that the goal for all civil society and state actors is to shape public policy, inspire critical debate and challenge our own thinking. In this way only can innovative research be supported and carried out, and, respectively, innovative policy decisions. He also emphasized the need for forums such as this conference to serve as connectors for the many individuals and organizations involved in the process. Rolett presented some successful projects from the OSI Research Fellow Program and other initiatives which offer a model for strengthening the future cooperation between CSOs in various countries in the name of a common worthy cause.

KEY ISSUES AND RECOMMENDATIONS

During the Q&A session, the following issues and questions were raised.

- Development of academic programs in critical criminology in Bulgaria: can NGOs help in the process? Should academia and NGOs team up with investigative journalists in order to make their research and findings more popular?
P. van Duyne argued that support to graduate work and quality research is a real need for the societies of South Eastern Europe. To prevent a huge gap in knowledge between the West and SEE, a lot has to be invested in developing modern research facilities and incentives for research on critical criminology.
- Offering young researchers more opportunities to publish their work and make it available to practitioners more easily; specialized forums for exchange of research and ideas between young researchers from different parts of the world need to be developed.
- Adopting a comprehensive approach to reducing violence includes more initiatives to get the community involved. Local interventions and local initiatives work; it is advisable to think how the worlds of academia and local communities can be brought together to discuss such issues and work on successful strategies to reduce violence and harm.
- How to balance the interests and responsibilities of civil society and the state in fighting organized crime? Transparency, budget monitoring, support of freedom of information laws must be the key areas of involvement for civic groups.
- The risks of investigating and researching organized crime: how can we mitigate those risks and continue to have quality research and policy analysis?

CONCLUSION

The fourth annual conference of RiskMonitor Foundation, Bulgaria, was an important event for both national and international participants. Although panel speakers and participants did not agree on a common definition and understanding of organized crime, several conclusions were reached and recommendations made. These are outlined below.

1. The effective policy development and implementation process regarding organized crime in the world requires a comprehensive approach to crime prevention. Governments could mobilize more effectively to prevent the interpenetration of organized crime and state institutions. Political leaders willing to enact the necessary governance reforms could reduce the harms and impact of organized crime on democratic institutions and the gap between the interests of the ruling elites and the needs of the people for security and protection of human rights.
2. The failure by countries to create and implement regional and international commitments regarding organized crime continues to hamper the progress in preventing and tackling the growing threat of organized crime globally.
3. There is a need for continued research and analysis concerning the conceptualization of “organized crime” and greater attention should be paid to the capacity and potential of NGOs to contribute to the process of data gathering and field work supporting the policy process.
4. Key stakeholders in the process of studying organized crime and policy implementation – academia, civil society organisations, law enforcement – should join their efforts in working out the norms and standards for effective national and international policies on organized crime prevention and combat.
5. Although there is ample scope for the participation of diverse civil society components in the work of national, regional and continental institutions against organized crime, partnerships between civil society and these institutions are currently weak.

CONFERENCE PAPERS

The Organisation of Serious Crimes: Key Trends in Policy and Research

Adam Edwards

The problem of organised crime is the concept of organized crime itself, which in turn produces the wrong question for research, which is to ask if „it“ is organised in a particular way, whereas the more sensible question is to ask what factors over time shape the ways in which crimes of certain types are organised and who [beyond just the perpetrators] gets involved in them? (Edwards and Levi, 2008: 373).

Introduction

'Organised crime' is now a major focus for public policy, as exemplified in the United Nations' Convention Against Transnational Organised Crime (UNODC 2004; Edwards and Gill, 2003) and, in Europe, its prominence on the EU's agenda for creating an 'Area of Freedom, Security and Justice' (Tampere Programme, 1999; Hague Programme, 2004; Stockholm Programme, 2010). This agenda has generated a whole new genre of policy-oriented learning, the 'threat assessment' of organised crime which endeavours to provide policy-makers with an understanding of current organised crime patterns, in particular concerns about 'transnational' crimes resulting from the greater mobility of people and goods across borders, and to inform the targeting and co-ordination of efforts at prevention (EU OCTA, 2006, *passim*). In the social science research community, however, the very concept of organised crime remains controversial. Some consider it to be little more than a political construct, used by policy elites in the liberal democracies to depict themselves as primarily the victims of 'alien' threats from a familiar rogues' gallery of organised crime groups (OCG's): 'Cosa Nostra', 'Columbian Cartels', 'Chinese Triads', 'Russian Mafiya' etc. (Woodiwiss, 2003; Woodiwiss and Hobbs, 2009). Others identify a self-referential bureaucratic politics at play in the construction of organised crime threats as problems of law enforcement implying law enforcement solutions, including innovations in confiscating the proceeds of crime (Sheptycki, 2003; van Duyne and Vander Beken, 2009; Levi, *this volume*).

Counterpoised to the threat assessment industry and its sceptics, however, is an emerging field of research which focuses analysis on the organisation of serious crimes, including the opportunities for their commission and the social relations which these imply (Levi, 2007, 2008; Edwards and Levi, 2008). This analytical shift has generated an energetic research programme concerned with the 'crime scripts' or *modus operandi* employed by criminal organisations to commission different types of crime (Cornish and Clarke, 2002; Levi and Maguire, 2004), the 'scenarios' which are more or less conducive to the organisation of these crimes (Vander Beken and Verfaillie, 2010), and normative, as well as empirical, inquiry into the 'social harms' that qualify certain types of crime as 'serious' priorities for governmental action (Greenfield and Paoli, 2010; Paoli, *this volume*).

This analytical shift is beginning to have an impact on policy trends, most notably the European Council's 2006 decision on the remit of Europol (the European Policing agency) to shift the scope of its work from 'organised crime' to 'serious crime' (Dorn, 2008). To place this trend in context

and as a precursor to discussing its implications for the policy-research relationship, it is possible to distinguish three other dominant policy trends, each with their own distinctive analytical focus (See Table 1.).

Table 1. Organised Crime Policy Trends and Their Analytical Focus

Trend	Analytical Focus	Policy Exemplars
Alien Conspiracy Theory	Organised Crime Group (OCG) attributes	Kefauver Committee (1950); US Presidential Commissions on OC (1967, 1986); RICO statute (1970)
Illegal Enterprise Paradigm	Entrepreneurial activities	German BKA\LKA definition of OC (1986)
Threat Assessment	Risk factors	UN Convention Against Transnational Organised Crime (2000) Annual EU Organised Crime Threat Assessment (2006+)
Organisation of Serious Crimes	Commissioning processes	EU Council's decision on Europol 2006 (to come into force 2010)

Policy Trends and their Research Implications

All of these trends continue to attract support and compete for prioritisation on policy agendas and research programmes. To draw upon a musical metaphor, we can refer to them as 'refrains' to suggest that whilst they have been coterminous for much of the history of 'organised crime' as a problem for public policy, some have been louder than others at certain times and in certain contexts. This metaphor helps us understand the contentious quality of this policy issue and the particular cacophony of current policy debate. As indicated in Table 1., it is possible to differentiate key policy trends in terms of the particular analytical focus they privilege and how this leads to the problem being 'framed' in ways that prioritise certain kinds of actors, activities and contexts for policy responses, whilst down-playing others.

Alien Conspiracy Theory

Histories of the definition of 'organised crime' as an official category and focus for policy trace its origins to arguments in American law enforcement (Woodiwiss, 2003). One of the earliest uses of the concept has been traced back to the 1896 report of the New York Society for the Prevention of Crime into racketeering, gambling and prostitution. Both here, and in the US National Commission on Law Observance and Enforcement (the Wickersham Commission, 1929-31), the problem is defined in terms of the political and economic conditions generating racketeering, including the corruption and collusion of public officials in municipal government (ibid.; Smith, 1991). Post-Second World War, however, historians identify a major shift in policy discourse; 'what' questions about the kinds of crime that were being organised and how they were organised became less important than questions about 'who' was doing the organising, in particular concerns about the influence of foreign career criminals (Smith, 1991). Critics of this analytical shift refer to the new concept of organised crime as an 'alien conspiracy theory', epitomised by the proceedings of the

1950 Kefauver Senate Investigating Committee (on 'organised crime in interstate commerce') which was preoccupied with the organisation of criminal conspiracies around ethnic groups, in particular those emanating from the Italian-American community. In contrast to the earlier Wickersham Commission, the Kefauver Committee was conspicuously silent about the role of officialdom in the facilitation of criminal enterprises; the now familiar distinction between the 'upper-world' of legitimate commerce and government and the 'under-world' of criminal conspiracies had become enshrined in public policy (Paoli and Fijnaut, 2004).

The Kefauver Committee popularised the idea of, 'a nationwide crime syndicate known as the Mafia, whose tentacles are found in many large cities' (United States Senate, 1951: 131). Mafia imagery subsequently dominated policy discourse in the US, compounded by the notorious testimony of Joe Valacchi given in 1963 to the US Senate Permanent Subcommittee on Investigations, in which he discussed his participation in an Italian-American crime syndicate, 'La Cosa Nostra'. The concept of organised crime as the consequence of ethnically-based syndicates with international connections was given academic credibility through Donald Cressey's contribution to Lyndon Johnson's 1967 Presidential Task Force on Organised Crime. Cressey's (1969) landmark text, *Theft of a Nation*, represented organised crime in the US as a shadow state, mirror-imaging, the hierarchically organised rational bureaucracies of the law enforcement agencies charged with tackling 'it'.

These core aspects of the Cressey model also clarify the purposes of the principal law enforcement instrument that came out of the Johnson Task Force, the Racketeer Influenced and Corrupted Organisations (RICO) statute of 1970, to prosecute membership of criminal enterprises involved in predicate offences. The analytical preoccupation with organised crime groups received a 'pluralist' revision in Ronald Reagan's Presidential Commission on Organised Crime, which retained a focus on the threat posed by ethnically-based syndicates but broadened the scope beyond the Mafia to accommodate the perceived impact of 'Colombian Cartels', the Japanese Yakuza and Russian groups etc. (Potter, 1994).

The lineage of the alien conspiracy theory continues through to present representations of 'transnational' organised crime in other regions, particularly in Europe post-Soviet Union, and can be discerned in the EU's threat assessments (see below). Within the American 'home' of the concept of organised crime, however, this theory has been challenged by those arguing that much illegal market activity, particularly in the narcotics markets, operates in a 'disorganised way' and is better conceptualised in terms of marketplace dynamics (Reuter, 1983; Naylor, 1997).

Illegal Enterprise Paradigm

Conceptualising organised crime in terms of illicit enterprise has also been a defining characteristic of much European policy activity in relation to organised crime, as epitomised by the definition offered by the German Bundeskriminalamt in 1983:

'Organised crime constitutes the planned commission of criminal offences driven by the quest for acquiring profits or powers. Such criminal offences have to be, individually or in their entirety, of major significance and involve the cooperation of more than two participants acting with a common intent for a longer or indefinite period of time on a distributed-task basis:

- a) by utilisation of commercial or business-like structures
- b) by application of violence or other methods suitable for achieving intimidation or
- c) by exerting influence on politics, the media, public administrations, justice systems, or commerce and industry.'

The analytical concern with enterprise has the advantage of shifting policy change and learning away from the blunt, ethnocentric and potentially bigoted, focus on ethnically-defined groups (without denying that ethnicity and kinship can be employed as resources for organising serious

crimes, see below). It accommodates looser partnerships of co-offenders and consequently acknowledges the phenomenon of project crimes arranged by networks of illicit entrepreneurs brought together by 'criminal contact brokers' for the purposes of commissioning particular offences (Hobbs, 2001; Klerks, 2003).

This looser definition has, however, attracted criticism for its ambivalence in accommodating activities ranging from tax fraud through to drugs trafficking and terrorist activity and actors as diverse as the Italian Cosa Nostra through to youth gangs (Fijnaut, et al, 1998). Paoli and Fijnaut (2004: 41) conclude their history of the concept of organised crime by arguing:

Its very plurality of meanings, explaining its recent success in world public debate, and making it a catchy label to signify popular anxieties and foster legislative changes, hinders the full transformation of organised crime into a clear-cut legal category. Despite the definitional efforts made by several domestic governments and international organisations, organised crime is still far from meeting the normative characteristics of legal categories and its definitions usually lack both rigorousness and exhaustiveness. It remains a vague and ambiguous catchphrase, the application of which inevitably entails varying – but usually high – degrees of arbitrariness.

Threat Assessment

One response to this definitional problem has been to replace the search for an all-encompassing definition with evolving content definitions of emerging threats and risks. This approach is exemplified in the European Union's annual Organised Crime Threat Assessment, which commenced in 2006. Table 2., provides a summary of the key indices or risk referred to in this first assessment.

Table 2. Threat Assessment Indicators, Categories and Patterns

Key Indicators of OCGs	Categories of OCGs	Regional Patterns of OCGs
<ul style="list-style-type: none"> • The International Dimension: meaning, 'international co-operation, • OC Group Structures: patterns of criminal association and co-offending, • Use of Legitimate Business Structures • Specialization: providing or recruiting actors with specialist skills • Influence and Corruption: misusing entrusted power for private gain; • Violence; • Counter-measures: undertaken by OC groups to avoid detection and prosecution. 	<ul style="list-style-type: none"> • Territorially based, indigenous OCGs, with extensive transnational activities; • Mainly ethnically homogenous groups with their leadership and main assets abroad; • Dynamic networks of perpetrators; • OCGs based on strictly defined organizational principles without an ethnic component, coupled with a large international presence. 	<ul style="list-style-type: none"> • The south-eastern region of the EU, with a focus on Turkish and Albanian OCGs; • The south-western region of the EU, with a focus on certain African OCGs; • The north-eastern region of the EU, focusing on the Baltic States and the influence of Russian speaking OCGs; • The Atlantic region, revolving mainly around the pivotal transnational role of Dutch, British and Belgian OCGs.

Source: European Union Organised Crime Threat Assessment, 2006 (OCTA, 2006: 11-17, 24).

This first threat assessment argued that whilst the Organised Crime Situation Reports (OCSR) that preceded the OCTA, provided a descriptive account, the OCTA, 'puts an emphasis on the qualitative assessment of this complex and multi-faceted phenomenon', noting:

There is a need for a close attention on key criminals, their networks, the financial dimension of the OC groups and their ability to communicate within and between one another. That is, the functional side of OC must be at the forefront of the attention, asking the question what they are doing and how, rather than who they are (OCTA, 2006: 6).

In these terms the OCTA recognizes different kinds of organised groups, including 'flexible and fluid patterns of association between individual criminals' and emphasises the importance of understanding, 'the conditions under which patterns of criminal association and co-offending emerge and exist' (OCTA, 2006: 12). Reference is also made to the principal activities of these groups, specifically drug trafficking, trafficking in human beings and illegal immigration, fraud, Euro counterfeiting, commodity counterfeiting and intellectual property theft, and money laundering. The OCTA (2006: 17-22) also identifies 'key facilitating factors with regards to criminal markets', which provide OCGs with opportunities for commissioning serious crimes, including document forgery and identify theft, misuse of the transport sector, exploitation of the financial sector, problems of globalisation and ease of movement across borders.

Even so, the assessment proceeds from an identification of OC actors to their activities and their consequences, rather than taking the accomplishment of particular criminalized activities as the analytical focus, in which the mobilization of different actors is but one part. The admixture of the indicators, categories, regional patterns, principal activities and facilitating factors used to define the threats posed by organised crime groups has been criticised for producing a confused analytical tool. As van Duyne and Vander Beken (2009: 274) argue:

On the one hand, [the OCTA] seems a threat assessment when it tries to make statements about organised crime groups and criminal markets. On the other hand, it carries elements of an impact assessment since the evaluation of the level of threat is sometimes directly connected to its impact on society. Moreover, the analysis of key facilitating factors (like the misuse of the road transport sector) contains elements of a vulnerability study.

Mindful of the confused picture emerging out of the OCTA, the first assessment notes that, 'Weighting crime areas against one another is inherently difficult. This too, has less to do with analytical insights than value statements, reflecting different priorities in the MS [Member States of the European Union] and beyond' (2006: 25). It is acknowledged that, ultimately, the intelligence on which the OCTA is premised is gleaned from, 'years of political and law enforcement experience' (2006: 26), a dependence that is reinforced by the key methodological instrument of threat assessments; surveys of police forces' perceptions of organised crime activity (Gregory, 2003; van Duyne and Vander Beken, 2009).

Without wishing to dismiss the relevance of political and law enforcement-based assessments of threat, there is a danger that these bracket-off other kinds of expertise about organised crime. This has at least three possible ramifications (Edwards and Levi, 2008: 372-4):

1. Without reference to countervailing analyses, threat assessments run the risk of becoming self-referential, recycling the prevailing values and priorities (the categories and frames of reference) of the political and law enforcement agencies who are surveyed for the purposes of composing the threat assessments;
2. Privileging law enforcement intelligence presupposes law enforcement responses, even whilst the very limitations of law enforcement as a crime reduction strategy are recognised. Consequently, the first OCTA states both that the international scope of OCG activities and their infiltration of the upper-world of government and commerce, 'gives them a sort of impunity and perpetuity that counteracts law enforcement efforts', but it nonetheless asserts that, 'when attacking OC, law enforcement is at the heart of political and economic life in the EU.' (OCTA, 2006: 5, 23); and
3. The failure to switch the analytical focus from the prosecution of actors, OCGs, to the organisation of serious crimes (involving other factors than the perpetrators themselves)

inhibits the transformation of strategic priorities (such as sustainable crime reduction) into detailed operational recommendations.

In summary, whilst cataloguing of OCG actors and activities, threat assessments remain very obtuse and abstract. There is little sense of how serious crimes are actually organised and what this tells us about the possibilities for crime reduction. Whilst subsequent iterations of the annual OCTA have refined the discussion of its core concepts, the ramifications of its law enforcement-centred strategy remain. The latest assessment for 2011, for example, identifies the growing importance of the internet as a 'key facilitator' of organised crime, it notes the increased diversification of OCGs into 'multi-commodity' and 'poly-criminal' activities, notes the increased collaboration amongst OCGs in 'regional hubs' across Europe and the corruption of experts in transport, finance, real estate, law and pharmaceuticals who can facilitate serious crimes (OCTA, 2011: 5-6), whilst still concluding that, 'Targeted law enforcement action is needed to tackle the most dangerous criminal groups operating in Europe' (ibid. 4). The legacy of Kefauver and Cressey remains strong. Whilst not wishing to doubt the importance of the criminal prosecution of serious offenders for heinous crimes, the analytical distinction between criminal law enforcement and crime reduction remains important for innovations in the policy-research relationship. This has been central to the final trend that can be distinguished, that of understanding the organisation of serious crimes.

