

**OnlineClassroom.tv**
The Online Learning Resource

Sociology



**The
Crime and Deviance
Channel**

**Chris.
Livesey**



Globalisation and Crime

Online Classroom Ltd
PO Box 104
Hinckley
Leicester
LE10 2WW
Registered in England Number 5896648

tel / fax: 0845-505-0664
www.onlineclassroom.tv
enquiries@onlineclassroom.tv



The Crime and Deviance Channel



Globalisation and Crime



Contents

1. Globalisation and Crime: Observations	02
2. Types of Globalisation	03
3. How does Globalisation Relate to Crime?	04
4. Globalisation and Transnational Crime	07
5. The Organisation of Crime	12
6. Globalisation and Crime: Explanations	12
7. Models of Organised Crime	13
8. Glocalisation	26
9. References	31

Thus far in this chapter we've looked at crime and criminality in a broadly national context, with the focus mainly on the UK. While this is an important dimension to any understanding of crime and deviance it's evident that, in recent times, a further dimension – the global or transnational – has come increasingly to the fore; in other words, if we limit our understanding to a simple national level there's a danger of ignoring an important dimension to crime and criminality.

Globalisation and Crime in Contemporary Society



Globalisation and Crime: Observations

We can begin by thinking about the concept of globalisation and how it might be generally related to crime:

Defining globalisation: Just as crime is a general label given to different types of offending (from the relatively trivial, such as dropping litter, to the relatively serious, such as armed robbery or murder), globalisation is a label given to a variety of diverse processes – and in order to relate these processes to crime we need to initially define what we mean by globalisation. This is not necessarily as straightforward as you might expect since globalisation is, according to **Rosamond and Booth** (1995), a:

Contested concept: There is no simple sociological consensus about the meaning of globalisation, what political, economic and cultural processes it involves or how these relate to one another. While we need to keep this idea in mind (especially when evaluating possible relationships between globalisation and crime), we need a:

Working definition for our current purposes - such as the one proposed by **Callero** (2009), who defines globalisation as: "The increasing cross-border flows of:

- **Goods** (e.g., coca-cola, cocaine),
- **Services** (e.g., McDonalds, prostitution),
- **Money** (e.g. family cash, corporate banking),
- **People** (e.g., migration, vacation),
- **Information** (e.g., internet, movies), and
- **Culture** (e.g., fashion, religion), resulting in greater economic and political interdependence".

Smith and Doyle (2002), while agreeing that "Globalization (*sic*) is commonly used as a shorthand way of describing the spread and connectedness of production, communication and technologies across the world" add a further dimension:

"Globalization, in the sense of connectivity in economic and cultural life across the world, has been growing for centuries. However, many believe the current situation is of a fundamentally different order to what has gone before. The speed of communication and exchange, the complexity and size of the networks involved and the sheer volume of trade, interaction and risk give what we now label as 'globalization' a peculiar force".

In other words, while globalisation involves increasing economic, political and cultural connections between societies its crucial feature is not merely the fact of such connections (since societies have been variously connected through trade, conquest, cultural exchange and the like for centuries); rather, it is the *speed* by which such connections can be made and unmade in the (post) modern world that is important.

Giddens (1990), for example, argues that a central feature of globalisation is "a decoupling of space and time" – the idea that the world "seems smaller" because "with instantaneous communications, knowledge and culture can be

shared around the world simultaneously”. One reason for this, of course, is the emergence and rapid development of communications technology (such as the personal computer and the Internet), but it’s also related to “older” technology such as the telephone and jet plane.

2. Political globalisation involves, according to **Sporer (2000)**, the ‘loss of power and authority of nation states’ – an argument echoed by **Smith and Doyle (2002)** when they note ‘a decline in the power of national governments to direct and influence their economies’.

Types of Globalisation

The above points us towards the observation that globalisation involves a range of distinct *sub-processes* (each of which has significant consequences for our understanding of crime). For our purposes we can think about three distinct, but ultimately interconnected, aspects of globalisation:

1. Economic globalisation: Held et al. (1999) suggest three ways economic behaviour is globalised:

a. **Trade** involves the ‘globalization of production’, whereby products are sourced from different places and assembled in whatever country is able or willing to offer the most advantageous incentives (subsidies, tax breaks and so forth).

b. **Finance:** Global forms of production and distribution require an extensive network of financial arrangements that enables capital to be moved around the globe quickly and efficiently. The development of global financial institutions (such as banks) is, like international trade, not a particularly new phenomenon, but the ease and speed by which money can be moved, tracked and managed has been facilitated, as **Castells (1997)** argues, by the development of computer technology and global networks.

c. **Products:** The opening up of global marketplaces means some companies can sell products on a world stage.