The Organisation of Serious Crimes

The distinction between law enforcement and crime reduction does not preclude the role of the former in the latter, only the treatment of the two as synonymous. If crime reduction is more than law enforcement, what else is it? Concepts taken from volume crime reduction, of household burglary and automobile thefts for example, have been used by criminologists to rethink the organisation of serious crimes (Cornish and Clarke, 2002; Ekblom, 2003; Levi and Maguire, 2004; Felson, 2006; Levi, 2007, see also Greenfield and Paoli, 2010; Vander Beken and Verfaillie, 2010). From this literature it is possible to identify a number of core propositions:

1. Reducing serious crimes entails an analytical focus on the *commissioning of offences*:
 - a. The attributes of perpetrators (whether lone offenders, co-offenders or alleged 'organised crime groups' are 'Albanian', 'Chinese', 'Russian' or whatever) are of concern only in so far as they help explain the commissioning process (for example the use of ethnicity and kinship as a resource for trafficking illicit goods and in ways that insulate trafficking networks from disruption, including interdiction by law enforcement) but of themselves have no intrinsic analytical value;
 - b. The offence-focus implies a concern with specific types of crime and a presumption (to be corroborated and refined through comparative empirical research) that different types of crime necessitate different commissioning processes or, to use a criminological term, they necessitate different '**crime scripts**' which break-down any crime into the particular sequence of activities through which it is accomplished (trafficking heroin from the Middle East into Western Europe, for example, requires a different script from the sourcing of materials for, and the production and distribution of, counterfeit fashion apparel and so on and so forth).
2. Understanding the commissioning of serious crimes entails an analytical concern with the *interactions* of offenders, victims and guardians in specific social contexts:
 - a. Contrary to the dramatic focus on the pursuit and prosecution of 'crime bosses', 'kingpins' and 'core nominals', a concern with the commissioning process also reveals the routine interactions between offenders, their targets and the presence or absence of capable guardians that consequently create opportunities for serious crime (for example the interaction of illegal drug dealers and consumers on street corners, public parks and other notorious places that are under-policed or otherwise 'unmanaged');

- b. A concern with the interactions through which specific crimes are commissioned needn't limit the analytical focus to particular situational settings (such as street corners or public parks) nor to current or retrospective knowledge about serious crime. It can broaden the social contexts of commissioning to include other kinds of environments, such as transnational markets and e-commerce through the internet, and to anticipate future '**scenarios**', including the likely consequences of different policy responses for escalating or reducing crime rates (Vander Beken and Verfaillie, 2010). Renowned examples include the impact of law enforcement operations against drug dealers generating violent turf wars for the share of markets freed-up by the successful removal of particular dealers or the likely consequences of decriminalising illicit drug use for public health and safety.
3. The *harmful effects*, the 'seriousness', of serious crime entails normative as well as empirical analysis and interpretation as well as measurement in the prioritisation of the policy response:
 - a. Another implication of the distinction between law enforcement and crime reduction is to shift the focus of policy outcomes from successes or failures in the prosecution of offenders for predicate offences, the volume of their criminal assets that are confiscated or the volume of illicit goods that are captured, towards reductions in the harmful consequences of these offences. The presumption here is that incapacitation or disruption of particular offenders does little to alter or debilitate the commissioning process or its harmful impact, particularly in highly lucrative markets such as the trade in narcotics, where there are many recruits waiting to step into the shoes of incarcerated or otherwise incapacitated offenders;
 - b. Establishing the relative harm of different types of serious crime is a challenging exercise, beyond the kind of legal criteria favoured by the outgoing Serious Organised Crime Agency in the UK (which defined seriousness in terms of an offence which would incur a prison sentence of at least 3 years on first conviction: SOCA, 2006:5n1)). It entails challenges that are both normative ('what constitutes a harm and from whose perspective?') and empirical (whether to calculate harms in terms of gross figures or net of possible benefits, for example the therapeutic benefits that are believed to accrue from cannabis use for those suffering neurological complaints; whether to tally harms over a year, a decade or a lifetime; and the commensurability of different harmful effects, say 'battered children and household burglaries' as harmful effects of illicit drugs use, see Greenfield and Paoli, 2010: 8-9). Even so, attempts are currently being made to develop a '**risk assessment matrix**' that ranks harms according to their 'severity' (on a scale from negligible to catastrophic) and their 'probability' (from unlikely to frequent). Although not without some interpretative flexibility, this matrix at least provides the analyst with a systematic starting point for prioritising the seriousness of certain activities relative to others from one extreme (frequent and catastrophic) to another (unlikely and negligible) (Greenfield and Paoli, 2010: 16; Paoli, *this volume*).
4. Analysis of the scripts, scenarios and harmful effects of organising serious crimes implies a more concrete *identification of weak points* in the commissioning process for specific types of crime and their prioritisation in policy responses:
 - a. Emerging work in this field identifies border controls, shipping routes and visa applications as notable weak points in trafficking human beings and transporting stolen vehicles (Levi and Maguire, 2004: 428-9). Other examples of weak points identified through script analysis include the ease with which payment card fraud could be commissioned (prior to the introduction of 'chip and pin' cards) (Ibid. 433-8), or the ease with which amphetamine-type stimulants can be manufactured using legal precursor chemicals procured from pharmacies (Chiu et al, 2011) or the ease with which Vehicle Identification Numbers (VINs) could be switched from legal but wrecked automobiles to stolen vehicles for the purposes of resale (Tremblay et al, 2001: 568);
 - b. These scripts reveal the important role of crime 'promoters', whether intentional and corrupted or unwitting, in supporting offenders in the commissioning of serious crimes.

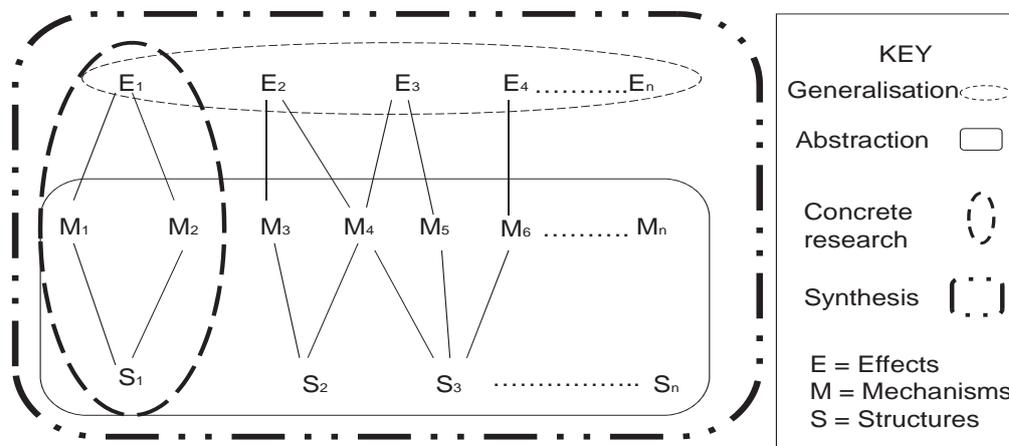
Viewed from the perspective of commissioning, the key actors are not only the offenders but the pharmacies providing precursor chemicals, the payment card companies providing credit that can be easily forged and the vehicle licensing authorities operating licensing regimes open to abuse.

- c. Allied to the harm reduction framework, the analysis of commissioning informs a policy response that can prioritise the investment of resources in targeting weak points and in accordance with judgements about the severity and probability of any given crime type. This is especially apposite in an 'age of austere' public expenditure and limited resources for crime prevention, particularly inefficient and uneconomical exercises in law enforcement.
5. A crime reduction strategy premised on the targeting of weak points in the commissioning process implies a *broadening of the policy response* from law enforcement to include other public authorities, the involvement of private organisations and public-private partnerships:
 - a. The identification of crime promoters, as well as offenders, in the commissioning process broadens the scope of crime reduction beyond law enforcement measures targeting known offenders. Allied to normative and empirical judgements about the harms associated with different crimes, this approach begins to suggest a rationale for a division of labour amongst public and private sector 'preventers' and opportunities for public-private partnerships in which the effort and costs of sustainable crime reduction are shared (Levi and Maguire, 2004: 417-23). In addition to charging public authorities other than the police (such as vehicle licensing) and private organisations (such as solicitors and accountants) with surveillance and enforcement duties in relation to the commission of serious crimes, this policy trend generates policy choices. It might, for example, be argued that scarce public resources are concentrated on crimes that are more frequent and more critical (if not catastrophic) for a higher proportion of the public (the exemplar being the trade in class A narcotics but, it could be argued according to this kind of calculus, also the on-line trade in counterfeit prescription drugs and the sale of contraband alcohol and cigarettes, see Hornsby and Hobbs, 2007). In turn, it might be argued that counterfeiting of luxury fashion goods (whilst now a sizeable illicit market) is less of a priority for public policy, as it is relatively less severe in its consequences than other crimes demanding a public response and that responsibility for its reduction ought to lie firmly with private organisations, their insurance companies and private security providers (Wall and Large, 2010);
 - b. Whilst highly controversial, the harm reduction approach provides a framework for discussing the necessary prioritisation of enforcement effort and its relationship to sustainable crime reduction in contexts of increasing pressures on public expenditure.

Researching the Organisation of Serious Crimes

Whilst the policy trend towards a focus on the organisation of serious crime remains subordinate to the other policy trends considered above, it is gaining increasing salience amongst the research community. Policy-oriented learning can be understood in relation to the types of research strategy implied by this trend and these can be distinguished in terms of *generalizations* about 'organised crime' as a singular subject, *abstraction* (or thought experiments) about the processes or mechanisms through which serious crimes can be commissioned and *concrete research* into empirical cases of how these mechanisms combine in the organisation of particular types of crime. Finally, research could consider the prospects for a *synthesis* of these research strategies to question whether there are any generic lessons to be drawn from comparative case studies of how particular crimes are organised and any complementarities or inter-dependencies in the commissioning of different crimes. The key components of these research strategies and their relationship to one another are illustrated in Figure 1.

Figure 1. Types of Research Strategy



Source: Adapted from Sayer, 1992: 237

These distinctions, taken from methodological debates in the social sciences (Sayer, 1992: 237) are helpful in clarifying how research strategies steer policy-oriented learning towards certain questions and away from others. As a research strategy, generalisation regards the effects of social relations or social events in relatively simple terms, its main purpose being to identify regularities and common properties. It is possible to understand conspiracy theories, illicit enterprise models and threat assessments as exercises in generalisation insofar as they define organised crime in terms of the attributes of organised crime groups ('utilising commercial or business-like structures', 'employing violence and other forms of intimidation', 'exerting influence on public authorities through corruption', 'ethnically homogenous', 'territorially-based' 'having a large international presence' etc., etc.). As suggested in the 'organisation of serious crimes' paradigm, however, this is a theoretical failure that reduces organised crime to a singular, simple, thing in order to ask how 'it' is organised, rather than focussing on specific criminal activities and how they are organised through various factors (in addition to the perpetrators), how these factors can evolve over time, what they tell us about the actual commissioning of crimes and what this suggests for the identification of weak points in 'the script' that can, in turn, be targeted for the purposes of harm reduction.

To understand the organisation of serious crimes it is necessary to replace generalisations about organised crime groups with a focus on 'concrete' crime types. Here 'concrete' refers to the idea of social events, such as the commissioning of particular crimes, as 'unities of diverse determinations' (Sayer, 1992: 236). Analysis of crime scripts and scenarios seek to capture the multifarious mechanisms (signified in Figure 1., by M1, M2, M3 ... Mn) that combine to generate different crime events (E1, E2, E3 ... En) and that can combine in different ways to produce different crime outcomes (M1 + M2 = E1; M3 + M4 = E2; M4 + M5 = E3; M6 = E4 etc.). To take the example of the manufacture and distribution of Aphetamine-Type Stimulants (ATS) discussed by Chiu et al (2011), it is possible to identify several mechanisms:

- M1: Location of laboratory (House, shed);
- M2: Getting the goods (legal purchase, illegal purchase, social network);
- M3: Storage of goods (Laboratory, rental sheds, storage facilities);
- M4: Cooking drug (Test cooks, chemist experts);
- M5: Packaging drug;
- M6: Distribution of drug (In person, official courier);
- M7: Benefits (Personal consumption, money).

(Adapted from Chiu et al, 2011: 362).

These mechanisms can be regarded as the necessary requirements of synthetic drug production and distribution yet whether and how they actually come together to successfully commission this criminal enterprise is contingent on various context-specific factors: the capacity to source and store precursor chemicals (in sufficient quantities at regular intervals), to recruit the necessary expertise to combine these chemicals, to store and distribute the final product in ways that do not attract the attention of the authorities and so forth. In turn this crime script suggests potential weak points in the commissioning process that might prove more amenable to remediation than laborious and expensive law enforcement strategies targeting perpetrators for the purposes of criminal prosecution and sanctioning; for example, a stricter licensing regime for the legal sale of chemical precursors and monitoring of pharmacies monthly stocks and sales.

Implicit in the analysis of crime scripts and more explicit in the concept of crime scenarios, is the importance of thought experiments or 'abstraction', to identify possible causal mechanisms. Abstraction fulfils two key analytical purposes. It counters self-referential thinking (for example, the recycling of current political and law enforcement categories and frames of reference) by encouraging analysts to employ other frames of reference (e.g. framing the drug trade as an issue of public health, addiction and compulsive consumption not just 'rational choice' or as an issue of thrill-seeking cultural practices and other 'notes on the script', see Hayward and Young, 2004; see also, Wall and Large, 2010, on counterfeiting of luxury fashion goods as a cultural practice). Secondly, it encourages analysts to think about the social structures that generate these mechanisms and their possible ways of acting (signified in Figure 1., by S1, S2, S3 ... Sn). It encourages analysts to connect social structural trends to crime commissioning processes (for example the consequences of substantial sovereign debts for public expenditure on law enforcement and other preventive efforts; the expansion of the drugs trade as an alternative to reduced employment opportunities in legal economies; the increased demand for contraband and counterfeit goods given reductions in disposable income and prices in the formal economy; the impact of civil wars and military interventions on governing capacity and as drivers of serious crime to fund (para)military campaigns etc.).

Some advocates of crime script analysis eschew this kind of structural analysis as an unnecessary distraction from identifying the situational opportunities for commissioning serious crimes and the more pragmatic, feasible, strategies for prevention implied by a focus on 'proximate' factors, rather than the 'distal' factors that are the concern of political-economy (Cornish and Clarke, 2002). However, structural analysis remains important for establishing the governing capacity for responding to emerging crimes; what, for example, can 'capable guardianship' mean in the context of major reductions in police, municipal government and other statutory services within countries experiencing severe crises of sovereign debt? What else can capable guardianship mean in the context of weak states where criminal enterprises provide what limited employment opportunities and welfare services are available to marginalised populations? How sustainable are crime reductions in a context where, to return to the insights of the Wickersham Commission, capable guardianship has been captured, if not owned, by criminal enterprises? (Edwards and Levi, 2008: 378-81).

The, as yet, untried synthesis of these research strategies suggests a future direction for the policy-research relationship in responding to serious crimes. It addresses a conceptual problem with the offence-specific focus of crime script analyses, which is that interconnections and interdependencies may exist across different crimes, amounting to a cumulative problem, the 'multi-commodity' and 'poly-criminal' enterprises identified in the current EU OCTA (OCTA, 2011). These interconnections are 'framed-out' of an analytical focus on the commissioning of specific crimes, notwithstanding the depth of insight that concrete studies of commissioning can yield. For example, some crimes, such as armed robbery or, in the digital age, the less risky enterprise of internet fraud, may be committed as an end in themselves or to fund entry into more lucrative drug markets, which may in turn fund the trafficking of people into the sex industry or other forced labour markets.

Whether and how these specific crime types are interconnected is a moot point for a research strategy that looks for the mechanisms connecting the commission of different crime types (signified in Figure 1., by the relationship of M4 to both E2 and E3). A significant pay-off from this synthesis could be the identification of particular mechanisms (for example, absent border controls (M4)) that if targeted could yield sustainable reductions in several serious crimes (for example traffic in human beings + narcotics (E2 + E3)). Synthesis also encompasses generalisations, for example regularities in commissioning processes, which might prove important for identifying those causal mechanisms which are 'super-weak points' (such as border and port controls) in the commissioning of several serious crime types and which could be employed in strategies aimed at 'poly-crime' enterprises.

Synthesis also provides a research strategy for testing propositions about crime deflection or displacement (Pease, 1994) and how these can impact on the reduction of serious crimes. For example, the malign displacement of stable drugs markets into violent turf wars is a renowned criticism of law enforcement interventions within the field of drugs policy (Edwards and Gill, 2002), less clear is the displacement effects of intervention against certain serious crimes (e.g. narcotics trafficking) for driving the diversification of criminal enterprises into commissioning other crime types (e.g. fraudulent e-commerce; counterfeiting etc.). In these terms, synthesis supports the normative and empirical questions provoked by the harm reduction approach; whether, for example, a strategic policy ought to be adopted for deliberately seeking to deflect the organisation of serious crimes that could be regarded as more severe and more probable onto those with a lower threshold of severity. The broader point is that as a research strategy, synthesis better facilitates the kind of strategic and anticipatory policy-making that is required in 'austere' economic conditions where motivations for organising serious crimes are fuelled whilst governing capacity is weakened.

Conclusion

If the aspiration for 'evidence-based' policy-making is retained, these methodological considerations become even more significant for public debate. If the aspiration is to escape the self-referential narratives of law enforcement and re-frame policy responses to serious crimes in ways that are more suited to the scenarios presented by the political-economic challenges of the present, current trends in criminological research present grounds for guarded optimism. Although methodological innovations in the analysis of crime scripts, scenarios and harms are still nascent, they are already beginning to demonstrate the advantages of broadening policy-oriented learning beyond a preoccupation with organised crime groups to the processes through which serious crimes are actually commissioned and the social structures which generate these processes and imply targets for strategic interventions.

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A HISTORY OF ORGANIZED CRIME POLICY (EXCERPTS)

Michael Levi

Introduction: from Scientism to Transparency

Organized crime is not a term of science: it is a label or image with enormous emotional baggage that is applied to people of whom we are (usually reasonably) very fearful, unless we want to make use of such offenders' supply services for illegal drugs or immigration, transportation, or protection/ revenge. The ambivalence of its denotation – what are its outer boundaries – makes the task of scientifically evaluating its prevention even more difficult than it might be. What is it that we are evaluating the prevention of, and what evidence do we have to enable us to do so?

The methodological gold standard is of course the Randomised Control Trial, but only a moment's reflection would teach us that it is neither practicable nor ethical to apply this to many criminal activities or groups that fall within the "organized crime" category. Imagine that we wanted to set up a trial to reduce human trafficking in which some countries received some interventions like tough border controls and national identity schemes, with instant deportations or slave camps for identified illegal migrants, while other countries had liberal policies. How would we do this within the EU, where free movement is guaranteed (especially within Schengen)? Or how we would allow distribution of illegal drugs in one country but generate interventions in others? Or if we allowed protection racketeering in some countries but a strong clamp-down in others? Or if we allowed police corruption in our control group area? How would we find the matched countries or cities and the baseline data on the incidence and prevalence of harms/groupings of offenders? We can imagine the media reaction if this got out, and of course the reactions of those countries that have ethics committees to run research through.

Of course, there are some natural experiments where we can look at changes over time or try to match countries which have many similar characteristics but important policy and practice differences. Little wonder, then, that the Sherman et al. (1997) Report to the US Congress on what works in crime prevention contained not a single word about organized crime or white-collar crime. Apart from my work on payment card fraud prevention, the UK Home Office website is fairly silent about these issues, despite the endless EU, UN, G8, FATF¹ and other anti-money laundering meetings on a variety of topics. This does not mean to say that other issues are unimportant: of course, domestic violence, knife and gun crime, juvenile gang and vandalism, burglary and vehicle crime are important to people. But it is time we focussed some of our preventative energies on these other 'high end' crimes and crime groups, too.

This broadening of the interest of governments in high-level crime prevention has started to happen. The last decade has seen a flowering of research studies, though if we stripped out funding from the European Commission (EC) and from the British, Dutch, and Swedish governments, there would be very little left. Some effort has been put into "crime proofing" at the legislative stage, though some of these efforts have been politically naive. The prevention of crime risks at source looks like an important objective; but so too is the free market of goods and services across the EU, and guess which has the greater political priority? Designing out thefts of high-technology items looks like a good idea, but unless firms can be fined for producing and/or selling stealable items (on a "polluter pays" principle), time to market and attractiveness are critical. In other words, social power matters, and crime prevention often (though not always) fails when it runs up against the interests of powerful actors.

¹ Financial Action Task Force established in 1989 by the G-7 Summit.

Let us look a little harder at the meaning of organized crime prevention. Are we to evaluate the prevention of fear-inspiring people

1. From doing serious harms?
2. From doing any business at all or purchasing real estate, however innocent the immediate purpose (surely one aim of the money-laundering legislation)?
3. Or what?

If we are to say instead that we are evaluating the prevention of organized criminal **acts** (or “serious and organized criminal acts”), then what is added by the term “organized” and why should we restrict it to acts committed by three or more people, as under the UNTOC² 2000? My aim here is to stress the importance of clarifying what our policy goals are before we can assess how badly or well we are doing. Little wonder that Europol has sensibly abolished organized crime as part of its mandate, replacing it by “serious” – which has its own difficulties, but fewer of them.

When I and Maguire carried out a review of organized crime prevention for the EC and the UK Home Office in 2000-2001, we found that Member States had engaged in very little serious analysis and came up principally with operational exercises that had yielded good outputs, with very little sense of how these had affected levels of criminality or even of the ways crimes were “delivered.” We concluded that with the exception of payment card fraud, data on incidence and prevalence of any type of serious crime for gain were too poor to enable us to conclude any scientifically defensible view about impact (Levi and Maguire, 2004). What has happened in the intervening near-decade? In essence, there has been an enormous amount of work deconstructing the notion of organized crime, describing the vulnerabilities of different sectors to organized crime and efforts to close down opportunities for organized crime to operate. The latter include anti money-laundering and anti-corruption efforts; confiscation and civil recovery of the proceeds of crime; surveillance, witness protection, cross-border Joint Investigation Teams, etc. Most of this work is descriptive, or is sociological work that examines the growth of the surveillance culture in different manifestations, or is socio-legal work that looks at how control is privileged over human rights and indeed over the purity of the criminal law (for example, by the array of cradle-to-grave offender lifestyle management *civil* powers granted to the Serious Organized Crime Agency, SOCA). On the rare occasions when there is any significant degree of evaluation, they typically evaluate the impact of tactical approaches to particular outcomes, often seizures and arrests, sometimes drug prices, purity and availability in the short term. Drug Policy evaluations tend to take a ‘doom and gloom’ ‘nothing works’ motif (see Stevens and Reuter, 2008; and the general work of the Beckley Foundation and UK Drug Police Advisory Committee). When researching the effectiveness of anti-money laundering and asset forfeiture initiatives, I was shocked to discover that the US government had not funded a single study of either, from among the hundreds of millions of dollars spent on crime and justice research. (Though there are some more recent studies of informal funds transfer and terrorist finance.) Financial crime prevention has also been largely missing in research literature, except for some Swedish studies of tax crime (though see Levi, 1987, 2006).

On mainland Europe, however, there have been some more global attempts to evaluate the impact of measures against organized crime, most notably the Dutch administrative prevention approach (e.g. Huisman and Nelen, 2007; Nelen and Huisman, 2008; and van der Schoot, 2006). These evaluations have been fairly sceptical of the impact on levels and organized crime, and one possible lesson that I would personally draw from them (and from the ‘best practice’ initiatives reviewed in Council of Europe, 2001), is that rolling out wider initiatives from a highly motivated core group is a very difficult process which governments and implementers consistently underestimate. The idea that one is replicating a program abstracted from the charismatic properties of the individuals involved is a serious *theory failure* that makes an incorrect assumption about the nature of ‘what works.’ (This can

² The United Nations Convention against Transnational Organized Crime (**UNTOC**), adopted in November 2000.

equally apply the other way around: programs can be discarded because they apparently “don’t work” when the failure may have been due to lack of commitment or skills, or an unpropitious environment to operate in. We need to be far more careful and ethnographically aware before we generalize.)

Let us examine these issues in a political context. The unpopularity of bankers and of drugs traffickers has enabled the State to regulate for the interests of the State rather than the banks themselves certain areas of financial services activity that otherwise might have been very difficult, and in this sense, the demonology of “organized crime” has been very ‘useful.’ Likewise, in attempts to cut down on “human trafficking,” truck drivers have been fined heavily and their trucks impounded for carrying illegal migrants across the Channel: this led large firms to introduce new technology for checking (by carbon dioxide levels) whether their trucks were stowaway-free. There has also been a focus on taking out drugs manufacturers and distributors in countries of origin, rather than waiting till they were close to the shores of the UK or other European countries.

There is no absolute demarcation between the above and criminal justice interventions: repressive measures can be preventative. Controls on money laundering and asset confiscation/recovery, for instance, are intended to increase the probability of identification/conviction of organized criminals, to deprive them of the fruits of crime and to prevent their future harm by administrative and financial incapacitation (Levi and Reuter, 2006, 2009). But there are other ways in which situational opportunity and designing out crime concepts are utilised to deal with crimes that are “organized.”

Table 1 represents the three main “non-traditional” approaches to the prevention of organized crime that can be found at present. Like situational prevention techniques, this is a kind of ‘natural history’ classification of broad intervention methods, each of which may work by several mechanisms.

Table 1. Non-traditional approaches to organized crime prevention

Community approaches	<ol style="list-style-type: none"> 1. Community crime prevention 2. Passive citizen participation: giving information about harms and risks, hotlines 3. Active citizen participation: civic action groups
Regulatory, disruption and non-justice system approaches	<ol style="list-style-type: none"> 4. Regulatory policies, programs and agencies (domestic and foreign, including non-governmental organisations and IGOs such as the IMF, OECD/FATF and World Bank) 5. Routine and suspicious activity reporting by financial institutions and other bodies 6. Tax policy and programs 7. Civil injunctions and other sanctions 8. Military interventions 9. Security and secret intelligence services 10. Foreign policy and aid programs (US ‘certification’ of countries as adequate/inadequate in their anti-drugs measures)
Private sector involvement	<ol style="list-style-type: none"> 11. Individual companies 12. Professional and industry associations 13. Special private sector committees 14. Anti-fraud and money laundering software 15. Private policing and forensic accounting

(a) Community approaches

Traditional situational crime prevention neglects the area of community action, considering it as being too far from the proximal ‘causes’ of crime. Nevertheless, in the arena of organized crime, community action has an impact on the pool of willing offenders, whether they are positively involved

in crime or are simply unwilling testifiers against offenders or passive assistants in the components of crime. Williams and Godson (2002) discuss as an example of criminality prevention some social experiments in Palermo, where 25,000 children annually attend an educational program designed to change the cultural norms that allow the Mafia to flourish.³ In Sicily, there have also developed local active citizen groups, though such anti-Mafia activism remains dangerous to those advocating it openly, and anger is hard to turn to constructive, long-term use.

Hicks (1998), in exploring the potential for a greater role of crime prevention strategies in tackling organized crime, stresses the linkages between unorganized property crime and more organized criminality because – especially when unemployed – drug users require cash and crime is an important source of it.⁴ Moreover, one of the most recent trends in urban property crime has been the organization of young offenders by adults to commit burglaries and car thefts (though one might counter that this phenomenon is hardly new: it goes back at least to the criminal careers of Jonathan Wilde and also Ikey Solomons – who was the model for Dickens' Fagin – and the Victorian rookeries). According to Hicks (1998: 334), the connection between unorganized and organized crime demands that preventative approaches, traditionally applied to the former, also be conceptualized to support local intervention to address the substructure of organized crime. However, it is worth noting that when applied to crop substitution for drugs and to employment alternatives to money-laundering, for example, the economic dimensions cannot sensibly be ignored by focussing simply on changing 'hearts and minds': ignoring the legal sanctions, crime is often more profitable than the alternative.

Nevertheless, as a total concept in attacking organized crime, community crime prevention approaches are limited because at some stage of the organized crime process – from financing through to laundering – other jurisdictions are likely to be involved which have less interest in crime suppression, unless they can be persuaded or forced to assist by some international action, including shaming and the threat of economic sanctions (see Blum et al., 1998; Gilmore, 2004; Levi and Reuter, 2006, 2009; Williams and Godson, 2002). One such exercise – the FATF non-cooperative countries and territories (NCCT) process – was very successful politically in pressurising the adoption of anti-money laundering laws and programs. All 23 jurisdictions identified as NCCTs in 2000 and 2001 are no longer on the NCCT list as they have made significant progress. Implementation of anti-money laundering (AML) has been much harder to evaluate, however, and is much more variable than mere legal and institutional introduction.

(b) Regulatory, disruption, and non-criminal justice approaches

The second category in Table 1 covers a wide range of activities, which have in common the use of the powers of state agencies other than those whose main responsibility concerns law enforcement or criminal justice. One important aspect of this is the use of powers in the financial and tax areas, where in essence the focus of the attack is upon the financial assets of organized criminals rather than on criminal prosecution as such. (Tax evasion was the only charge feasible against Al Capone, but the use of tax prosecutions against gangsters has never been a feature of British criminal justice.) Thus, in the Irish Republic (Criminal Assets Bureau Act 1996) and the UK (Proceeds of Crime Act 2002), as well as in the United States, civil law means and standards of proof are used to "recover" for the State the assets deemed to be derived from crime, irrespective of whether or not anyone is ever convicted or even prosecuted for those crimes. The aim here is to undermine both the motivation of criminals to become "top organizers" and their resources to be able to do so. This

³ Whilst this would seem to be a good thing in itself, its effects in practice remain to be evaluated: these effects might take the form of greater willingness to pass information to the authorities (a shorter-term effect) or lesser willingness to assist or join Mafia-type associations in future (a much longer term effect).

⁴ There is a risk factor also not just in the need for cash but also the susceptibility to blackmail of drug or "hard porn" users working in the financial services industry should they fail to assist fraudsters and money launderers. There are plausible anecdotes about such cases, but few concrete examples. Such internal co-operation may also occur voluntarily, especially in response to worsening economic circumstances. Again, links to 'the recession' are anecdotal and not evidenced.

can be reinforced by extended powers to confiscate large (in the UK, in 2009, as low as £1,000) cash sums inland that do not have a legitimate explanation, as contained in the Proceeds of Crime Act 2002. A second, rather different, aspect is the use of the regulatory powers of local authorities, environmental and licensing agencies and the like, to disrupt the 'businesses' of organized criminals by making it more difficult for them to obtain necessary licenses, find suitable premises, and so on. This can be seen in experiments commencing in the Wallen "red light" district of Amsterdam and then extending throughout the Netherlands, where tight controls are exercised over property ownership, with intensive reviews of intending and existing owners and their associates to "keep organized crime out" (van de Bunt and van der Schoot, 2003; Huisman and Nelen, 2006; Levi and Maguire, 2004; van der Schoot, 2006). Civil injunctions have been used under US Federal and State RICO⁵ laws to place corrupt unions and businesses under court-approved management, and quite apart from high-profile arrests that may accompany the civil measures, this appears to have had an impact on this highly visible form of structured organized crime, measured for example by garbage disposal and fish market prices (Jacobs, 1999; Levi and Smith, 2002), though there is less evidence of impact on other crime phenomena in the US.

Regulating the Money Trail

A major component of the regulatory efforts to prevent and detect organized crime relates to money laundering. This term evokes images of sophisticated multi-national financial operations that transform proceeds of drugs trafficking into clean money. What was formerly a genteel sovereign right of any nation to assure "customer confidentiality" has become redefined pejoratively as unacceptable "bank secrecy" that facilitates the drugs trade (Levi, 2007). In this global risk management process, "modern" areas of law enforcement have sought to combine targeting the suspected person (Maguire, 2000) with targeting (or seeking to target) activities that might give rise to organized crime opportunities, such as international financial transfers, and/or the conversion of large sums into foreign currencies. They have also tried to create an "audit trail" for proceeds of crime by requiring all financial institutions to identify their customers. (Though this does not prevent gangsters and fraudsters from employing 'front men' to lend their names to accounts.)

The logic of controlling the crime proceeds money trail is that profit motivates crime, and because drugs and vice sales – certainly at street level – are (or are believed to be) in cash, the "organizers" (to the extent that they exist) have to find some way of converting these funds into financial resources that appear to have legitimate origins. If they are prevented from doing so, their incentives to become major criminals are diminished, so there is both a general and a specific threshold preventative effect from anti-laundering efforts. These preventative effects can be reinforced by (i) requirements on financial and other "risk-prone" institutions to report large cash and/or "suspicious" transactions to specialized police or administrative financial intelligence units – the sort of "responsibilization" process noted by commentators on "governance-at-a-distance" as a feature of late modern society; and (ii) proceeds of crime confiscation or forfeiture laws that are intended to incapacitate both individuals and criminal organizations from accumulating substantial criminal capital and the socio-economic power that accrues from this. When Pablo Escobar offered to pay off the Colombian National Debt in exchange for not extraditing him to the US, we can safely say (if his offer was credible) that such socio-economic power exists: though the Colombian government, perhaps worried about US counter-measures, turned him down. Whether such socio-economic power is possessed by any "organized criminal" in the UK or in any other EU country, including Bulgaria, remains more doubtful, however.

An anti-laundering strategy requires a major global infrastructure of compatible legislation and mutual legal assistance both for financial investigation and for proceeds of crime restraint and confiscation. However, the reason why this is in section (b) of the table rather than sections (a) or (c) is that these anti-laundering activities have become grafted onto the more conventional

⁵ Racketeer Influenced and Corrupt Organizations Act, a US Federal law of 1970.

apparatuses of financial regulation administered by the Basle Committee of Banking Supervision and by the International Monetary Fund, not always comfortably. The mode of governance selected for the spread of anti-laundering performance monitoring has been primarily mutual evaluation by peer countries within regional bodies and within the 39-member Financial Action Task Force (FATF), set up in 1989 by the G-7 most industrialised countries to give practical effect to the 1988 UN Vienna Drugs Convention. However in 2000, powerful FATF countries decided to penalize financially those (actually, non-member) countries who did not co-operate to their satisfaction, requiring financial institutions to take greater care (and slow down) when transacting business with countries that are publicly “named and shamed”: if the countries did not change, further sanctions were threatened and, at the end of 2001, the tiny Pacific island of Nauru became the first to suffer these sanctions; yet of the 23 countries judged in 2000 and 2001 to be “non-cooperating,” none remains on the list in 2009. This is an example of attempts to control globalization processes that facilitate crime, especially “organized crime” and, lately, terrorism. Insofar as some preventative measures involve imposing costs on private sector interests or even eliminating major chunks of profitability, there may be substantial political resistance, depending on the relative power of such interest groups in the localities concerned⁶. Without these pressures to conformity, there would remain a global (non)system of regulatory arbitrage – the ability to locate key operations where regulation is lightest, whether this lightness is based on lack of legal powers to invade banking or corporate secrecy or is based on charisma, corruption or economic power – of which criminals can take advantage if they have the discipline, knowledge, and contacts.

(c) Private sector involvement

Some of the private sector involvement has been discussed above, as it has been compelled by legal requirements placed on private sector institutions to play their part in crime opportunity reduction. An increasing number of banks have spent large sums – especially after the September 11 attacks – on elaborate software to try to identify patterns of laundering electronically, mainly to avoid reputational risk and huge fines from regulators, as well as possible jail sentences for designated Money-Laundering Reporting Officers. However, the choice of electronic methods results also from an awareness that systems based on human awareness of customers cannot readily cope with the billions of transactions whizzing daily around the world without any staff seeing them. Furthermore, electronic systems offer some alternative intelligence to reduce the risks of corrupt staff turning a blind eye to particular customers’ activities. Likewise, electronic data-matching has proven very successful in reducing fraud in the private and public sectors (CIFAS, 2009; Audit Commission, forthcoming).

Except for the sense that the world’s economic system and their economic welfare is harmed by terrorist finance, few of these measures would be undertaken to enhance profitability, but there are other areas in which private sector has invested in measures against organized crime because these threaten its core interests. Thus, the telecommunications industry, the payment card industry, the record & film industry, and the clothing industry have paid for small groups of investigators to carry out undercover operations and disrupt factories and key crime networks attacking their core interests. Much of this work is transnational, because factories in Bulgaria, China, Malaysia, Rumania, Russia, Serbia, Taiwan, and Turkey may be churning out millions of CDs and DVDs or fake Levis that cut into their profits and branding, even if many of the poorer cut-price purchasers would not have been able to buy the goods at full price. Moreover, quality counterfeit credit cards can be used to generate duplicate identities, leading to hundreds of millions of pounds in real losses to banks and merchants. Visa, MasterCard and American Express also try to ensure that corrupt

⁶ In a Small Island Economy, an entrepreneur can exercise almost total domination, through charisma, corruption or prospective economic damage should s/he withdraw. Where leading politicians personally have a large (declared or undeclared) stake in the interests affected, the difficulties of engineering change are most acute. In such cases, there may have to be incapacitation at the international level, as in the economic sanctions imposed by the US in their kingpins and other legislation which makes it an offence to transact business for particular individuals or even nation states such as Iran, Iraq or Libya.

merchants are not allowed to open new accounts, at least within the same country. The reason why these measures are taken against organized crime rather than simply “crime” is that well-organized operations (whether networks or hierarchical gangs) can do an enormous amount of economic damage very quickly. In a world of competitive profit-seeking, some individual companies will do more than the collective industry bodies, especially if they have advanced software.

Effectiveness of Organized Crime Prevention

The impact of anti-organized crime measures on outcomes remains insufficiently analyzed, since there are few reliable data on the ‘before’ or ‘after’ (a) levels or (b) organization of drugs and people trafficking, European Union fraud, etc. For example, the law enforcement agencies in EU and Council of Europe member countries are required to return annual counts of the number of organized crime groups, but quite apart from quality monitoring issues, it is not obvious whether a reduction in the number is a good thing (less harm has been caused or there is a lesser threat to society), or is a bad thing – it is an indicator of monopoly or oligopoly rather than of looser networking, and therefore a greater threat to society. Some approximations for illicit use can be made from self-report studies or from sophisticated techniques for estimating prevalence, but these do not explain or enable inferences to be made about how offending is organized. Very few countries or institutions will now accept strangers or even established clients bringing in briefcases full of cash – 500 Euro notes offer the biggest amount of currency-per-square metre, and their wholesale distribution has now been banned in the UK after police research suggested a very high percentage of them had no legitimate purpose – without some plausible legitimate explanation, so there is a commonsense effect on ease of cash laundering. (Though there is a corresponding negative effect on the ease with which overseas workers can send money quickly and easily back to their families.) However, there is no evidence that fewer drugs or trafficked women have become available as a result of the sorts of measures discussed above. In the private sector sphere, industry, and public sector fraud data suggest some impact from data matching and from the coordination of data at an industry-wide level (Levi, 2006a, CIFAS, 2009).