Massive **Transnational Corporations (TNCs)** not only have access to markets and populations in different countries, they can also, as **Yip (1995)** suggests, sell the same product (such as a car, computer game or film) across the globe with little or no alteration to the basic product.

“**Standardisation**”, therefore, is an important feature of economic globalisation, not just in terms of the way it allows TNCs to trade around the globe but also in **cultural** terms – the idea that different societies consume much the same kind of products (from Coca-Cola and Big Macs, through clothing and fashion, to cars, computers and washing machines...).

Wherever you are in the world, it’s still a Big Mac made in the same way, using the same ingredients, to the same general standard...



The global Royal Bank of Scotland was driven to the point of collapse during the 2009 banking crisis before being rescued by massive UK government loans

An example of this “power loss” is the globalisation of trade that removes from national governments the ability to control major aspects of economic policy in areas like employment, taxation and investment. The 2009 global financial crisis is indicative of the “loss of power” argument in the sense that none of the world’s major economic states had the power to prevent the crisis developing or the ability to resolve it unaided. The “globalisation of politics” is, in this respect, illustrated by the way national governments have attempted to act *in concert* – pumping state finance into banks, lowering interest rates and so forth – as a way of trying to control the economic storm.



Involvement in regional economic and political institutions (such as the European Union) further limits the decision-making powers of national governments, mainly because decisions are conditioned by:

- **International agreements**, binding on member states and relating to areas like trading arrangements or levels of national debt, and:
- **International laws** relating to, for example, the free movement of labour across national borders. The concept of international law will also be significant when we look at concepts like **green crime**, **human rights** and **State crime**,

3. Cultural globalisation involves the spread of cultural products (such as films, video games, music, radio and television programmes) around the globe, between nominally different cultures. One feature of such products, from the late 20th century onwards, is that they are not necessarily physical commodities - they can, for example, be easily transmitted across political boundaries via carriers such as the internet, satellite and cable. This is not necessarily the case, of course – people still buy music (CDs) and films (DVDs), for example, in physical formats - but **digital cultural products** are increasingly packaged and sold in this way.

Globalization, as a general concept, therefore, can be understood, according to **Held et al.** (1999) “as a process or set of processes rather than a singular condition” and **Barak** (2001) captures the general spirit of this idea when he argues “Globalization refers to the process of growing interdependency among events, people and governments around the world that are increasingly connected through a worldwide political economy and an expanding communications, transportation, and computer network”.

How does Globalisation Relate to Crime?

A distinction is frequently made between the **legal** (or **legitimate**) **economy** and the **illegal** (or **illegitimate**) **economy** and while this broad division may not always stand-up to close scrutiny (legitimate economic activity may edge (or indeed plunge headfirst) into illegality while organised criminals may try to “clean” illegal gains through investment in legitimate business enterprises) it generally reflects the conventional belief that the behaviour of the illegitimate economy reflects the behaviour of the legitimate economy. As **Aguiar-Millan et al** (2008) put it,

it’s useful to consider “Crime as a special form of business activity, affected by the same trends as other business activities”. In this respect, therefore, where globalisation has produced rapid and far-reaching changes in the latter we shouldn’t be too surprised to find it has produced similar changes in the former.



We can develop this idea by reference to previous sections in this chapter (**Theories of Deviance** and **Power and Control**) by suggesting that types and levels of crime in any society are sensitive to two things:

1. **Social contexts: Findlay** (1999) argues that “Crime cannot be understood outside its social context” – criminal behaviour, in other words, is influenced by “a variety of social, cultural, political and economic determinants” – and we can note, by way of illustration, how crime is sensitive to three basic contexts:

a. Institutional processes within a particular society. This relates to things like law-making and law enforcement – the types of laws that are made and the extent to which they are policed and enforced by control agencies (such as, in the UK, the police or the Health and Safety Executive). Some laws in our society, for example, are both:

Strongly framed, in the sense they detail very precisely what constitutes law-breaking, the type and levels of punishment for offenders and the like and:

Strongly enforced – if someone is caught breaking a particular law (murder, theft, burglary and so forth) there is a strong likelihood it will be

enforced - if you break into a house and are caught stealing a computer, saying you're "very sorry" to the police isn't likely to stop you being arrested, charged and prosecuted.

Other forms of law – especially, but not exclusively, those relating to business behaviour – are however:

Weakly framed and weakly enforced: In other words, it's difficult for control agencies to convict those who break the law - because levels of proof are relatively high or the law is framed in such a way as to allow for a strong defence – and law enforcement is similarly weak (very few people are arrested and fewer still convicted). Examples here, in recent times, might include the introduction of laws covering things like corporate manslaughter, insider trading or corporate corruption. In relation to the former, for example **Slapper (2007)** notes

"Globally, more people are killed each year at work than are killed in wars. How the law responds is important, and the UK's new Corporate Manslaughter and Corporate Homicide Act is a significant improvement on earlier legislation. The legislation makes it easier to convict culpable organisations. But the new law has not lowered the threshold of guilt: it criminalises only an organisation whose gross negligence has resulted in death".

The new law, he argues, was required because of the ineffectiveness of previous legislation:

"In the UK, over 40,000 people have been killed in commercially-related circumstances between 1966 and 2006 but under the old common law of manslaughter, only 34 companies were prosecuted for homicide and only seven resulted in convictions... Today, of those deaths and injuries that result in prosecutions, most are taken to court only as offences under health and safety legislation... the Government [has] estimated that the new offence would result in only 10-13 additional prosecutions for corporate

b. Patterns of relationships: The groups we join and social relationships we form impact on both types and levels of crime in society. There are, for example, clear relationships between crime and social characteristics such as class, gender, age and ethnicity (different classes and genders commit different types and levels of crime, for example).

c. Individual variations: A further *social context* is the way individual circumstances affect criminal behaviour. People with broadly similar social characteristics (class, gender, age and ethnicity for example.), for example, often display widely-differing predispositions towards criminal behaviour. Thus, people of the same sex, class or age group display behavioural differences based on *micro-factors* like family relationships or peer-group membership that lead them into or away from crime.

2. Social change: Just as crime is sensitive to social *contexts*, it also responds to social *changes* that both impact on these contexts (legal changes at the institutional level, for example) and transform the opportunities for criminal behaviour in two main ways:

a. New crimes: By introducing new ways to commit crime (the development of computer technology, for example, has resulted in a type of crime – credit card fraud – that could not have existed 50 years ago).

b. Social strains: By creating social tensions and dislocations that push people into criminal behaviour. For example, a recent **Press Association (2009)** report based on police recorded crime (PRV) statistics for different forces suggests a close correlation with economic downturns and a rise in certain types of crime. As the report notes:

"Many regions have seen the number of robberies and burglaries climb in the past three months compared with the same period last year. In some areas acquisitive crime has almost doubled".

Changes in the crime rate: (October-December 2007 to October-December. 2008)		
	Burglary	Robbery
Greater Manchester	21% rise	25% rise
Lincolnshire	45% rise	98% rise
Suffolk	7% fall	54% rise

Similarly, **white collar crime** has responded to recent economic changes, as **Allen (2009)** reports:

“A recession-fuelled spate of bribery and corruption is set to keep fraud at record highs in 2010, according to experts at KPMG... The first six months of 2009 saw the highest fraud rate in the 21-year history of the consultants' report with more than 160 cases of serious fraud costing £636m. Cases reaching the courts included a £200m investment fraud involving the attempted sale of the Ritz hotel in London... Fraud has been running at historically high levels in the UK over the last few years and this is set to continue. Initial assessments of 2009... indicate that fraud ran at record or near-record levels during the year”.

The relationship between crime, context and change is given greater importance by the fact that globalisation involves, as we've suggested, a variety of economic, political and cultural changes. **Karofi and Mwanza (2006)**, for example, argue that globalisation is linked to crime because it involves the breakdown of what **Findley (1999)** calls:

Physical spaces – in this instance the frontiers between nation states – in terms of three main forms of *movement*:

1. Population: It is increasingly easier for people to move around the globe as travellers, tourists and workers, a process facilitated by technological developments such as relatively cheap, reliable and widely available air travel. This, in turn, has aided the development of international (or transnational) commerce – from banking and finance through manufacturing to tourism - and a consequent increase in the numbers moving around the globe. The ease of population movements relates to criminal



activity in a range of ways, from the physical movement of people, both against their will (such as sex-trafficking) and with their consent (sex tourism, economic migration) to drug and arms smuggling.