Furthermore, despite exhortations, it is not always obvious how much policing has changed: despite some direct resource increase to SOCA and institutional changes in the UK for example, there has been little general police support for radical shifts in staff to financial investigation from equally prized and media-supported areas of crime and disorder. On the other hand, one of the advantages of moving away from a traditional criminal justice approach is that once established, bureaucracies can become entrenched in “law and order solutions” which obstruct alternative problem-solving approaches to complex social issues. Quite apart from the huge federal economic and privacy costs of the War on Drugs, many US state and local forces have become highly dependant on income from drugs-related Federal “equitable sharing” and “adoptive forfeiture,” and there is some modest evidence of goal displacement there as enforcement agencies target forfeitable assets rather than just serious offenders (Blumensen and Nilsen, 1998 and author interviews). This has not yet happened to any dramatic extent outside the US, partly because post-conviction reversal of the burden of proof typically yields modest results and crime proceeds income is not redirected *fully* towards the police (van Duyne and Levi, 2005; Kilchling, 2002; Levi and Reuter, 2006). The measurement of changes in organized crime and the assessment of whether these are beneficial or not are in their infancy, quite apart from any ideological viewpoints about the desirability of policing the leisure habits of poor and rich alike. Nor is enough known about the organisation of the upper reaches of the drugs trade in Europe (Dorn et al., 2005), though the middle market is better analysed (Pearson and Hobbs, 2001).

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ORGANIZED CRIME: PROBLEMS OF METHODOLOGY AND RESEARCH

Letizia Paoli

Empirical research on organized crime is hindered by both conceptual and technical problems. In the first section of the paper I will briefly review the conceptual problems, in the second I turn to the methodological ones. Some concluding remarks will follow. I will show that despite such hindrances, some valuable research has been carried out on organized crime broadly intended, using different methodologies.

1. Conceptual Problems

As Edwards and Levi (2008: 363) maintain, „in a sense, the problem of organized crime is the concept itself.“ Despite the great attention the problem of organized crime has attracted in Europe since the early 1990s, it is still unclear what organized crime exactly means. Undeniably, the ambiguity of the concept has helped its political success, as the label „organized crime“ has been used to encompass very different forms of crime providing at the same time a common justification for increased resources, domestic powers, and international cooperation. However, the fuzziness of the organized crime concept also constitutes a serious analytical weakness.

Even within the scientific discourse it is still unclear whether organized crime consists of a set of criminalized activities, primarily the provision of prohibited goods and services or a set of actors engaging in crime and, specifically, criminal organizations with a well-defined collective identity and subdivision of work among its members (Paoli, 2002).

1.1. Criminal Organizations and Alien Conspiracies

The idea that organized crime consists of large-scale criminal organizations emerged in the debate in the United States during the 1950s and 1960s. Then, organized crime was de facto equated with „a nationwide crime syndicate known as the Mafia ... [whose] leaders are usually found in control of the most lucrative rackets of their cities“ as written by the Kefauver Investigating Committee of the U.S. Senate (1951: 131) in 1951. In 1963 the testimony of former *mafioso* Joe Valachi before the Senate Permanent Subcommittee on Investigations further established the terms of this paradigm and gave a new name to this menacing criminal association: *La Cosa Nostra*. Thanks to the extensive television coverage, Valachi's view became popular in the American public discourse (Smith, [1975] 1990).

Since then the Mafia-centered view of organized crime began to dominate the public perception of the problem: since the 1960s hundreds of books have been written on the topic and several dozens movies have been made. Some of these, above all, Mario Puzo's *The Godfather* (1969) and Francis Ford Coppola's film adaptation (1972), have been so successful that they have profoundly shaped the general understanding of organized crime and the mafia in the United States and elsewhere. For many people the Italian American mafia, which is de facto identified with organized crime, is and *behaves* as it is recounted in these romanticized novels and films.

This mafia, actor-centric view of organized crime received a scientific systematization from Donald Cressey, who was called on to work as consultant to the President's Task Force on Organized Crime in 1967 (Task Force, 1967). In his subsequent book, *The Theft of the Nation*, Cressey adopted the ethnic position of law enforcement agencies even more strongly than in the paper he

wrote for the Task Force. He maintained that the Italian-American crime confederation, La Cosa Nostra, represented „all but a tiny part of all organized crime“ in the United States. According to Cressey, La Cosa Nostra relied upon Sicilian traditional culture codes but was also a hierarchical and „rationally designed“ organization, very close to Max Weber’s ideal type of legal-rational bureaucracy, which was capable of operating in contemporary America (Cressey, 1969).

The idea of an alien conspiracy polluting the economic and social life of the country has been rejected by the majority of American social scientists since the 1960s. These alternatively accused the mafia-centric view of organized crime of being ideological, serving personal political interests, and lacking in accuracy and empirical evidence (e.g., Smith, 1975). Most scholars, however, overreacted, and up to the early 1980s categorically denied the existence of the Italian American mafia as a structured and longstanding criminal organization (see, among others, Hawkins, 1969). While the existence of mafia organizations in both Southern Italy and North America has been undeniably proved since the 1980s (e.g. Tribunale di Palermo 1985), it is still a matter of contention the extent to which Southern Italian mafia organizations and other similar ones effectively dominate contemporary illegal markets (e.g., Paoli, 2002).

1.2. The „Illegal Enterprise“ Paradigm

To oppose the official mafia-centric understanding of organized crime and direct attention to the marketplace, since the 1970s several American authors put forward the expression „illicit“ or „illegal enterprise“ as a substitute for the ethnically loaded term organized crime (e.g., Smith, [1975] 1990; Haller, 1990). As Dwight Smith, one of the earliest proponents of the new approach, expressed it, „illicit enterprise is the extension of legitimate market activities into areas normally proscribed – i.e. beyond existing limits of law – for the pursuit of profit and in response to a latent illicit demand“ ([1975] 1990: 335).

More often, however, organized crime itself has been equated with the provision of illegal goods and services: hence, according to Block and Chambliss, „organized crime [should] be defined as (or perhaps better limited to) those illegal activities involving the management and coordination of racketeering and vice“ (1981: 13). Organized crime has thus become a synonym of illegal enterprise. According to a review of definitions carried out in the early 1980s by Frank Hagan (1983), a consensus by then existed among American criminologists that organized crime involved a continuing enterprise operating in a rational fashion and focused toward obtaining profits through illegal activities.

The involvement in illicit market activities has become the basic requirement of virtually all definitions of organized crime in both the U.S. scientific and official discourse, and this view is shared by both the supporters of the „alien conspiracy“ theory and its critics. As Ivan Light noted, even Cressey „had no trouble acknowledging that the Italian crime confederation ‘thrives because a large minority of citizens demand the illicit goods and services it has for sale’“ (1977: 466).

Since the mid 1970s, the „illegal enterprise“ approach has acquired a dominant position in the European scientific debate. In particular, it has deeply influenced studies on the Italian mafia (e.g., Arlacchi, [1983] 1988). The emphasis on the provision of illegal goods and services has been particularly strong in the scientific debate in Northern Europe, which has had little or no experience with the mafia phenomenon until recently. As a matter of fact, Kerner and Mack talked about a „crime industry“ as early as the mid-1970s (1975), and, in an earlier report written in German, Kerner subscribed even more explicitly to the view of organized crime as an enterprise (1973, *passim*). The emphasis on illegal market activities has remained unchallenged ever since. Hence, for example, according to Dick Hobbs „organized crime ... [is] referred to in terms of its relationship to the marketplace“ (1998). Likewise, the Dutch scholar Petrus van Duyne points out that organized crime results from illegal market dynamics: „What is organized crime without

organizing some kind of criminal trade; without selling and buying of forbidden goods and services in an organizational context? The answer is simply nothing“ (1997: 203).

While the U.S. official view still considers organized crime a set of criminal organizations (and thus relatively a minor problem in the crime control agenda), most official definitions of organized crime developed in Europe, with the exception of the Italian one, are heavily influenced by the illegal enterprise approach. They define organized crime loosely with very low requirements in terms of number of participants and group cohesion and stability. The German, semi-official definition of organized crime, which has also been adopted by other countries (e.g., Belgium), for example, states:

Organized crime constitutes the planned commission of criminal offences driven by the quest for acquiring profits or powers. Such criminal offences have to be, individually or in their entirety, of major significance and involve the co-operation of more than two participants acting with a common intent for a longer or indefinite period of time on a distributed-task basis

- a) using commercial or business-like structures
- b) applying violence or other methods suitable for achieving intimidation or
- c) exerting influence on politics, the media, public administrations, justice systems, or commerce and industry.

The influence of the „illegal enterprise“ paradigm on the understanding of organized crime among German practitioners is confirmed by the following statement, made by Peter Korneck, a Frankfurt prosecutor with many years of experience in the field:

Experts who work not only theoretically but also practically maintain that organized crime implies the activities of persons who commit serious offences in an enduring co-operation founded on the principle of the division of labour with the aim of maximising profits. If you omit the reference to 'serious offences,' you are left with the description of an activity that in Germany and in the entire Western world is usually described as entrepreneurial activity (Raith, 1989: 268).

1.3. The Conflation of the Two Approaches

In both the United States and Europe, the two alternative views of organized crime have ended up being inextricably conflated. In both contexts the term „organized crime“ is intermittently used to refer to both sets of people involved and sets of activities.

In the U.S. debate, most scholars present organized crime as a set of activities, as exemplified by the Block and Chambliss' definition quoted earlier. The identification of organized crime with a set of actors is instead fostered by supporters of the U.S. official standpoint and a few independent scholars. In the official North-American discourse, the combination of the notions of „criminal organization“ and „provision of illegal goods and services“ is still largely undisputed, although exclusive reference is no longer made to La Cosa Nostra. When it became evident in the early 1980s that „the histories of American organized crime have been ordinarily drawn too narrowly in that they have focused nearly exclusively on the Mafia or La Cosa Nostra“ (President's Commission, 1986: 176), the strategy pursued by American government institutions was to broaden the definition of organized crime to include other criminal organizations involved full-time in the supply of illegal commodities in demand by the general populace. The concept of „non-traditional“ or „emerging organized crime“ was advanced, which largely transferred the mafia model to other ethnically defined criminal organizations allegedly similar to Cosa Nostra. The President's Commission on Organized Crime, established by President Ronald Reagan in 1983, for example, listed a host of other organized crime entities in addition to Cosa Nostra, including outlaw motorcycle and prison gangs, Colombian cartels, the Japanese Yakuza, and Russian groups. Gary Potter (1994:

7) aptly described the new official consensus as the 'Pluralist' revision of the alien conspiracy interpretation.

A few scholars also subscribe to the official understanding of organized crime. Since the late 1990s, for example, Jim Jacobs (1999; with Gouldin, 1999; with Panarella and Worthington, 1994) has written a series of books and articles focusing on the Italian American mafia organization Cosa Nostra and its successful repression in New York.

The actor-centric understanding of organized crime, however, is also shared by some of the critics of the alien conspiracy paradigm. According to Peter Reuter, for instance, „organized crime consists of organizations that have durability, hierarchy and involvement in a multiplicity of criminal activities . . . The Mafia provides the most enduring and significant form of organized crime“ (1983: 175). Unsurprisingly, this confusion between offender and offence frequently leads to circular reasoning (Maltz, 1976). In 1986, for example, the President's Commission on Organized Crime concluded that drug trafficking was „the single most serious organized crime problem in the United States and the largest source of income for organized crime“ (1986: 11).

As already mentioned, most European scholars also advocate an activities-based understanding of organized crime definition; most official definitions are also very loose. In the European public and political debate, however, organized crime has long been equated— with very few caveats until a few years ago—with supposedly mighty mafia-type criminal organizations. The specter of these organizations – primarily the Italian mafia, but since the early 1990s the Russian and other ethnic 'mafias' as well – has been agitated with varying degrees of good faith by the media, politicians, law enforcement agencies and, more recently, international organizations to increase the power of domestic law enforcement agencies and to enhance international police and judicial co-operation (Fijnaut and Paoli, 2004).

A serious gap has thus developed between the rhetoric of much discussion on organized crime and the definitions officially adopted. To justify its intervention, for example, the EU Council and Commission long presented organized crime as a new threat, whose novelty lies in the increasing involvement of criminal organizations in the supply of criminal goods and services. Such a view is clearly stated in the first programmatic document dealing with organized crime, the Action Plan to Combat Organized Crime, which was adopted by the Council of the European Union on 28 April 1997. Its opening statement maintains: „Organized crime is increasingly becoming a threat to society as we know it and want to preserve it. Criminal behavior no longer is the domain of individuals only, but also of organizations that pervade the various structures of civil society and indeed society as a whole“ (European Union Council, 1997).

However, when it comes to defining what a criminal organization is, the European Union also adopted a very loose interpretation, setting low numerical standards. In the Joint Action adopted by the European Council on May 1998, a criminal organization is defined as „a structured association, established over a period of time, of more than two persons, acting in concert with a view to committing offences which are punishable by deprivation of liberty or a detention order of a maximum of at least four years or a more serious penalty . . .“ (European Union Council, 1998). A similar, very loose definition of „organized criminal group“ has been adopted by the UN Convention on Transnational Organized Crime.¹ This means that the incisive investigative methods and other legislative and institutional changes adopted by the EU MS and recommended by the UN Convention can be also applied to cliques, gangs and networks that are very far removed from the stereotypes of organized crime dominating the media and political discourse.

¹ Article 2, paragraph (a) of the Convention states: '„Organized criminal group“ shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit' (United Nations General Assembly, 2000: 25). Serious crime is defined by paragraph (b) of the same article as any offence punishable by a maximum deprivation of liberty of at least four years (ibid.).

The gap between the dramatic images presented by political and media rhetoric and the wide-ranging and petty behaviors included in most official definitions creates not only a serious deception of the public. It also creates a major hindrance to empirical research. Organized crime is no coherent unit of analysis. It is an umbrella concept possibly encompassing all criminalized profit-making activities as well as a very broad spectrum of actors engaging in these activities ranging from a thieves' gang and youth clique to Cosa Nostra or Al Qaeda.

2. Technical Problems

A series of methodological challenges and other technical problems also hampers research about organized crime.

2.1. The Inherent Difficulties

Given the criminalized status of the activities, all actors associated with organized crime—no matter how this is defined—have an understandable interest in keeping their actions secret to avoid police detection. It is, thus, very hard to interview or observe perpetrators in the course of their activities; nonetheless, some researchers have managed to do so (Adler, 1985; Zaitch, 2002). In many cases, though, convicted offenders or defectors may be the second best alternatives (e.g., Matrix, 2007; Paoli, 2003).

Moreover, many activities considered typical of organized crime are free-market exchanges between producers, distributors and retailers, on the one hand, and willing consumers on the other. These consensual exchanges entail no direct victims who can be interviewed about the harms and suffering experienced. The exemplary activity here is drug trafficking. In the case of other forms of organized crime (e.g., extortions or human trafficking), victims are hard to identify and/or unwilling to cooperate with researchers, because they are held captive or fear retaliation.

A further problem is the lack of meaningful criminal and judicial statistics referring exclusively to organized crime. The only statistical data meeting this criterion refer to the offense of membership of a criminal organization, which is however used rarely by most criminal justice systems. As a result, official statistics on the number of people charged or convicted each year of the crime of membership of a criminal association capture only a small fraction of the organized crime activities taking place in most countries. For other profit-making criminal activities (ranging from drug-trafficking to human smuggling, from gambling to robberies), most national statistical yearbooks do not provide any clear distinction between activities that are strictly related to organized crime and those that are not.

Unlike their U.S. counterparts, moreover, European domestic and international law enforcement agencies are still unable (or unwilling) to collect and publish regular indicators of trends affecting illegal markets, or at least the drugs market, which is the largest illegal market in most European countries both in terms of number of participants and revenue produced. Whereas such data are routinely published under the program STRIDE (Kilmer et al. 2009), very few European countries publish data on a regular basis on the retail and wholesale prices and purity levels of the main illegal drugs. Despite the efforts of the EMCDDA, the data collection procedures are far from being standardized. There is, in other words, no serious monitoring system of the trends in European illegal drug markets, not even for the illegal drugs one.

2.2. The Limits of Official Reports

Despite the lack of focus on quantifiable data and indicators of trends, the police authorities and other government agencies of many EU Member States have prepared annual reports on

organized crime since the mid-1990s. Several of these agencies, ranging from the German Bundeskriminalamt (BKA) to the Italian Ministero dell'Interno and the UK's Serious Organized Crime Agency (and its predecessor, UK's National Criminal Intelligence Service (NCIS)) also publish non-confidential versions of these reports. Though exclusively reflecting the official view of organized crime, these reports constitute a useful contribution to public debate. In some cases, however, the public versions of these reports are so heavily censored that they are of limited use to scholars. Moreover, to the extent to which they are based on an analysis of criminal cases, the organized crime police reports are based exclusively on ongoing and recently closed police investigations regardless of their final judicial outcome. A final problem is given by the fact that these national reports are all produced on the basis of the national definitions of organized crime and according to their own specific methodologies. Thus, no comparison across them is possible.

Several reports on organized crime or related activities are published at the European levels. Europol, in particular, produced annually since 1994 *Organized Crime Situation Reports* (OCSRs), replacing them since 2006 with the more-forward looking *Organized Crime Threat Assessments* (OCTA). Both the OCSRs and the OCTAs are based on the member states' intelligence contributions, which vary enormously in quality and quantity. With the OCTAs, Europol officials have also become able to include their own assessments. Whereas the OCSRs had limited ambitions, the more ambitious OCTAs have attracted much scholarly criticism for the lack of transparency in the methodology, their exclusive reliance on law enforcement intelligence and their actor-centric approach (e.g., Van Duyne and vander Beken, 2008; Edwards and Levi, 2009).

2.3. The Criminal Justice System's Limited Interest in Independent Research

In many European countries neither the police nor other government agencies have shown much interest in funding or otherwise to support independent research on organized crime. The European Commission had some special funding programs (e.g., Falcone and Oisin) during the 1990s, which however were interrupted and were not replaced. Independent research projects on organized crime as a whole or on specific subsets of related illegal activities have occasionally been funded by public agencies in Germany, the Netherlands and the United Kingdom. Only in Switzerland, however, was an ad hoc research program to study organized crime launched in 1993 and funded for six years by the Swiss National Science Foundation.

Throughout Europe, single researchers have occasionally been given full assistance by their respective government counterparts (see Paoli, 2003 and Kinzig, 2004). Despite these few exceptions, however, cooperation between independent scholars and government agencies in the field of organized crime research is far from institutionalized.² Mistrust and a fear of squandering confidential information still plague the attitudes of most law enforcement agencies, whereas some academic researchers fear being regarded as compromising their independence if they agree to collaborate closely with public agencies. Only in a few countries (e.g., Belgium, the Netherlands and the United Kingdom) has stable and close cooperation between law enforcement agencies and academic researchers developed in the field of organized crime research.