2. Goods and services: The global movement of goods and services creates opportunities for both new and well-established forms of crime **Taylor (1999)** suggests an example of the former involves various forms of illegal computer access (“hacking” - defined as illegal entry into a computer or network system - and it’s related art-form “cracking”, where illegal entry is accompanied by some form of illegal change or damage to the hacked system) while an example of the latter might include something like “carousel” (or “Missing Trader Intra-Community”) fraud.

Carousel Fraud

Ruffles et al (2003) illustrate this new form of an old type of crime in the following way: “Goods are imported from the EU into the UK by a trader who then goes missing without completing a VAT return. The ‘missing trader’ therefore has a VAT free supply of goods, as they make no payment of the VAT monies due on the goods... the goods are not sold for consumption on the home market. Rather, they are sold through a series of companies in the UK and then re-exported to another Member State, hence the goods moving in a circular pattern or ‘carousel’. At each stage in the movement, VAT relief is claimed by the trader but never declared for tax purposes”.

HM Revenue and Customs estimated the cost, in terms of lost tax revenue, of this type of fraud to the UK in 2005 / 06 at between £2 billion - £3 billion.

3. Information: The development of reliable, efficient and widespread forms of electronic communication – from the telephone to the Internet – breakdown physical spaces by making it quicker and easier than at any time in human history to transfer information across the globe. Instantaneous global communication has led to the development of both a new range of criminal forms (such as data theft and web-based scams) and the reinvigoration of many traditional types of crime – identity theft, money laundering and tax evasion to name but three.

The development of cheap, reliable, air travel has increased rates of population movement throughout the 20th century.

Globalisation and Transnational Crime

We can clarify the distinction we've just suggested between new forms of crime that exist only because of the development of worldwide computer technologies and networks and conventional types of crime that have been given a new lease of life by their internationalisation in the following way:

a. Conventional forms of crime facilitated by globalisation:

Trafficking takes a number of forms, from **drugs** (both *illegal*, such as cocaine and *legal* such as tobacco) and **weapons** (both arms and the materials - biological, chemical and nuclear – that could potentially be used as weapons of mass destruction), through **people** (such as women being sold into sex slavery and children sold into domestic slavery) to **body parts**, **endangered species**, **gemstones** and so forth

Counterfeiting involves both **money** (US dollars are currently the most commonly counterfeited currency in the world and the Royal Mint has estimated there are currently (2009) 30 million fake £1 coins in circulation in Britain) and **goods** (such as music CDs, DVDs, designer clothes and the like).

Financial Fraud reflects a wide-range of behaviours, some of which are rely on computers and the Internet - classic examples here include:

- **“Advance fee frauds”** – where a criminal poses as someone who has access to (nonexistent) hidden government or private funds they will share with the victim “for a fee”. The victim is enticed to advance money to the fraudster on the “promise” of receiving a share of a much larger sum; a variation is that the victim has won a great deal of money in a (fictitious) lottery and they need to pay a “release fee” to the fraudster to claim their winnings...
- **“Phishing”**, a type of identity theft where criminals gain access to individual bank accounts by posing as representatives of the bank. Victims are asked to divulge personal information for “security purposes” (account numbers, usernames and passwords) and this is used by the fraudster to rob the account..
- **Auction fraud** occurs during the course of an apparently legal transaction when the fraudster agrees to buy something offered for sale in an online auction site (such as Ebay). A cheque is sent to the seller that is worth

considerably more than the agreed sale price and when informed of the “mistake” the fraudster instructs the seller to bank the cheque and refund the overpayment. By the time the seller is informed by their bank that the cheque has bounced they have lost whatever they sent to the fraudster (both money and, possibly, goods).



The Russian counterfeiters who mass-produced these fake Nike shoes must have thought they were on to a nice little earner. Although, on second thoughts, maybe not.

Other (conventional) forms of financial fraud rely on the ability to steal credit / debit cards or make false insurance claims. A recent example is the case of the “missing canoeist” John Darwin who was presumed to have drowned in a boating accident in 2002. His wife claimed a substantial life insurance payment when her husband was declared “dead” by a coroner in 2003 but it was subsequently discovered her husband had been living secretly in the family home before the couple then moved to Panama. The fraud unravelled when a picture of the couple, taken in 2007, appeared on the Internet...



John Darwin (left) pictured in 2006 and looking surprisingly well for someone who apparently died in 2003...