² In some countries, some of these difficulties are partially overcome by the fact that a considerable portion of national organized crime research is carried out directly by government institutions, such as the Research Development and Statistics Directorate of the UK Home Office, or by government-affiliated research institutes, such as the Institut des Hautes Etudes de la Sécurité Intérieure (IHESI, in September 2004 renamed as Institut des Hautes Etudes de Sécurité) and the Centre d'Etudes Sociologiques sur le Droit et les Institutions Pénales (CESDIP), affiliated respectively with the Ministries of Interior and Justice in France, and the Prague Institute for Criminology and Social Prevention (ICSP) of the Ministry of Justice in the Czech Republic. However, a continuous 'organized crime monitor', a systematic analysis of closed police investigations of criminal groups, is carried out only by the WODC, the Research and Documentation Centre of the Dutch Ministry of Justice.

3. Concluding Remarks

Despite these serious conceptual and technical problems, some good research has been carried out on different forms of organized crime and its control policies, based on different methodologies. Examples include:

- ethnographies of drug dealing networks in California in the 1970s (Adler, 1985) and Colombia cocaine trafficking rings in the Netherlands (Zaitch, 2002);
- interviews with imprisoned organized criminals and particularly drug traffickers (e.g., Reuter and Haaga, 1989; Matrix, 2007);
- content analysis of criminal files and defectors' statement to reconstructs either the internal organization and culture of Southern Italian mafia organizations (Paoli, 2003) or the concrete process and outcome of organized control efforts in Germany (Kinzig, 2004) or money laundering patterns and the effectiveness of anti-money laundering policies in the Netherlands and the UK (e.g., van Duyne and Levi, 2005);
- historical analyses aiming to understand the socio-economic factors promoting the development of specific sorts of crimes (e.g., Hobsbawm, 1974; Lea, 2002) and even, more rarely,
- victimization surveys couple with more limited qualitative data collection (Tilley and Hopkins, 2008).

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ORGANIZED CRIME (THREAT) AS A POLICY CHALLENGE: A TAUTOLOGY

Petrus C. Van Duyne¹

Ominous Shadows on Civil Society

The introductory paper to this conference does not bode well. In a few sections it depicts in dark colours various threats from „organized crime“ looming ahead. We are presented with an evil, which knows no rules or national borders, is transnational and fluid, etc. It is claimed that ‘it’ has gained new strength after the end of the Cold War, 1989. This means we could look back for about twenty years acquiring a lot of „wisdom by hindsight.“ And what does that tell us about the nature and threat of „organized crime,“ now and in the past? It is tempting to answer these questions by summarizing this collective experience. Unfortunately this experience is recorded fragmentarily (Vettori, 2006) and with little theoretical cohesion (Von Lampe *et al.*, 2006). To interpret its bits and pieces against the threat imagery we have to address a few questions.

In the first place, we have to deal with the question of the ‘*who*’ and ‘*what*.’ “To threaten” is a transitive verb. So, who are the subject and the object of any statement about ‘threat’? Replacing the terms at both sides of the verb by „organized crime“ as actor and „society“ as the object clause, is only grammatically meaningful. This is similar to statements that we find in the introduction of the lead paper of this conference or in the opening statements of the various official threat assessment reports: the grammar is OK, but the semantics is empty. If we want to make such a threat statement semantically and empirically meaningful we have to do more. We have to single out phenomena in which actors, their deeds and observable effects can be identified and interpreted.

In the second place, we have to address the ‘threat question’ itself: what is an organized crime threat supposed to mean by itself (is there also a non-threatening organized crime? I will return to that later).

Addressing the first, the ‘*who*’ question, may at first sight be the simplest task. By drawing up a list, or a typology of all the perpetrators thus far recognized as „organized,“ one may think to have fulfilled the task easily, perhaps to be complemented with a few ‘catches’ later. However, there is a basic flaw in this approach. This listing is dependent on the validity of the underlying definition of „organized crime.“ Unfortunately, there is hardly any valid definition of ‘organized crime.’² Lacking a proper definition there is a tendency of drawing up a list of ‘usual suspects,’ starting with the mafia-like criminal organizations and ending with crime-entrepreneurs in the underground market of prohibited substances (mainly ‘drug barons’) and criminal service providers (often sex traffickers or migrant smugglers). It is not very likely that one will find many corporate criminals and cooperations of fraudsters on such an „organized crime“ list, such as the Madoffs and Stanfords. As a matter of fact one is turning in circles: first we denote certain subjects as „organized,“ then we raise the question ‘who threatens’, which is answered by listing again the same subjects.

The second question is equally vexing if we do not consider a reformulation. The question is: „What is an ‘organized crime’ threat?“ It looks like we have here a built-in tautology. Is „organized crime“ always threatening? If yes, the addition of „threat“ is redundant, because we do not have a „non-threatening organized crime.“ If the answer is „not always,“ we have an interesting follow-up

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² There is a substantial amount of literature on defining ‘organized crime’. For a recent summary: see Van Duyne and Van Dijck (2007), and Van Duyne, 2003. See also the link to the end reports of the EU project ‘Assessing Organized Crime’ on the Cross-border Crime Colloquium website: www.cross-bordercrime.net

question of identifying the „non-threatening organized crime.“ If we shrink back from recognizing „non-threatening organized crime,“ we have to resort to the tautology again. Then the question actually amounts to: „What is the future of ‘organized crime’?“ But how can we tell the future?

Past, Present and ‘OC threat/risks’

For the study of the broad field of what is vaguely denoted „organized crime,“ the recommendation of the so-called European Multidisciplinary Group in 2001 to convert the yearly organized crime situation reports into a future-oriented threat assessment may be considered a milestone, though not a shiny one. It was followed by a muddy path of deliberation which led to the decision of entering the methodological swamp of the Organized Crime Threat Assessments which Europol was to produce from 2006 onwards. The background for this decision was the dissatisfaction with the situation reports which presented the (perceived) state of affairs of a certain year in the EU member states. Policy makers thought that this could not contribute to a future-oriented strategy. Policy makers had to be prepared for the looming threat ahead, risk-oriented, „knowledge-based“ (for a historical account, see for example Van Duyne and Vander Beken, 2009).

This orientation was in agreement with much of the present literature on „organized crime“ in which the concepts of „threat“ and „risk“ play an important role. One can use these concepts interchangeably, though the negative loading of the concept of „threat“ seems to be more fitting to „organized crime,“ while „risk“ is rather a statistical concept. But the Organized Crime Threat Assessment reports annually issued by Europol can equally be called *risk* assessments. The question is: is there any clarity in these concepts?

Let us first look at what is the least ambiguous concept: risk. In whatever loose way it is often used, in the profession of actuary it comes simply down to $p = \sum x/N$: the likelihood that an event x of a certain class will occur given the total set of events X . Though the statistical models in the insurance industry have become more complicated, the basis remains something like: the probability that someone’s ski-holiday ends with a broken leg is the number of broken legs divided by the total holiday skiers in a given winter holiday season. Of course, the number of broken legs is multiplied by the average medical costs to determine your premium for next year.

This is a clear approach. However, is it applicable to the organized crime subject? The answer is a simple and straightforward “no”: we do not have an „organized crime“ denominator due to the lack of a valid definition which can delineate the total set of „organized crime occurrences“ (the N). All proposed organized risk formulas as suggested by Savona et al. (2005), among others, are void, even if they may look impressive.³ Apart from their formal defects, they have never been tried out, either. For good reasons.

This leads to the conclusion that there is no determinable threat of „organized crime.“ I realize that this conclusion is to many as unsatisfactory as it is unwelcome. After all, we do have criminal brotherhoods and organisations like the Sicilian Mafia, the Camorra, ‘Ndrangheta or the Nova Corona Sacra, which are anything but harmless (Paoli, 2007). We do have crime-entrepreneurs, large and small, who provide consumption countries with prohibited substances; people are victimized by cooperating conmen stealing savings from naive investors. But all these past or ongoing inroads into our society cannot be converted into a meaningful risk or threat formula: ‘ $p = \sum x/N = . . .$ ’ Extrapolating from such an unsorted set of manifestations of ‘something organized’ to the future (threat) is like making a weather forecast without instruments or models.

Let us pursue the path of the hypothetical insurance company considering to launch an „organized crime insurance policy.“ The last thing an insurance company would ever do is to cast away the past, because that is the statistical basis for the parameters of all the insurance policies: the time series of premiums and compensations. But what did the high-level European policy makers do?

³ See Savona et al. (2005): OC Risk = OC Probability x OC Harm

They cast away the past as not informative for the „future looking.“ The second thing an insurance company would do is determine causal relationships, as these determine the claims being rejected or honoured and the endless lawsuits if these relationships are disputed. Without the past for statistics and without clear event-damage causality there are no insurable events.

Compared to this professional background, criminal policy makers and higher police officers continue to dabble like amateurs in this foggy field without signposts, maps or data. The conclusion of the previous section is that no insurance man will get involved in selling „organized crime insurance policies“ unless he is a conman: making customers believe that there is an identifiable threat-harm causality.

Assuming no conmen in high places, we have the bewildering question why politicians persevere in this undertaking: proclaiming ‘uninsurable threats’? The answer is simple: because of a combination of belief and mutual interests resulting in a problem-owner industry in which ‘organized crime’ stakeholders get on very well (Van Duyne, 2004).⁴

Causality, Harm, and the Past

Let us return to our insurance man: what will he do if (against all odds) he still wants to probe the viability of his organized crime insurance product while avoiding getting entangled in lawsuits about causal relationships and contested liabilities? For commercial reasons he will keep the banner of organized crime flying, meanwhile carrying out a breakdown of a whole series of contemporary and historical criminal events to find measurable components in the social, economic and governmental landscape. Next, he will look for variables which represent social, economic and governmental values which is the input for an extensive regression analysis. This approach was followed by Daniele and Marani (in preparation), for Italy. They used foreign direct investment as dependent variable and a number of crime observations as independent proxy variables for the „mafia presence.“ They demonstrated a negative correlation between the approximated “mafia presence” and direct investment in those regions: mafia as a counterincentive for investment. However, they do not conclude to a *direct* causality between organized crime as an independent variable and direct investment as dependent variable. Underlying this correlation is another variable: (local) institutional environment. Read: corrupt (local) government, either as an independent economic counterincentive or an underlying causal factor for the „organized crime presence.“ If the latter causality holds, the component „organized crime threat“ may be substituted by „threat of corrupt government.“

Given this potential finding, our honest insurance policy developer faces a problem: should he insert an exception clause in case the organized crime harm is attributable to corrupt governance? As far as Italy is concerned, this makes sense given the institutional differences between the provinces north-east of Rome and the „dark“ South. But if it is accepted that the real threat is not organized crime but malgovernance, his insurance product becomes unmarketable. Indeed, there is no saleable „Berlusconi exception clause.“

This risk-insurance angle is an interesting approach, but difficult to pursue when the independent crime variables (the proxies for ‘mafia’) become less discernible at local or regional level. This is particularly the case with merchant crime-enterprises selling commodities and services from one place to another, sometimes at great distance. Here we face a real problem in determining correlations, let alone answering the causality question. Hence, in that case we will have no insurable „organized crime“ threat.

⁴ Verhage (2009) has elaborated this mutual interest in the upholding of the anti-money laundering regime. Though the greatest threat to the integrity of the financial system came in the end from greedy and irresponsible bankers and defrauding states, like Greece, the global anti-laundering regime has grown into the most costly global apparatus.

Despite this logical conclusion, criminal merchants organising illegal trading organisations are considered a threat. How? Let us also look for a proxy to the hypothetical organized crime threat and choose the relationship between illicit trade and the financial conduct of criminal traders. Increased illicit trade entails a high financial circulation of crime-money. As soon as these dirty monies enter the legal financial system, they are supposed to be threatening its integrity: they are laundered. Do we observe here a threat after all?

Again, we are badly informed apart from the drug market of which there is some kind of international statistics collection organisation. As far as this market is concerned, the latest UN figures show a market with on average steadily declining prices since 1986. The cultivated area of herbal drugs has decreased somewhat, while the interception rate of cocaine and heroin has increased.⁵ Nevertheless, huge profits are still being made and are supposed to be laundered. And that has been proclaimed a threat in itself. However, concerning this financial proxy variable the UN report is practically silent, except for a few general remarks. Where and how does the amalgamated drug money pose a threat? To these amounts we must add the large revenues of other profitable crime-sectors, such as fraud, economic and environmental crime; and art crime, a truly forgotten organized crime niche (Charney, 2010).

All these crimes for profit result in an annual global revenue of well over one trillion Euros, according to an older UN (gu)estimate (Keh, 1996: disputed but never repudiated). In the whole literature on organized crime, and certainly on money laundering, this is a constant and generally accepted threat: the huge criminal revenues affecting the integrity of the financial system. In addition, their wealth also allows (organized) criminals to buy their entries to the „control chambers“ of society. In other words, criminals (whether or not of the organized variety), succeed in penetrating the business community while undermining fair competition. Some sectors are declared as particularly endangered, such as the real estate sector. These statements are taken at face value with an implicit organized crime involvement. However, what is the substantiation of this claim thus far?

Again, hard data are scarce. Thus far we have unearthed one really long time series: the confiscation files of the Dutch Public Prosecution Office since 1994. This database allows us to identify, per convicted person, the confiscated bank accounts, the cash money and the real estate, apart from valuable moveable items (Van Duyne *et al.*, 2009; Van Duyne and Soudijn, in preparation). The preliminary results (project still in progress) revealed that:

- The majority of the 440 criminals (not all 'organized') having a bank account had a modest saving or deposit with a median value of € 18.000. Twenty percent had a bank account of more than € 100,000;
- foreign banking played a less important role than has always been assumed: 94 % of the value of the bank accounts was in Dutch banks;
- Real estate is just one of the outlets for crime-money, but the value of the acquired real estate did not surpass the average value of houses. A small minority had more than one piece of property, some even a substantial amount, but these exceptional occurrences were widely spread over time (10 years) and space.

This is a rough summary of the first analysis of the role of criminal finances in relation to the financial upper world. Undeniably, the database contains a number of wealthy criminals but thinly spread over time. Yet, where was the threat?

⁵ UNODC Drugs World Report 2009.

Breaking out of the Tautology

The „threat of organized crime“ as a policy challenge implies a tautology with a circular reasoning contained in the two little words “organized” and “crime.” Indeed, there is no non-threatening organized crime and, further, which threat is not also a policy challenge? Then to double the circle, policy makers and police draw up a „usual suspects“ list which are recognized as organized criminals and only for that reason they are considered „threatening.“ Subsequently, data that could be the foundation of a time series trend analysis is discarded in favour of „future-oriented“ thinking based on the shaky methodology of Europol (Van Duyne, 2007).

This line of thinking is not by nature a given phenomenon. The research literature contains much off-mainstream publications, some of them by now classic (Block and Chambliss, 1981), casting a different light on the subject: organizing crime as a way of doing things.⁶ In our research, having compared smugglers and economic crime-enterprises of various sorts, we came to the conclusion that the level of *organizing* in the corporate crime field used to be more sophisticated (Van Duyne, 2006). There is also more collusive, if not corruptive, interaction between perpetrators and the upper world to facilitate criminal commercial operations (Pashev, 2007 for VAT fraud; Tjihuis (2006), Naylor, (2008) and Charney (2009) for art crime).

Extrapolating from this (thus far still unsystematic) historical-empirical stock taking *per sector*, one may follow a more fruitful course: developing hypotheses about the future trends of these explored sectors, given a proper control of the accompanying conditions like criminal policy and related market factors. This requires more analysis and a stricter methodology than is common in this field.

Such a trend extrapolation could be considered a substantiated threat assessment – not based on ill-designed questionnaires and police hunches. It must be added (sadly), that the present state of data collection and management hampers such an undertaking. If policy makers and law enforcement agencies are really worried about organized crime developments, this would be the first challenge to address and to break out of the self-made tautology.

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INTERVIEWS BY CLIVE LEVIEV-SAWYER

INTERVIEW WITH MICHAEL LEVI AND ADAM EDWARDS

Q: What is “organized crime”?

Adam Edwards: A political construct, first and foremost, I think; driven by concerns of policymakers rather than by scientific evidence. To make it clear, that is not to suggest that there are not bad people out there doing many bad things; that trafficking in human beings doesn't exist or that narcotics trafficking doesn't exist; it is just a question of what is gained by conflating those and all sorts of other activities together in the same analytical concept, which is why in our paper yesterday [May 29, 2010] we suggested that one might as well dispense with the concept and focus instead on the organization of serious crimes. What becomes the central concern, then is specific types of behavior and problem, specific practices, like trafficking of women to the Western European sex trade or various financial frauds.

Michael Levi: In a sense, I have always preferred, conceptually or as an orientation, organizing crimes; “to organize crime.” Because it pushes you in the direction of thinking ‘What does it take to make a really harmful set of social problems?’ and it focuses you not on some mythical Mister Big or Ms. Big, but on how people get together, how they conduct a process from recruitment of personnel. It varies. If Bulgarians are going to copy the Romanian colleagues and start developing methods for cloning credit card data in the UK, then if you pick up a lot of card details electronically or in some other way, and you need to hit the market quickly, before the cards are reported stolen or before the card companies know that the card is compromised, you need quite a lot of people to do quite a lot of transactions in a short period of time. You can really only do that if you have a large network of people; whether they are there as a kind of “thieves-in-law” organization is another question. The logic of the crime puts you in a certain way. We know that, say, drugs can be supplied by small networks of individuals as well as bigger groups. My answer to that would be to agree that “organized crime” is a legal and political construct to serve particular purposes that I outlined yesterday; to facilitate cooperation between countries; it serves as an umbrella under which those practical things can happen, but it can actually blow in the way because people apply a military construct of “winning the war on organized crime” as if taking out a particular gang is going to solve that problem. I am convinced it has to be a broader spectrum of activities.

Q: Why did this concept of organized crime become so influential and so pervasive? To what extent is the concept losing ground?

AE: There are conflicting messages on that. On the one hand, we have this lovely EU decision on Europol that we were discussing yesterday, which suggests that they are going to drop the concept and focus on the organization of serious crimes and the initial interest in the concept of “harm” and how that can be operationalized, measured, used as a way of prioritizing. Certainly, state responses, so defined, increasing in a period of major funding cutbacks across the continent and yet, Mike –

ML: What I like here is that the idea was to free Europol of constraints rather than to represent a shift of thinking. The freedom from the constraint of having to prove that, in order to justify taking some action. It is part of this net-widening process as if “organized crime” as a legal construct wasn't wide enough. People have got the image in their heads, and these are partly true images, of the Italian mafia and the Italian-American mafia – which are two different things, the Italian-American mafia being much less socially embedded – and this represents a shorthand term of that kind of visual image which manages to persist in spite of all the evidence to the contrary. I

do not know enough about Bulgarian crime, but there are specific historical circumstances in Eastern Europe, one of which is the disbanding of skilled and tough intelligence personnel who were suddenly thrust on the market where there weren't jobs for them. Crime was something that they were best suited for in skills and content networks. Because of the sudden privatization of the security apparatus, in an unplanned way, this stimulated organized crime in South Eastern Europe by giving it, to come back to my earlier model, the recruiting process; they already knew each other.