More-sophisticated forms of transnational fraud operate at the **corporate level**, examples of which include:

Ponzi schemes, named after their 1920's American originator, **Charles Ponzi**. Investors are offered very high rates of interest – but no investments are actually made by the fraudster. Instead, investors are paid interest from either their own money or from money paid to the fraudster by subsequent investors attracted to the scheme by reports of consistently high returns received by satisfied clients. The fraudster may pay themselves a high income (by effectively stealing money from investors) or they may eventually disappear having stolen all the remaining investor money. Such schemes, by their very nature, eventually collapse because it is impossible to attract sufficient investors to continue paying high rates of interest – although probably the most notorious recent example to come to light – that of **Bernard Madoff** (pronounced “*May-doff*”) – involved a scheme that may have lasted around 30 years before collapsing in 2008 with losses of at least \$20 billion.



Charles Ponzi - one of the most successful white-collar criminals of the 20th century - until Bernie Madoff rewrote the record books...

forms of which are related to counterfeiting and the illegal manufacture and distribution of goods.

The best-known (mainly because it has received huge amounts of publicity in recent times) form of this behaviour is probably illegal music downloading and copying, although so-called pirated DVD films could also be included in this category.



Bernie “made off” with an awful lot of (very, very, rich) people’s money...

Money Laundering:

This involves the ability to “clean” money gained through illegal activities by investing illegal profits in legitimate businesses (or even setting up businesses in the first place using “dirty” money); the profit made by the legitimate business then becomes “clean money”. This type of money laundering also has the advantage of providing a seemingly legitimate source of wealth for people who would otherwise have to explain a lifestyle that had no legitimate means of support.

Piracy: Real (as opposed to copyright infringement) piracy is a further example of conventional criminal activity that has been given a new lease of life through globalisation and the development of computer technology. Pirates were particularly active in the 17th century, for example, although their contemporary counterparts use satellite phones and global positioning systems (GPS) as part of their standard equipment.

Bribery and Corruption:

In the globalised world huge contracts for buildings, oil pipelines, defence contracts and the like are frequently put out to tender – a process that leaves open the opportunity for bribery and corrupt business practices on a huge scale. The situation is frequently confused, as far as law-enforcement is concerned, by the ability of powerful groups and organisations to successfully redefine some form of bribery and corruption as “commission” for services rendered. The case of **Mark Thatcher**, the son of former UK Prime Minister Margaret Thatcher, is often seen as an example of this redefinition process:

Intellectual Property Rights: Examples here include things like the theft of trade secrets or trademark and patent infringements - some

**Scratcher, the millionaire fixer
Kevin Maguire and Michael White**

The Guardian, Thursday 26 August 2004

“The day after Lady Thatcher landed in Oman in 1981 to clinch a £300m university construction deal for Cementation, a Trafalgar House subsidiary, the young Thatcher arrived in the desert kingdom and claims were publicly aired that he pocketed payments as an intermediary in the contract. His mother subsequently told the Commons that she was only "batting for Britain"; he issued statements denying any impropriety.

A similar charge of a conflict of interests was played out after his mother signed the al-Yamamah arms deal with Saudi Arabia and he was alleged, based on transcripts of telephone conversations between Saudi princes and agents, to have enjoyed £12m in commissions...His name was also connected to the Pergau dam affair, when British aid was allegedly linked to a £1.3bn contract placed by Malaysia in Britain, although again no wrongdoing was proved”.



Coincidence? Or collusion?

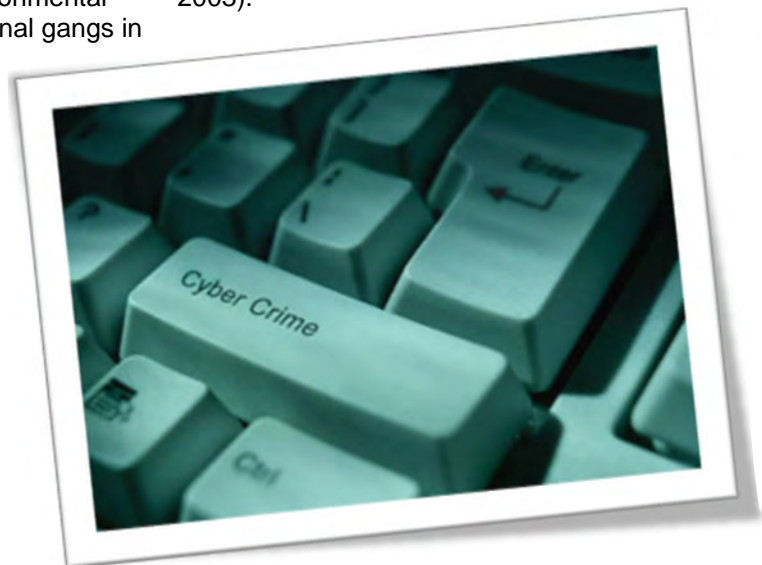
Cybercrime is a generic (or umbrella) term used to describe a wide range of criminal activities that have been explicitly created or facilitated by the development and widespread application of computer technology over the past 25 years. As such we need to note two initial ideas:

1. There is no clear-cut and uncontested definition of “cybercrime”; definitions range from the *simple* - “Any crime that is committed using a computer or network, or hardware device. The computer or device may be the agent of the crime, the facilitator of the crime, or the target of the crime. The crime may take place on the computer alone or in addition to other locations” (**Symantec Corporation.**, 2006) - to the *sublime*: “Crime committed over the Internet / any crime that is committed by means of special knowledge or expert use of computer technology” (**Surin**, 2003).

Environmental Crimes: A more-recent addition to globalised criminal activity (largely because crimes against the environment are a relatively recent concern around the world) involves a range of illegal activities - from the dumping of hazardous waste, the illegal extraction of rare natural resources or the smuggling of products (such as CFCs) - that are known to harm the environment. There is, as we will see in a later section, strong evidence that environmental crime is both well-organised by criminal gangs in areas such as Eastern Europe and Africa and carried-out by legitimate business organisations as part of their everyday operations.

Terrorism: A final example of transnational crime is one that has become increasingly well-known across the globe, with two terrorist attacks in America being particularly symbolic of this type of criminal activity – the bombing of the World Trade Center (sic) in 1993 and the 9/11 attacks on the same target in 2001.

b. New forms of crime: A relatively new area of criminal activity has arguably come into being with the development of worldwide computer networks:



2. The question of whether “cybercrime” represents a new type of criminal behaviour or simply a convenient label for a range of conventional criminal behaviours that just happen

to be facilitated by the development of computer technology is debatable; while it can't, for example, really be contested that the distribution of pornographic material (of every imaginable – and probably some unimaginable – kind) has grown through electronic (digital) forms of distribution, all that has actually changed is it has become easier to obtain such material than in either the recent or distant past.

Where distributing (or consuming) pornographic material is a criminal offence it is largely the case that it has been a criminal offence prior to the digital age. This is a point we will pick-up and develop later. The **Symantec Corporation** (2006) summarises this general argument quite neatly: "Like traditional crime, cybercrime can take many shapes and can occur nearly anytime or anyplace...cybercrime is, after all, simply 'crime' with some sort of 'computer' or 'cyber' aspect".

Keeping these ideas in mind we can suggest, by way of examples, a range of activities and behaviours that can be classified as *cybercrime*, divided into three main categories:

1. Computer crime: This form features crimes that *use* computer technology as the *primary* method of commission; it includes things like Phishing frauds, identity theft and the theft of data (such as credit card records and so forth). On a higher level this extends into areas such as electronic money laundering where emerging computer technologies have made it easier to disguise or hide the origin and destination of various funds.



In this respect, although the crimes themselves may be conventional (variations on different types of fraud, deception, theft and so forth) the *means* by which they are carried-out has features unique to contemporary societies. Phishing is an example of a relatively conventional form of identity theft / fraud given a unique twist by the fact it is primarily carried-out using computer technology.

Phishing...

Although some forms of computer crime are highly sophisticated, many are not. As the following real-life example shows you would have to be fairly dim-witted (or very desperate) to fall for this kind of scam (which is not, of course, to say that people don't). The "Regards" is a nice touch, as is the rather cheeky copyright notice....



After the last annual calculations of your fiscal activity we have determined that you are eligible to receive a tax refund of 209.40 GBP. Please submit the tax refund request and allow us 6-9 days in order to process it.

A refund can be delayed for a variety of reasons. For example submitting invalid records or applying after the deadline.

To access the form for your tax refund, please [click here](#)

Regards,
HM Revenue & Customs

© Copyright 2009, HM Revenue & Customs UK

2. Computer-aided crime: Offences in this category relate to how computers can be used to carry-out criminal acts that *primarily* occur in the real world. The computer, in other words, is a device or tool that aids a conventional crime.