Q: Yes, the model of organized crime being used is apparently not perfect, but at the same time, the very stereotype creates the model for a would-be organized criminal.

ML: It's sort of aspirational.

Q: A recent book said that Bulgarian criminals put a lot of effort into looking like criminals. It is as if they tried to import and replicate the American model.

ML: Yes, that is right. That is where the Godfather, the Pizza Connection, the French Connection, and all these movies gave people – I interviewed people who were Krays and Richardsons in the 1960s, and the craze was to dress like Edward G. Robinson. It is not just here; all right, probably now it is Armani suits; the style has changed. In a way, looking like a gangster is a piece of social capital, the fact that it is like a threat. You want to get into a situation that unless you want to, you don't have to kill anybody. The more you look like a gangster, while it may lead other people to challenge you, the fact is that you are more credible in that role and the hope is that people pay you off and do what you say without you having to do too much.

Q: The sociology of theater.

ML: Yes.

Q: Is there a characteristic European way of thinking about organized crime that contrasts to the US way of thinking about it?

AE: A lot of the argument is that via the UN, the EU has imported a lot of American concepts. When we talk about Europe, we need to make a distinction between EU-level policy making and what goes in various member states, particularly those that invest a lot in thinking about "organized crime" so defined. For instance, setting up strong connections between the ministry of justice and research academics in the Netherlands, Germany, the UK, and Sweden. There are certain member states but out of those that have developed no different ways of thinking, emphasizing networks, fluidity, the things that we have been discussing, rather than only this Cosa Nostra type of model. It depends what you mean by Europe, there are many Europes and there are different models within that. An interesting point is the disputes in the US, which is more of a homogenous polity in terms of making policy at a federal level than is the case in Europe. But someone argued that the EU – whether the conspiracy theory, the Cosa Nostra type of model or the Illicit Enterprises Paradigm – had imported both models from the US.

ML: I think that you have to distinguish between the academic community and the practitioners. The practitioner community is not much affected by this, and the policy community is only moderately affected. In conversation, senior police in Europe would probably accept that it is networked. There are a few places where this hierarchical, deeply-embedded mafia-type exists. There is usually, contrary to the image, a kind of symbiotic relationship between politicians and the organized criminals, whether through party financing, through votes, so in that paradoxical way democracy serves the interests of organized crime. Which, of course, is not to say that there is no organized crime in a totalitarian state.

Q: Are there specific Eastern Europe and Russian models of organized crime? Is there a specific Balkan model of organized crime?

AE: Obviously, this is where taking a universal concept like organized crime becomes problematic. What you want is to understand particular concepts. The concept of the growth of Italian-American crime families following migration in the late 19th and early 20th century, the staking out some form of economy in the face of a hostile receiving society, is very different from the situation we had in the past 15 to 20 years in Eastern Europe, a transition from Soviet rule.

ML: The Soviet model has been popularly viewed as a mafia model but there is a lot of mythology around that. I suppose people's image of this is a sort of interpenetration of the political and the criminal. This is why I would say that allegations of corruption in South East Europe and in Russia are important because they represent an alliance between the state and criminals, whether it is cause or effect. As in other parts of the world that leads to a tolerance of organized criminals, so-called, because they provide work opportunities, providing cheap pirated goods, which are often the only way of making those things affordable. So advertising and consumer capitalism, which are the great drivers of the universal Western dream, exist for those who have got TV or watch movies, whether you have the means to satisfy them or not, and that is the motive of legitimate or illegitimate activity. So criminality comes in to fill a vacuum for people and most people who experience organized crime can be quite nuanced, that maybe they are providing order that the state doesn't provide, they are providing goods and services. But then there are other situations in which they are violent and exploitative. And inimical to freedom.

Q: A very complex debate itself is whether there is a correlation between the extent of organized crime and economic performance. In post World War II America, even with the economic boom, there continued to be powerful organized crime.

AE: Well, of course it didn't start there. It was a continuation of the whole Cosa Nostra story, that mass migration to the eastern seaboard of the US in the late 19th century, the racketeering.

ML: Which we never had in the UK, racketeering.

AE: They were well-established by that time, so obviously one would not want to strike too straightforward a correlation that in times of plenty there would be a drop-off. If you take participation in say, cocaine markets, those at the bottom of the pile – was it Levitt in *Freakonomics*, who came out with some very interesting reflections, that most crack dealers live with their mothers? In other words, what is in it for the soldiers, the front line? The operatives involved in the exchange, the trade it happens on the ground, quite literally on the corners. The phenomenon, which the Americans talk about, of the “older brother syndrome,” that if the older brother has been involved in this, a fairly fraught and tense existence that he's not made much money out of, the younger brother thinks “I may as well go and flip burgers for McDonald's than get involved in this, it's not exactly (lucrative).”

It is important to recognize that there are divisions in the US in academic society. Criminologists like Marcus Felson have argued for a “downstream” approach to reducing drug trafficking by trying to reduce the opportunities for the exchange on the street, rather than going for the Mister Bigs or the supply chains from Latin America.

ML: Reducing effective demand by making it a lot more effort to get hold of dope, or to divert the centers of dealing away from vulnerable populations. That is all part of harm reduction.

Q: Bulgaria and Romania both tend to have high levels of organized crime and corruption. Both are connected with politics in both of these countries. Does this make these two countries somehow specific or different from other countries in Europe?

ML: You could argue that corruption was a necessary condition for organized crime, as defined, to flourish. Depending on if you say, well, why does crime need to be organized? It needs to be organized because there are people who want its services, in cases of crimes like drugs, cheap

cigarettes, cheap booze. And the reason might be, for the organizers, to defeat the state or elements or the state that have an interest in suppressing them. Otherwise, "small is beautiful" and if you cannot defeat the state, you may be better off staying small. Teaming up with gangsters can draw attention that otherwise might not have been there. For some kinds of crimes, it may be a disadvantage to be part of organized crime.

The connection with politics is partly to get the state either to award contracts in your favor, which is a particular favorite not just in this part of South Eastern Europe but also in Italy, Germany, and is not something that just organized criminals do but also something that big corporations do. Bribery. But if you can manage the state then you can get a higher proportion of those contracts. Further, for example, the statute of limitations is reduced, as Berlusconi has done, paradoxically and no doubt coincidentally, in relation to the very same offenses that he himself was accused of. There are all kinds of things that, if you have a strong influence on the state, you can achieve to insulate yourself from risk.

Q: Is it justified to differentiate between organized crime and high-level institutional corruption?

ML: You certainly can have "organized crime" in the EU and UN definition without having institutional corruption, because organized crime in that legal category is so wide. In those definitions, organized crime – three or four people, meeting for a short period of time – can happen without any sort of corruption. Normal juvenile crime meets that definition.

AE: It is the seriousness, for example, look at trafficking in human beings. It can range from an enormous operation, on one end of the scale, to one chap selling two or three of his daughters. The latter is extremely serious but doesn't require much. That issue is quite a nice example of how seriousness has an impact. Distinguishing scale and impact of problems and that is why policymakers might want to prioritize their actions.

Q: What is the most essential trend in European policy in fighting organized crime?

ML: At the EU level, it is getting people, including Bulgaria but not just Bulgaria, to implement the directives they have signed up to. Quite a lot of states are agreeing to stuff but then just not implementing it. Post-Lisbon, the policy trend is going to be this implementation. The European Commission, for the first time, will be able to take member states to the European Court of Justice. The second important trend, in policy terms, is enhancing confiscation of the proceeds of crime, again including – but by no means restricted to – Bulgaria.

AE: Returning intelligence that is halfway useable, and here (that includes) the national intelligence in terms of organized crime threat assessment, in compliance with the five-year multi-annual programs under the area of freedom, security and justice. We are just about to enter the Stockholm Program, one of the mechanisms through which compliance is enforced, but as Mike said, there is a key change here from two previous multi-annual programs. It will be interesting to see how they begin to enforce compliance.

Q: What would your recommendation be to policy makers in Bulgaria, Romania, and other Balkan countries in regard to their efforts to reduce organized crime?

ML: I do not consider that I know enough about Bulgaria to answer that, but certainly people need to do some serious intelligence collection and work out within a group specially selected for integrity how best to tackle both domestic crimes and harms to other countries that use Bulgaria and Romania as a transit nation and to reduce opportunities.

AE: Yes, and that relies very much on there being an evidential basis for it. If we take an analogy from crime prevention experience that we have tried in Britain and the rest of the Western European countries, where you know where your problems are, where are they occurring, where

are they concentrated, hotspots – just a bit of basic understanding of what the problem is, where the prevalence is, then you can begin to target scarce resources on that. If you take that kind of logic, and expand it into the more serious crimes that we've been discussing at this workshop, the key thing to come out – and I would include Western Europe in this as well – is just the lack of primary research base. This might precisely be the role for OSI, the universities as well, of getting the criminological expertise in to develop that evidence base, upon which one can pass to a more rational debate about what the problem is, where it's happening, what its severity is; the distinction between different kinds of activities that one wants to label as serious, harmful; why different forms of organization might matter within that seriousness; and the harmful impact. And therefore, on the basis of that, scanning of the problem and determination of responses which are able to reduce the activities rather than just concentrating on actors. One of the key things that we wanted to get across is that analytical distinction, where you can prosecute Mister Big till you are blue in the face, it won't necessarily impact the distribution of the problem. How do you reduce the market? That takes some knowledge about production, exchange, and consumption.

ML: That's not to say that there is not some symbolic value in prosecuting Mister Big.

AE: Just that it isn't the same as reducing the level.

ML ...And giving people encouragement that something is being done. And stripping assets from people whether or not they are convicted, through civil courts.

Q: Criminology is not a very popular or sophisticated science here (in Bulgaria). The training has been within the Interior Ministry.

ML: Yes, 'criminalistics.'

AE: The type of criminological work we are talking about is influenced by sociology, by economics, the study of sociology of markets, of labor markets. That is really the kind of technology you need to start bringing into the policy debate, to get an understanding of the markets and a study of how they may be reduced, and then you're tackling the question of harm. And pin down a couple of ne'er-do-wells every now and then.

Q: It looks good on TV.

ML: It makes people watching TV feel better.

Q: Is organized crime a policy concept designed to die away, to be replaced by a new policy concept? What is the future of that policy concept?

ML: People use 'organized crime' both to describe an activity and to describe a collection of individuals. It is often used as a common noun. "Organized crime does X." I feel it is still useful to people, however incoherent it is; in practice there is almost an argument for saying that when we are doing some serious analysis we should get rid of the term, even if it's still imported in the law, and if we continue to call the things organized crime, but then you focus, instead of rounding up the usual suspects, on economic crimes and corruption. What we need as a society is to focus on the content of what anti-organized crime measures are doing to whom, the full impact. So you include food and drugs adulteration, include things that are often described as white-collar, or economic crimes, rather than just drugs.

AE: It brings us back to the core thing again, seriousness. I would like to see it (the term "organized crime") dead and buried and replaced by the concepts of seriousness and of harm.

INTERVIEW WITH PROFESSOR LETIZIA PAOLI

Q: What is “organized crime”?

Letizia Paoli: Mike Levi was right when he said that you could write a dissertation; people have been struggling with how to define organized crime. It has been a very long debate in Europe and the US since the 50s at least. As I said in my own presentation, my opinion is that for some people “organized crime” is just a set of criminal organizations, they have a very restricted view of organized crime; this definition goes back to work being done in the US in the 1960s, when organized crime was equated with the Italian-American mafia. Since then, this equation is no longer held valid by anybody, but still that is the conceptual idea prevalent in the US, there the idea is that organized crime really consists of groups. Since the 1970s, a rival paradigm emerged, presenting organized crime as “illegal enterprises” and then it became unclear whether organized crime was encompassing groups or, rather, activities. And now, in Europe “organized crime” is used to mean both, as sets of criminal activities – the provision of illegal goods and services as well as the infiltration in legitimate activities – by actors which are supposed to have a minimum of organization. If you look now even at official definitions of organized crime adopted at the EU level and also in the UN Convention, you see that it is enough to have even a group of three people – that can also be defined as an organized crime group – so, according to this definition, almost anybody committing any offences unless they do so alone, can be defined as organized crime.

Q: Why did this concept become so influential and why is it still so influential?

LP: It became so influential because of its conceptual ambiguity. Mike Levi said a few years ago that the concept of organized crime is like a Rorschach blot, where everybody can see what he wants. It became so influential because everybody could use it to label whatever he was at that point theorizing. Some people say it also became influential because after the fall of the Berlin Wall and the implosion of the Soviet Union, some people needed an enemy and organized crime filled the vacuum left by the USSR. Certainly the Italian mafia also contributed to the success of this concept, because in the early 1990s it was the Italian mafia groups who were carrying out a series of spectacular murders and bomb attacks, including in the center of Italy, so the fear spread that the Italian mafia and a series of other mafias were on the march and were going to conquer Western Europe and to establish bases there, and to infiltrate not just the underworld, but also the legitimate economy. Of course, this fear was unjustified, but it certainly propelled the success of “organized crime” and later especially, the transnational organized crime conversion, the expression was successful because it could point to a common problem, without indicating clear responsibility. The expression “transnational” could be allowed to hide the fact that the Western countries were primarily concerned with the attacks that they could receive from the outside. So, by using the term “transnational organized crime” they could, in the public debate, in the policy debate, present it as a common threat for everybody.

Q: In a way you have already answered this, but what is the characteristic European way of thinking about organized crime now, as opposed to the way that it is seen in the United States?

LP: We have a much broader concept of organized crime. Organized crime has really become an umbrella concept, encompassing both a broader variety of actors and a variety of activities. Our concept is much, much broader than the concept that is still used in the US, in which instead “organized crime” is defined as a set of criminal organizations. The Italian mafia, the Russian mafia, the Colombians, Latin American groups.

Q: Are there specific Eastern European and Russian organized crime, is there something that is a specifically Balkan organized crime?

LP: I think there as well the peculiarity of Eastern European organized crime is that, while in Western Europe the concept of organized crime is primarily used to single out the provision of illegal goods and services and groups – typically underworld groups that are involved in illegal activities such as drug trafficking and human trafficking – in Eastern Europe on top of that there is an additional type of organized crime, which is peculiar to Eastern Europe; “organized crime” is also used to point to the people who infiltrated the legitimate economy and who took advantage of this kind of legislative vacuum in the early 1990s, because you had this rapid transition to a market economy, but at the same time the legislative framework was still the communist one. So if you wanted to be a private entrepreneur, my understanding is that it was hardly possible to do so without paying any bribe or without violating any laws, because the laws no longer corresponded to the market activities that were taking place, and it has taken several years to reform this legislative framework. And then, of course, also the bureaucracies that had developed in the Soviet era were certainly not bureaucracies that were very functional for a market economy. So many of your bureaucrats were used to taking bribes. Probably, if you did not take any bribes, you could not survive; in the period of hyperinflation. I think that the concept of organized crime has been used in Eastern Europe and also by Western Europe to describe all these other phenomena, not just the provision of illegal markets and services but also the phenomenon of corruption, the oligarchs, and it’s my opinion that in order to have a better understanding, and to envisage better policies, it would be very much appropriate to make distinctions within this big set of heterogeneous activities. To call things by different names and also to understand what is the cause of these different things so that you can then envisage better policies to tackle each of them.

Q: We have started into that, but the distinction between organized crime and high-level institutional corruption, is it an appropriate distinction to make?

LP: Yes, that is what I said, it would be very important to make these distinctions. I am against calling everything “organized crime” because then you cannot see the difference, promoting social factors, you cannot then envisage policies to tackle these problems. I think that you have here a bigger problem of corruption than in most Western European countries, with the exception of my home country (laughs), but it is also true that you need to have an historical perspective and to look also where countries are coming from. And of course, with reform of institutions, you need generations, so you cannot be expected to do it in just a few years. This does not mean that you do not have a problem now, of course you have a problem of corruption, but you also have to... you cannot expect it to solve it in just one or two years. It is a question of changing mentalities, of changing routines, of way of forming a new class of civil servants. I think it is certainly important to make distinctions between the two, between high-level corruption and organized crime, and it is my understanding that you already have made considerable progress in creating a distinction between legitimate economy, black economy and the criminal economy. If you want, you can see a kind of normalization of organized crime, you are coming closer in terms of what is happening in organized crime in other parts of Europe. I don’t know much about the Bulgarian situation but, from what I know about what’s happening in the Czech Republic, in Hungary, I think that there, for example, in the 1990s there were large criminal groups that emerged and, because the state was weak, were allowed to consolidate. Now that the state structure has strengthened, thanks to the support received from the European Union, these large criminal groups are no longer tolerated, and also, this phenomenon of oligarchs, of people accumulating huge fortunes in the ‘wild West,’ spending in the legal economy but at the same time using criminal methods, that no longer exists. So you already have a much sharper demarcation between the legitimate economy, on the one hand, and the criminal economy, on the other, although you still have as a legacy these rich oligarchs who made their money in dubious ways but as long as they use legal methods, you can be happy with that. It hardly makes sense to go back and really see how they made their money, but it’s already a success if you are able to restrain them, to get them to stick to legitimate rules.

Q: What is the most essential trend in today's European policy for countering organized crime? We've heard a lot in the past two days about Europol, about the remaking of the idea, how would you describe what Europe is not necessarily doing, but has as a policy at the moment?

LP: I think in general that the problem of organized crime has become less relevant in the EU policymaking debate and that indeed there are signs that some EU policymakers want to broaden further this concept to include serious crime rather than just organized crime, so that, for example, Europol gets a wider mandate and can be able to intervene and to foster international police co-operation, also in cases of offenses not carried by two groups, but by two to three individuals. And, to an extent, that's understandable. Also because the concept of organized crime ended up being so diluted. With the just minimum requirement of just three individuals, that nobody really understands what's "organized" in it. It makes sense to abandon this distinction and concentrate on serious crime, not matter how it is perpetrated. I am sure, though, that this means in the medium term the complete abandonment of the term "organized crime" because there are so many different agreements that focus on this concept, that I don't think that the whole EU organized crime control policies can be revised, in terms of serious crime. But there is no doubt that organized crime in general is becoming, as a concept, less relevant.

Q: Less relevant, not really useful. Perhaps as some kind of rallying cry in speeches for public consumption?

LP: Yes, and also because I think that organized crime at a European level has basically served its function. The great advantage was, on the one hand, the concept itself was used in a very loose way; on the other hand, it advocated the specter of mass organizations, everybody thought about the mafia, no specialist thought about the mafia when they heard "organized crime," so it was the perfect term to push for reforms. To push reforms giving increased powers to law enforcement agencies, authorizing the establishment at domestic level of centralized police agencies, to push for increased international police co-operation, and in this respect, it was really the perfect term; because on the one hand, it was really broad in scope, but on the other hand, everybody associated with really dangerous mafia organizations. But now, de facto, "organized crime" has already served its purpose, the reforms have been pushed through, and now, from the point of view of policymakers, it makes more sense to say, good now, these powers, let's use them now just for you, "organized crime," let's use it for much more broader sets of crime, sets of offences.

Q: You said that you were not much of an expert on Bulgaria and Romania, but were you to have the opportunity to give policy advice to Bulgaria and Romania now about counteracting organized crime, what would that advice be?