Zeviar-Geese (1998) suggests examples here might include things like child predation (using a computer chatroom, for example, to lure a child into a real-world meeting), cyber-stalking (or harassment), corporate espionage (such as the theft of trade secrets), extortion, blackmail, stock market manipulation and planning or carrying out terrorist activities (such as using email to pass information around a terrorist cell).

3. Crime against computers: The third category involves crimes where computers are not only central to criminal activity, they are in many cases the *object* of the crime. In other words, criminal behaviour centres around various forms of hacking / cracking, examples of which include gaining unlawful access to a computer system or network, denial-of-service attacks (where the objective is to crash the target computer, server or web site) and the installation of malicious forms of computer code (whose purposes are many and varied – from stealing passwords, through delivering advertising to hijacking computers for use in denial-of-service attacks).

Although these categories are by no-means wholly-separate – there is frequently a fine distinction to be made between computer crimes and computer-aided crimes – they give a flavour of the different types of criminal activity surrounding computer technology in contemporary society.

Whatever the niceties of these distinctions a more-fundamental problem with the concept of “cybercrime” is one hinted at in the above – namely, that the vast majority of crimes involving some kind of advanced technological dimension or input are, at root, conventional forms of criminality (theft, fraud and the like) “writ large”. What makes cybercrime unique is not so much that it represents a new or different form of criminal behaviour; rather, it is simply criminal activity that takes advantage of computer technology – which, in turn, opens up the ability to cross a range of global virtual borders (in hyperspace) without leaving the comfort and convenience of your armchair.

For these reasons **McGuire** (2007) cautions against getting carried away with computer technology as facilitating new and radical forms of transnational crime. **McGuire’s** basic argument is that what distinguishes cyber (or virtual) space from “normal (or physical) space” is that it simply extends and complicates *spacial interactions*; it does not radically change those interactions – an argument that has significant implications for the way we view, theorise and, in some instances, attempt to limit or combat transnational forms of crime.

McGuire refers to the extensions and complications of cyberspace as:

Hyperspatialisation – something that “does not produce *new* crime but simply expands already extant [existing] deviant possibilities”. In this respect, therefore, **McGuire** prefers the term:

Hypercrime instead of *cybercrime*, for a deceptively simple reason. “Cybercrime” suggests that there are certain forms of crime that take place wholly and uniquely in something called *cyberspace*. This, of course, is impossible.



The concept of *hypercrime*, on the other hand, suggests a more-sophisticated formulation, namely that while crimes themselves are always rooted in “normal space” (whether they are motivated by a desire for money, power, sex, revenge or whatever) certain forms of crime may, wholly or partly, be *commissioned* in hyperspace.

Although this distinction may seem over-complicated it is actually rooted in a very significant observation, namely that when we think about the nature of transnational crime in contemporary society we need to think about and understand how it is socially-organised; that is, we need to understand that what differentiates various forms of transnational crime – computer-based or otherwise – from its local or national counterparts is both the nature and, most importantly perhaps, the scale of that organisation.



The Organisation of Crime

When we refer to “organised crime” we’re starting to talk about a specific type of criminal structure, considered both in terms of the relationships between criminals and the nature of the crimes they come together to carry-out.

Organised crime, according to **van den Heijden** (1996), has certain features that mark it apart from other forms of crime:

The Top ~~Ten~~ *Eleven* Features of Organised Crime

1. Collaboration of more than two people;
2. Each member has their own appointed tasks;
3. Existing for a prolonged or indefinite period;
4. Uses some form of discipline and control;
5. Suspected of the commission of serious criminal offences;
6. Operates at transnational level;
7. Uses violence or other means suitable for intimidation;
8. Uses commercial or businesslike structures;
9. Engages in money laundering;
10. Exerts influence over politics, the media, public administration, judicial authorities or economy;
11. The objective is the pursuit of profit and