LP: I know very little. First-hand, I have no knowledge about Bulgaria and Romania, it is my first time here in Bulgaria and Romania and I have just heard some presentations, some other people talk about organized crime. If I have to give very tentative advice, I think that it would probably make sense, not just here but this is advice that is valuable for other countries, to try to strengthen and make accountable state structures; to try to force good governance. Often, instead of just focusing on a criminal law approach, it seems to me it is more productive, if you want to fight organized crime, to also have a broader social and institutional approach, trying to improve the effectiveness and the accountability and legitimacy of the state institutions for the population. I think that the lesson that you can draw from the Italian experience because there, on the one hand, thanks to the exceptional commitment of some law enforcement officers, great successes have been achieved in the fight against the Sicilian Cosa Nostra, the military branch of Cosa Nostra. The organization itself within Cosa Nostra has been disrupted because so many leaders are in prison, but still, as in Italy the anti-mafia fight has been mainly entrusted and left to law enforcement authorities and judicial authorities. The conditions that constitute the breeding

grounds for mafia organizations have not been tackled. In particular, I think of this broad patronage system, clientelistic type of relationship, the underdevelopment of parts of the Italian south. There are parts where there is 35 per cent unemployment among young people, people younger than 30 years old; and of course, you have really a potential 'reserve army' – to use an old Marxist expression (laughs) – of new candidates, of people who want to enter not just the mafia, but more generally, criminal organizations. So we might have had successes in disrupting the most consolidated mafia organizations, but on the other hand, the economic and political environment has not changed. Thus, on the one hand, you have economic forces pushing people into the criminal economy, although this may be more disorganized than it was 10 years ago, and the other hand, you keep on having a political class that is very willing to make all sorts of shady deals, not just with Mafiosi but with building companies, or exchanging votes in exchange for favors, and this means that the breeding ground has still remained. To a certain extent, the living conditions of the normal people have not changed, except that there is now much less violence than there used to be. That's an improvement, but still. Neither the economy nor the political conditions have been touched. Of course, you need a criminal law approach to try to make inoffensive the most violent type of guys or the guys committing harmful activities, but on the other hand you should not forget also to look at these broader socio-economic and political conditions.

Q: Is “organized crime” a policy metaphor that is designed to just die away and be replaced by another?

LP: To a certain extent, “organized crime” was already replaced after 2001 with terrorism, this international police co-operation was primarily pushed with terrorism, both within the EU and also at the broader international level, or the two were presented together. What you see is that organized crime, at the EU level, may be replaced with this new, broader, metaphor, i.e., “serious crime”; at the international level, I'm not sure about that. I don't think so. We heard also from Peter Gastrow, who has close contact with what's happening at the UN, that the attention is very much focused on organized crime, that quite on the contrary, after a decade entirely focused on terrorism, there is now a swing back in attention to organized crime.

Q: We have heard a lot this weekend about the concept of “harm.”

LP: “Harm” is certainly becoming important. I think that the advantage of “harm,” in my opinion, is that it is more a criterion in judgment. It is not a metaphor pointing out, ready, to broad and heterogeneous sets of actors and activities, as in the case of organized crime, but it is instead more, or at least that's how I would hope it would be used, or how I intend to use it, as a criterion for assessing different phenomena. As a criterion that can be applied to different phenomena, to compare different criminal activities, but can also be applied to different profit-making activities, it can be applied to, say, the harms of terrorism versus the harms of drug-trafficking. I see it as a criterion for judgment, for hopefully, I would like to take European policymakers really at their word when they say that they want to look at harms in order to establish policy priorities. I am not sure that they really know what they mean when they say that, because this could imply big shifts in emphasis in policy priorities, and I am not sure that the policymaking community in Europe really is prepared to make these shifts. So, I doubt that when they speak about evidence-based communities and about setting strategic priorities, on the basis of harms, that they really know what they mean, but it would be really nice if we would move in this direction, and I think that it is our task as researchers to contribute to this debate, and to question current policy priorities and to make politicians accountable – “you are not keeping up to the policies that you made yourself.”

INTERVIEW WITH PROFESSOR PETRUS VAN DUYNÉ

Q: What, after all, is “organized crime”?

Petrus van Duyné: An ill-conceived construction.

Q: Why?

PVD: Because it is indeterminable. The issue is how do people organize criminal things to get money. It is about the organization of crime. I always change the phrase “organized crime” into “organizing crime.”

Q: Why then did this very concept of organized crime become so influential?

PVD: Because around this concept, a whole community of interests developed – because it is an easy catchphrase, and the interaction of police, policymakers, journalists and researchers who are major groups of problem-owners, captured it. And they kept it going. Those who publicized against it end up simply lower on the citation list and on the grant list. The social psychology of policymaking and of agenda-making.

Q: What is characteristic about the European way of thinking about organized crime, as opposed to the way in the United States?

PVD: In European representation of this topic a shift can be observed towards “networking”; organized crime as fluid networking. So, basically, the old concept of organized crime has been watered down and concept of crime entrepreneur, entrepreneurial crime and organizing through networks has become more dominant. But there is still within law enforcement a slipping back towards the concept “organized crime.” And certainly, at the level of policymaking.

Q: And the US concept of organized crime? The academic community there has come up with some new paradigms about it.

PVD: The academic community and the European community have no essential difference. As a matter of fact, some of them long before have already embraced the concept of “organizing crime,” in fact one of them has coined the concept. But it didn’t enter into the mainstream criminology. In terms of policymaking, within the US one still observes the dichotomy – the good/bad guys – and the bad guys are organized crime figures. And with that, they influence very much the super-national policymaking level. They determine the framework of organized crime conventions and all that is related to it. They do have, in that sense, major influence.

Q: As has been discussed in the context of the definitions used by the EU and the UN?

PVD: Yes. And the EU will give way to the old-fashioned, orthodox organized crime concept.

Q: Which, interestingly, includes the model of the ethnic stereotype – Albanian, Italian, Russian.

PVD: With the organized crime assessment of Europol, there is always an organized crime group from another country threatening the next country. Which brings us back to the first point – who is threatening whom? It is like a wheel, one spoke influences the other and so it goes around. The reason is that from a law enforcement point of view, it is more difficult to catch foreign entrepreneurial groups in another country than their own entrepreneurial groups. So, basically, it is a law enforcement bias. “We can’t catch them.”

Q: That said, can it be said that there is a specific model of Eastern European and Russian organized crime? Is there a specific Balkan form of organized crime?

PVD: I think that the Balkan form of organized crime has gone through several phases; the rough, violent phase, certainly as far as Serbia's concerned, this has ended; those who had not been killed are in prison, those who had sense turned into businessmen. In terms of violence, the latest UN report on this region rated it as having one of the lowest incidences of violence. And generally a low crime incidence, not only in the organized crime context, but also in the interpersonal context. The homicide rate in this region is not high; neither the other forms of violence. The region has some reputation for, let's say, senseless violence and reputations are difficult to dispel. I don't feel unsafe in this region.

Q: That is a difficulty, isn't it? The measurements and statistics. The fact that there are fewer assassinations and bombings in Bulgaria than there were more than eight years ago could be explained in several ways, including by saying that those players have been eliminated so that others could gain and become bigger.

PVD: But they have turned away from the previous ways of money-making. And the other ones, who were not fit to be real entrepreneurs, got killed. They were not suited to criminal management, they were simply showing off.

Q: At the same time, Bulgaria and Romania are well-known to have high levels of organized crime and corruption and, in both cases, it seems that these could be connected to politics. Does that make them in any way different from other countries in Europe?

PVD: Yes. That makes them different from countries in Europe north of the Alps. Certainly, not much different from Italy as far as the interconnection between criminals or tycoons and party politics is concerned. That interrelation is still strong and alive, mainly through party financing, supporting of the top bosses of parties, clientelism, so in that way they succeed more in having upper-world retainers than in Germany, Belgium, the Netherlands, or England.

Q: Is it justified to differentiate between organized crime and high-level institutional corruption?

PVD: It is a matter of conceptualization. I do not differentiate. My point is, are they organizing crime? And if they do so, in what way? We are getting again into a kind of class concept. "Organized crime is at lower levels of society and corruption at higher levels." I do not make a difference. The best organized crime is organized business crime because there is much more management, much more organization. I have written a paper on various forms of organized crime, criminal entrepreneurship, and I have ended it with the description of high-level cartel building in industry, which requires the most elaborate organization in terms of management, human resource management. And that is right high up in society. So the best forms of organized crime are the high levels of political and entrepreneurial crime.

Q: If one looks at the law on criminal negligence and criminal recklessness and where there were highly-organized entities such as Lehman Brothers... Does that then put them into the definition of an "organized crime" organization?

PVD: Yes. Fully. What they do is not only to commit fraud, but to cover that fraud, they make new entities within their own old entity or daughter entities, so they establish a criminal entity within their whole complex business in order to cover up their wrongdoings. Fully organized crime. Period.

Q: What is the most essential trend in today's European policy in countering organized crime?

PVD: They think beating money-laundering is one of the best policies. But there are differences; Germany has 16 states and they are autonomous in selecting their priorities. England has established its huge SOCA, which is quite a hilarious organization; no one knows what they are actually doing. So, no, you can't say that Europe has just one policy or just one model for a policy. The Netherlands has several units. Most of them are active with organized underground units, mainly drugs, and human trafficking. England, also human trafficking. So there are a couple of priorities, but you can't say that they have a special policy, a room from wall to wall.

Q: The other approach to an issue like that is to say if it is "Europe," which Europe are we talking about?

PVD: Europol is an organization which I doubt is really effective. An information exchange organization, over-heavily-staffed, and bear in mind, most of the staff are older law enforcement officers being posted. If you have a police organization and one of the guys is no longer performing as well, you post him to Europol.

Q: What would be your recommendation to policymakers in Bulgaria, Romania and the other Balkans for their efforts to reduce organized crime?

PVD: Most essential is transparency. Of course, criminals you detect and against whom you have evidence you have to prosecute. But, with big cases prosecution goes so slowly and there are so many counter possibilities for the defense, or weaknesses within the judicial administration, that exposing these weaknesses through fact-based transparency publications, comparing, benchmarking, has a most stimulating role. And another thing is to have it publicized and see to it that you have a lively journalism which is ready to expose it, to publish it. Because otherwise whatever you find gets muted.

Q: Is, in reality, organized crime a policy metaphor that is now destined to die away, and be absorbed by some other policy concept, and what is that successive policy concept, what future does it have?

PVD: With the organized crime agenda, the heat is off, including in Western Europe. The agenda now temporarily has been taken over by financial crime. Then we still have the problem of minorities, ethnic integration, neighborhood nuisance by ethnic minorities. For some time, there was the impact of terrorism – officers were withdrawn to terrorist units of the police, where they had nothing to do, by the way, but that is another thing. So, yes, you can't say it (operations against organized crime) was scaled down, because that would cause an uproar, questions would be raised in parliament. You see that with the media too, only when it is real violent kind of crime entrepreneur but otherwise...everyone gets saturated with stories about drug smuggling, what's news about it? Five hundred kilos of heroin, 10 years ago it would be the first page, now it is the third page. We have no more colorful characters from the Balkans, violent contract killers, we don't have them anymore; so that is also quiet; as for the mafia, it is public knowledge that in a certain region, Berlusconi is supported by the mafia, the groups south of Naples, and no one cares.

Q: And at the level of academic debate?

PVD: That is no sensitive and acute anymore, also because the thing has become a bit stale. Intellectually, there is not really much new in it. I myself, I have done 10 drug smuggling cases and if you have read 10, you have also read the next 10. I have devoted more attention to the crime economy, the financial aspects. With organized crime you can continue to describe new cases of human smuggling, usually small operations, drug smuggling, usually small networks of three to five people, financial crime is covered only by a tiny minority of researchers. Money-laundering, I am virtually alone in doing empirical research. I don't know why, but as soon as money becomes involved, you see a lot of researchers switch off.

Q: For criminologists, does this weekend represent something typical of the debate about what is going on, about the use of the term “organized crime,” about the will in certain quarters to replace it with something more meaningful, more appropriate?

PVD: At the moment, you still have some remnants of the discussion about networking. Network crime, network organizations; the number of publications about the mafia, and also about Russian organized crime has not increased, also for the reason that Russian crime entrepreneurs – of which we were so afraid, ‘The Russians are coming, the Russians are coming’ – they didn’t come. And those who came brought so much money with them that they bought villas in West London which were never recorded. So, no specific transactions for Berezovsky. We were afraid that they were going to take over brothels. Well, one or two did that, and then it stopped. And then were a couple of killings of Russians by Russians, and after some time that stopped, too. So the first, rough pioneer phase is over, the frequency of violence has died away. As for smuggling of cigarettes, hardly anyone has an interest, the Eastern Europeans have prevalence, especially Poles and people from the Baltic countries, but there are not many researchers interested in cigarette smuggling. I have done a long project on it and the money for the project stops, and no new money, and neither were there researchers available. Let’s say, one sector of interest for Eastern European criminal organizations simply stopped.

Q: We have heard a lot this weekend about the concept of “harm.” Is this the coming trend in the academic debate?

PVD: The trends will concern, in the first place, direct harm to individual citizens, mainly through drugs smuggling and exploitation – drugs and sex – then some violence, because of violent crime, but that is hardly really organized; broader harms which are much more abstract you will hardly find, harm in terms of harm to the environment from crime, no one talks about it; the harm in terms of cultural crime, arts crime, only where there is a really big heist; harms in terms of financial crime, only when really savings of individual people are concerned.

Q: It seems that there is an inheritance of using the term “organized crime,” which is fuzzy, and we don’t seem to be much further down the line in terms of coming up with something which is workable, understandable and that could actually turn around the way that policy is made.

PVD: Then we come with another concept, ‘harm,’ which is equally fuzzy; because what is harm? Is it smuggling cigarettes, is it harmful? Ok, we have so-and-so-much excise lost, and we have people doing unhealthy things which they would do anyhow. So what is the harm? Customers, who are complicit to crime, because they buy packets of cigarettes which are not taxed and they know it. But they don’t feel victimized, they don’t feel any harm, except when the contraband cigarettes are from China, because that is real stinky stuff.

Human trafficking, especially in relation to sexual exploitation? There you have to specify real harm because a quite substantial segment of these sex workers do so completely voluntarily. There were indications that some were even angry when they were expelled because they were just there to get their study grant for the next year. So you really have to operationalize it, make it very sharp. I agree, harm’s important, then operationalize “harm.” Like an insurance agent, you make a calculation, you make a financial estimate. As for a broken neck, so much money for so much harm; the same with crime. I have not seen such a proposal yet.

Q: That could take some time.

PVD: Well, criminologists take quite some time before they throw away the mantle of fuzziness and start to operationalize.

INTERVIEW WITH PETER GASTROW

Q: What is “organized crime”?

Peter Gastrow: My focus has been primarily on research and policy work in developing countries, where until recently, quite a few of them had no definition at all as far as law enforcement was concerned, and the general idea about what organized crime is has been substantially influenced by the Palermo Convention, and therefore those standard concept in the Convention are what carries the day in law enforcement in those areas in Africa where I have worked – southern and eastern Africa. I do not want to become engaged in the finer and technical details of the debate about what the definition should be, I think that is a luxury, and a necessity, that should be pursued in developed countries where there's a degree of control, and a grip on organized crime, and where that space is available. I think in developing countries there are other urgent issues which need to be addressed as far as organized crime is concerned, and that is to prevent it from undermining the state completely, albeit with a very broad and unsatisfactory definition.

Q: Are there, from your experience, different approaches in thinking about organized crime in the EU and in the US and, of course, at the UN level?

PG: In broad, at national and international level, as far as policymakers are concerned – I'm not talking about researchers and academia – my impression is that they have the same fairly broad, flexible concept in mind, although it is still significantly influenced by the so-called “mafia” structure kind of movie concept. But the notion that one is also dealing with flexible and agile networks is certainly there. So, in broad, they all share a very similar vague concept of what it is.

Q: In sub-Saharan Africa, how do models of organized crime differ from, say, Europe?

PG: The research that we have done in Southern Africa and in East Africa certainly has not brought forward any strict hierarchical structures other than those from criminal groups originating outside the continent – I'm thinking of Chinese Triads, and Italian mafia. But indigenous criminal networks or organized groups are primarily loose and shifting networks, large and small, sometimes working together, sometimes competing, ill-defined and very difficult to get a grip on.

Q: “To get a grip on”? What does that mean? To understand them, to combat them, to infiltrate them?

PG: It's very difficult to understand them because it is a completely different kettle of fish from a strict classical or orthodox Gambino Family type of set-up, where once the structure is infiltrated, there will be significant information becoming available. When you are dealing with a network, which doesn't necessarily consist of one large network but of a number of smaller 'cells,' so to speak, which have connections with each other, that becomes much more difficult to penetrate and to arraign and to arrest and to 'neutralize.'

Q: You are very well aware of what is happening at UN level. How useful is that for what you know about how things work in Eastern Europe and the Balkans?

PG: My sense is just that, from the little that I have learnt about the Balkans, the complexity and the urgency of the situation, what has been done is not being heard loud enough in the debates on organized crime. For understandable reasons, West Africa has been a key headline-catching as far as the United Nations is concerned, there is a crisis there. But it has almost drowned other areas, where there are serious problems as well, which ought to be part of the equation when you talk about organized crime, and I would say that the Balkans is one of them. Europeans are more

familiar with organized crime in the Balkans because it features in their newspapers, it is part of their rhetoric, but internationally, among experts, yes, but at the UN my sense is that it is not as pronounced as it ought to be.

Q: Is it justified to differentiate between organized crime and high-level institutional corruption?

PG: In my view, there ought to be no differentiation if the high-level institutional corruption has similar elements as the organized crime, in that two or three or more people who connive to perpetrate the corruption; they ought to be dealt with in exactly the same way as the so-called “thug” organized crime person. However, where an individual is involved in grand corruption, that is a different case, then it is difficult to justify an organized crime approach, but I am not sure whether that would be done anyway. But when groups of individuals with smart suits and ties are involved in grand corruption or in financial crimes in boardrooms, never mind governments, they ought to be dealt with in exactly the same way.

Q: This goes back to some of the debates we have heard, about stereotypes. People may accept ‘the chap with the black fedora’ as organized crime, but the chap in the boardroom of Lehman Brothers...

PG: Enron. Yeah, you are right. The people in the nice suits, the suit shouldn't make a difference; the suit and the nice cigar. No, mind you, dons also smoke cigars.

Q: What is the most essential trend in Europe's policy now on organized crime?

PG: I don't talk as an expert on Europe, but what is impressive in observing it from the outside is the growing collaboration between the member states in the area of law enforcement, in the area of criminal justice, in the approach towards organized crime; that includes border control, it includes the technical side as well. In that area, the EU is by far leading globally in dealing with organized crime – and now I want to give you a sexy quote... Angela Merkel: “The greatest consequence of globalization is that there are not any purely national solutions to global challenges.” You see? There's no national solution to global challenges, and organized crime has become global. I am not talking about the local guys getting involved in prostitution, that is local; once it is trafficking, it becomes international, and there is no national solution to that. What I am saying is in that area, Europe is leading the way, and the big challenge for other parts of the world is to set aside or somehow overcome anxieties about sovereignty, anxieties about blown-up national interests, they really have to overcome that if they really want to get to grips with organized crime. Because organized crime, even though it is ill-defined, is slippery enough to exploit all those weaknesses, primarily in developing countries. Europe is in the process of overcoming that. Two steps forward, one step back, it doesn't matter.

Q: If you could make policy recommendations to Bulgaria and Romania and Balkan countries...

PG: Policy recommendations to whom? The governments?

Q: The governments.

PG: I base this primarily on my South African experience and on the assumption that organized crime in Bulgaria is not just local hoodlum type of organized crime, but that there is an element of sophisticated organized crime with international links involved. That is my assumption. We had a similar problem after the 1994 elections (in South Africa), we were also a country in transition, confusion in the law enforcement, uncertainty among many police officers, a sudden influx of criminal elements linking up with local ones, open borders, etc. If it doesn't exist already, a specialized policing unit with undoubted integrity and skills to address serious organized crime,

that is investigate and prosecute, in a court, if the criminal justice system is still not trustworthy, then a court or a criminal justice tribunal which is run in terms of rule of law but which is credible as well. Those two elements are essential. I am referring of course to "The Scorpions." In practice and psychologically, they made a difference. Up the risk for organized crime – they didn't get rid of organized crime – but also, for the public, they instilled confidence that the state is actually serious about it. And that it is possible to get to grips with these slickers. For as long as that doesn't happen, you can come with all sorts of explanations and real or falsified statistics, but the public is not stupid, and nor is the international community. So that needs to be a serious step and it needs to be done with integrity and what you will find, and what we found in South Africa, is that if that happens, as it did happen with the Scorpions, there is widespread international support and collaboration with such a unit. From the key international bodies – be it Scotland Yard, be it the FBI, I am very sure will be prepared to support, to train, to provide the latest best practice and equipment. That is just an apprehension point of view. I am not talking about the social-economic approach towards addressing the crime factor, I do not want to pronounce on that, I don't think that is my area of expertise. I mean, it can't just be law enforcement. I'm not suggesting that. But I have been more involved in the criminal justice and law enforcement side of issues, and I know that in developing countries, in Africa, anywhere, if you think you can wait until the socio-economic developmental issues have been tackled, you are going to wait for a very long time.

And the immediate priority is to increase the risk for organized crime, and to demonstrate to your local citizens and to the international community that you're serious about dealing with it. The political will must be there. If there is no political will, you won't be able to establish this, by the way, because it will be visible that it is a farce.

Q: There is a nascent debate in Bulgaria now about establishing special tribunals.

PG: I just stress there that this must be dealt with in terms of ordinary rules of transparency, of rule of law, and not as special, sinister type of tribunals, where some form of quick justice is enforced because that is, again, counter-productive. There must be a broad public confidence in the court, in the tribunal that is established.

Q: They are talking about specially-selected judges.

PG: No problem.

Q: And making them highly-paid.

PG: No problem.

Q: But the experience in Kenya, when they significantly increased the salaries of customs officials, all they got was well-paid corrupt officials.

PG: I think you are justified in being cautious about that notion. It suggests that the others continue at normal pay will stay corrupt, but corrupt at a low salary. You can't buy yourself out of it; it is more complex than that.

Q: Organized crime, is it a policy concept that is really just going to die out at some point?

PG: I think the notion of organized crime has firmed up in the minds of many law enforcement agencies and policymakers around the world. Unfortunately. Because it is a seriously flawed attempt to define something which people are still trying to understand. It would be wrong to try and take shortcuts by now shooting down the concept, as vague as it is, of organized crime without

having a satisfactory substitute for it. And therefore, I think that the debate on organized crime definitions will still take a long time. It ought to be pursued with vigor, but while that happens, the existing Palermo Convention type of broad approach will remain, I think should remain, in order not to confuse law enforcement and others about what the essence of organized crime is all about.

Q: Popular public linkages between organized crime and terrorism – how substantive is that, and how justified?

PG: There are countries and there have been examples where there have been close links and reference often made to Colombia, to northern Ireland as it was, where there was a close linkage, the IRA and others linked to it were involved in terrorism, branched off into organized crime and kept on collaborating with others who were still involved in terrorism, so yes, but I think that it's only since 9/11 that this has been inflated into a global security scare. I think that one needs to be on one's guard... in Southern and Eastern Africa we have undertaken a study into this, and have not found any such links to exist in southern Africa; in Eastern Africa, it seems there have been and are occasional links between organized criminal groups and terrorists, in the form of alliances to pursue joint objectives, but in the shape of transactions that would assist, for example, a group linked to terrorism to get through a border illegally or to buy weapons or to get falsified passports, ad hoc transactions, ad hoc connections – seem to take place in East Africa. So I don't shoot it down altogether but I am on my guard about conflating it into something which it is not really globally. The one area which I must confess I am not familiar with, and that is the laundering of funds, funds that go to groups linked with terrorism; I just don't know to what extent organized criminal groups are involved in that, and I must be careful that I don't ignore that aspect. That is an area where the information is only available by intelligence agency, it is not information which is easily available as open source information and I don't know enough about it. But the purpose, the objective of terrorists is very different from organized crime; they may have deeply held religious and political views, that is what they are trying to realize, and organized crime has got nothing to do with that. It is not a natural alliance unless there are specific circumstances where these factors all coalesce, as in Northern Ireland.

Q: You mentioned getting people across borders. That seems not to be a common cause, but a consultancy service.

PG: Absolutely. It is a financial transaction. Where there is mutual benefit for both the organized criminal network or group, and the group linked to the terrorism, it is on an ad hoc basis, and thereafter they part ways. It is not as though the organized criminal group, and this is in East Africa, will assist, let's say, al-Shabab, in perpetrating whatever terrorist acts they want to perpetrate, it would be too risky – why should organized crime get involved in those risks? They want to make money.

APPENDIX

Conference Program and Participants

RISKMONITOR AND OPEN SOCIETY INSTITUTE ORGANIZED CRIME, CIVIL SOCIETY AND THE POLICY PROCESS

FOURTH ANNUAL CONFERENCE
Borovetz, Lion Hotel, 28-30 May 2010

PROGRAM

FRIDAY, 28 May 2010

13.00 – 14.30	Registration. Welcome Coffee
14.30 – 16.00	<i>Panel 1 Characteristics of Balkan Organized Crime</i>
	Moderator: Jana Arsovska
	Participants: Stoycho Stoychev, Nemanja Nenadic, Haki Demolli
16.00 – 16.30	Coffee Break
16.30 – 18.00	<i>Panel 2 Organized Crime: Overview of Policy Trends</i>
	Presentations by Michael Levi, Adam Edwards
	Moderator: Stefan Popov
	Panel Discussion
19.00 – 22.00	Dinner

SATURDAY, 29 May 2010

7.30 – 09.00	Breakfast
9.30 – 11.00	<i>Panel 3 Organized Crime: Problems Relating to Research</i>
	Moderator: Letizia Paoli
	Participants: Panagiotis Kostakos, Cornelius Friesendorf, Georgi Petrunov
	Panel Discussion
11.00 – 11.30	Coffee Break
11.30 – 13.00	<i>Panel 4 Organized Crime as a Policy Challenge</i>
	Moderator: Petrus van Duyne
	Participants: Peter Gastrow, Jeffrey Goldberg, Luis Jorge Garay
	Panel Discussion
13.00 – 14.00	Lunch

15.30 – 17.00	<i>Panel 5 Organized Crime as an Issue in the Public Policy Debate</i>
	Moderator: David Holiday
	Participants: Andrew Feinstein, Drew Sullivan, Charalampos Papacharalampous, Krassen Stanchev
	Panel Discussion
17.00 – 17.30	Coffee Break
17.30 – 19.00	<i>Panel 6 Organized Crime: What Role for Civil Society</i>
	Moderator: Jonas Rolett
	Participants: Juan Salgado, David Holiday, George Vickers
	Panel Discussion
19.30 – 22.00	Dinner

SUNDAY, 30 May 2010

8.30 – 10.00	Breakfast
10.00 – 12.00	Departure

CONFERENCE PARTICIPANTS

Open Society Institute

Andrew Feinstein, Open Society Institute Fellow

David Holiday, Senior Program Officer of the Latin America Program at OSI-Washington, D.C.

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Michael Levi, Professor of Criminology, Cardiff University, United Kingdom

Peter Gastrow, Senior Fellow and Director of Programs, International Peace Institute, NYC

Petrus van Duyne, Professor of Empirical Penal Law, University of Tilburg, Netherlands

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Luis Jorge Garay, Manager, Anticorruption and Capture of State Area, METODO, Colombia

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Cornelius Friesendorf, Ludwig-Maximilian University, Munich
Dalibor Dolezal, Department of Criminology, University of Zagreb, Croatia
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Drew Sullivan, Center for Investigative Reporting, Bosnia-Herzegovina
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PANEL SPEAKERS

Jana Arsovska is Assistant Professor in the Sociology Department at John Jay College of Criminal Justice at City University of New York. She has a PhD in Criminology from the Catholic University of Leuven in Belgium. Arsovska has acted as a consultant for several organizations, including the World Bank and the UN on issues of organized crime.

Petrus C. van Duyne has been senior researcher at the Dutch Ministry of Justice and has worked since 1996 as professor at the Penal Law Department of Tilburg University, the Netherlands. In 1987 he launched the first empirical research project on organized crime, followed by a project on organized cross-border crime. He has carried out a series of empirical projects on money laundering and the role of crime-money in the economy.

Adam Edwards is senior lecturer in the Centre for Crime, Law and Justice at Cardiff University School of Social Sciences, UK. Formerly he directed the UK Economic and Social Research Council's research seminar program on 'Policy Responses to Transnational Organized Crime', which ran from 1999–2001. Edwards is also chair of the European Society of Criminology's working group on 'Crime, Science, and Politics' (<http://www.esc-eurocrim.org/workgroups.shtml#safety>).

Andrew J. Feinstein is an OSI Fellow for 2010, currently completing a book on the global arms trade and its impact on accountable democracy. Feinstein was a Member of Parliament in South Africa but resigned in 2001 in protest against a multi-billion dollar arms deal which was tainted by allegations of high level corruption. He was educated at King's College, Cambridge University, the University of California at Berkeley and the University of Cape Town.

Cornelius Friesendorf is a lecturer at Goethe University, Frankfurt and a research fellow at the Peace Research Institute, Frankfurt. His research focuses on security sector reform (with a current focus on Afghanistan), peace operations, and strategies against serious crime. Before moving to his current post, he was a fellow at the Geneva Centre for the Democratic Control of Armed Forces (DCAF). He has conducted fieldwork in South America, North Africa, the Balkans, South Asia, and Central Asia. Cornelius holds a doctorate in political science from the University of Zurich as well as degrees from the London School of Economics (LSE) and the Free University Berlin.

Luis Jorge Garay is the Manager for Anti-Corruption and Capture of State Area, METODO, Colombia. He is also director of the National Process of Verification of Human, Social and Economic Rights of the forced displaced population in Colombia. Garay has a Master's degree in Economics from the Universidad de los Andes and PhD in Economics from the Massachusetts Institute of Technology. Garay has been Visiting Scholar at the universities of Oxford and Cambridge. Consultant at the United Nations Program for Development in Colombia, the National Planning Department and the Ministries of Finance, Foreign Trade and Foreign Affairs in Colombia.

Peter Gastrow was elected member of the South African parliament and participated in the negotiations for a National Peace Accord during the early 1990s. After the 1994 elections, he was appointed special adviser to the Minister for Safety and Security to assist with the transformation of South Africa's police forces. In 1998 he became the Cape Town director of the Institute for Security Studies (ISS), an independent applied policy research institute, where he focused on organized crime and corruption. He is currently a Senior Fellow and Director of Programs at the International Peace Institute in New York.

Jeffrey Goldberg is a Senior Trial Counsel, Criminal Division, US Attorney's Office, New York. Before joining the United States Attorney's Office, J. Goldberg clerked for two federal judges, and then worked at Skadden, Arps, Slate, Meagher & Flom LLP in Washington, D.C., where he advised corporations and individuals in connection with a wide variety of civil and white collar criminal proceedings. He graduated from the New York University School of Law; he earned his undergraduate degree at Lehigh University in Pennsylvania. Goldberg is a certified public accountant.

David Holiday is a Senior Program Officer of the Latin America Program at OSI-Washington, D.C. where he supports international advocacy, organized crime, and drug policy initiatives. Prior to joining the Open Society Institute, Holiday worked in Uzbekistan as the country representative for Counterpart International, and in Afghanistan, where he worked for the senior economic adviser to the president in support of the country's National Development Strategy. During his tenure in El Salvador, he became the regional representative for Human Rights Watch, authoring or contributing to numerous human rights reports on El Salvador, Guatemala, and Nicaragua throughout the 1990s.

Panos Kostakos is a doctoral candidate at the University of Bath. He is the author of various articles on illegal arms trade, cocaine smuggling, illegal migration and political radicalism in Greece. He is also the co-editor of a book published in 2010 by Routledge, titled: *Defining and Defying Organized Crime: Discourse, Perceptions and Reality*. Kostakos is actively involved in the ECPR Standing Group on Organized Crime and has attended numerous conferences and workshops.

Michael Levi has degrees from Oxford, Cambridge, Southampton, and Cardiff Universities and has been Professor of Criminology at Cardiff University since 1991. He is also Member of the Expert Advisory Group to the Prime Minister's Strategy Unit for review of serious and organized crime; the European Commission sub-groups on money-laundering and on asset freezing & confiscation. Levi also holds the position of Scientific Expert on Organized Crime to the Council of Europe. His most recent book is *The Phantom Capitalists*.

Nemanja Nenadic is a lawyer from Belgrade, Serbia. Since 2001, he has been affiliated with Transparency International and currently is program director for TI in Serbia. He has worked on numerous anti-corruption projects of TI and other organizations, including legislation drafting, monitoring, research and education campaigns. His main areas of expertise are political party financing, public procurement, free access to information and anti-corruption strategies.

Letizia Paoli is full professor of criminology at the K.U. Leuven Faculty of Law, Belgium. She received her PhD in social and political sciences from the European University Institute in Florence in 1997, after studying political sciences at the University of Florence and at Georgetown University in Washington, D.C. From 1998 to 2006 she was a senior research fellow at the Max Planck Institute for Foreign and International Criminal Law in Freiburg, Germany. Prof. Paoli has served as consultant to the Italian Ministries of the Interior and Justice, the UN Office for Drug Control and Crime Prevention (UNODCCP, now UNODC) and the UN Interregional Crime and Justice Research Institute (UNICRI).

Charalampos Paracharalampous has a PhD in Criminal Law and Law Theory from Goethe University (Frankfurt am Main, Germany). Since 2009, he has worked as a lawyer. Currently, he is Assistant Professor in Law at the Department of Law of the University of Cyprus. His prior appointments include Senior Investigator at the Human Rights Protection Sector of the Greek Ombudsman (since 2003) and Legal Adviser in the Office of the Minister of Justice (1998-2001). Paracharalampous is the author of three books on penal law and organized crime.

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Stefan Popov is the Executive Director of RiskMonitor Foundation. He is a graduate in Philosophy from Sofia University "St. Kliment Ohridski" (1985). He holds a PhD in Philosophy and Social Science from the New School for Social Research, New York (1996). He was program director at the Center for Liberal Strategies (1996-2004); Chairman of the Board of Trustees of the Open Society Institute – Sofia (2000-2006). He has specialized in constitutional policy (Vienna, 1994 and Freiburg, 2003) and international security (Washington, 1999).

Jonas Rolett is Regional Director for Southern, Central and Eastern Europe, OSI-Washington, D.C. He also serves as a liaison between foundation networks in Eastern Europe and the international advocacy community in Washington, D.C. He has focused on democratic and political processes for much of his career, including 5 years with the National Democratic Institute and 11 years with OSI. Other issues he has worked on include organized crime, migration aid transparency and sustainable development.

Eduardo Salcedo-Albarán holds an Ms. in political science. He is the founder and manager at METODO, a trans-disciplinary and transnational group of social scientists. Between 2004 and 2006 he served as adviser for the Colombian presidency and security agencies on the design of counter-criminal strategies. He has worked as consultant and researcher for various foundations and institutes like Transparency International and Global Integrity, as well as other security agencies in Central America.

Juan Salgado is a professor at CIDE's Legal Studies Department and PhD candidate at the National Autonomous University of Mexico-UNAM. He holds an LLM in Human Rights from the University of Essex, UK. Juan Salgado has coordinated human rights, non-violent conflict resolution and public security projects in Mexico, Europe, and Africa. He has been consultant to different funding agencies and international organizations.

Krassen Stanchev is the CEO of KC 2 Ltd. (www.kc-2.org), a company specializing in economic analysis for private corporations. He has served as Senior Consultant and Advisor for Pragma Corp. in Central Asia and is also Board Chairman, Founder and former Executive Director of IME (www.ime.bg), the first Bulgarian independent and free market think tank. He is a member of the Advisory Board of CASE Warsaw, Board Member of the Central Asia Free Market Institute and the Bulgarian Chamber of Commerce and Industry.

Stoycho Stoychev graduated in Political Science (2005) and European Integration (2008) from Sofia University "St. Kliment Ohridski". He holds MA with Distinction in Political Science with specialization in Comparative Politics from the Central European University, Budapest (2006) and a PhD in Political Science from Sofia University (2010). Since 2010, he has been Lecturer at the Political Science Department of Sofia University.

Drew Sullivan, Center for Investigative Reporting, is a journalist and media development specialist who has worked for almost a decade in Eastern Europe and Eurasia. He founded the Center for Investigative Reporting in Bosnia-Herzegovina in 2004 and served as its editor and first director. He is the director and an editor for the Organized Crime and Corruption Reporting Program, an organization he founded. His work as editor has won the Online Journalism Award for investigative reporting, the first ever Global Shining Light Award for investigative reporting under duress, the Tom Renner Award for organized crime reporting and many other prizes.

Alexander Velez is a graduate in Public Administration from Sofia University "St. Kliment Ohridski" (2005). From 2002 to 2007 he was an expert at the Bulgarian Nuclear Regulatory Agency's International Cooperation and European Integration Department. Currently, he is the Administrative and Financial Director for RiskMonitor.

George R. Vickers is Director of International Operations, overseeing the country and regional operations of the Open Society Institute and Soros Foundations Network worldwide. From 2002 until July, 2007, he served as OSI Regional Director for Latin America and Senior Policy Analyst at the Open Society Policy Center. Prior to joining OSI, from 1993 to 2001 Vickers was executive director of the Washington Office on Latin America. He was Professor of Sociology at the Graduate Center and Brooklyn College of the City University of New York (CUNY) from 1975 to 1997. He is the author of several books and has written extensively on the dynamics of revolutionary movements, democratization processes in Latin America, civil-military relations and the United States military strategy.

RiskMonitor is a non-profit, non-governmental public policy institute.

RiskMonitor works for the reduction, control and prevention of organized crime and high-level political and institutional corruption.

RiskMonitor develops independent civic expertise in the sphere of policies countering organized crime and institutional corruption.

RiskMonitor identifies organized crime and institutional corruption as high-risk public processes and a threat to the liberal democratic polity, its public institutions as well as the overall development of open society in the post-transition context.

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