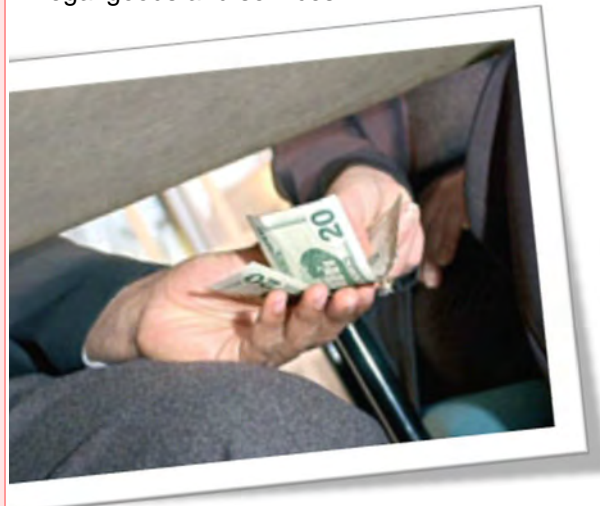
He further notes, by way of qualification: “At least six of the aforementioned characteristics must be present, three of which must be those numbered 1, 5 and 11, for any crime or criminal group to be classified as organised crime”.

Smith (1999) provides an alternative definition when he argues organised crime involves four key factors:

1. **Internal organization:** This involves both a recognised leadership structure and specialised roles for gang members.
2. **Personnel:** Leadership is stable and the rate of personnel turnover within the overall structure is low.

3. **Degree of collusion:** Organised crime syndicates work together on specific projects and attempts are made to “bribe or otherwise control” political opponents and / or control agencies such as the police.

4. **Industry structure:** Organised crime has a pyramid structure with some syndicates being more powerful than others (even though they may, at various times, co-operate in certain criminal areas and on particular projects). In the long-term both individual syndicates are relatively stable (as is the industry as a whole), with stability being guaranteed by the demand for illegal goods and services.



In this respect **Smith** suggests clear and theoretically significant parallels between the organisation of both criminal and non-criminal businesses.

Globalisation and Crime: Explanations

In the opening section we observed that the illegitimate economy shares certain features and attributes with the legitimate economy – and in the case of transnational criminal behaviour one shared feature is their level of social organisation; to function as businesses, both criminal and non-criminal enterprises operating in a global context require sophisticated organisational structures, in two senses:

Firstly, where criminal behaviour occurs across national boundaries the logistical problems with co-ordinating complicated activities require a reasonably sophisticated organisational structure or network. In the case of a drug such as cocaine, for example, the crop has to be grown, harvested, processed and then smuggled out of its country of origin and into receiving countries. Once there the drug must then be packaged and distributed using a network of buyers and sellers.

Secondly, if transnational crime generally requires a sophisticated co-ordination of human and technical resources it follows that the perpetrators of transnational crimes are similarly organised in some way.

Organised Transnational Crime

Although it's easy enough to establish, in principle, that transnational criminal behaviour requires some element of "corporate organisation", it's quite another to actually determine clearly and consistently the nature of this organisation. Defining what we mean by "organised crime" is not as straightforward as we might initially imagine, for two main reasons:

Firstly, criminal law in the UK focuses on *individuals* rather than organised groups. As **Lea** (2007) puts it "The criminal law only sees individuals. It is individuals who are convicted in the courts: not organisations" and while there may be occasions when organisations are referenced (in terms of the law of conspiracy or corporate manslaughter for example) it is still individuals who are its main focus.

Secondly, different law enforcement agencies (as well as sociologists) have developed different working definitions of organised crime. This complicates our understanding because different definitions may have little or nothing in common and even where there is some common agreement the resulting definition may be too vague to be of much theoretical help. As a case in point, **Lea** notes two contrasting definitions produced by control agencies:

1. **Interpol** (the international police information exchange agency) defined organised crime in 1988 as "Any group having a corporate structure whose primary objective is to obtain money through illegal activities, often surviving on fear and corruption."



2. **The UK Serious Organised Crime Agency (SOCA)** suggested in 2006 that: "Organised crime covers a very wide range of activity and individuals involved in a number of crime sectors. The most damaging sectors to the UK are judged to be trafficking of Class A drugs, organised immigration crime and fraud. In addition, there are a wide range of other threats, including high tech crime, counterfeiting, the use of firearms by serious criminals, serious robbery, organised vehicle crime, cultural property crime and others."



While the usefulness of both definitions as a means of pin-pointing exactly what we understand by "organised crime" may leave something to be desired, they do illustrate a couple of points:

Firstly, as far as official control agencies are concerned there has been a quite dramatic reappraisal of the meaning of organised crime. In particular, the first definition places the idea of a "corporate structure" at the heart of the problem whereas the second makes no reference to this type of structure (or, to be fair, any type of structure at all...).

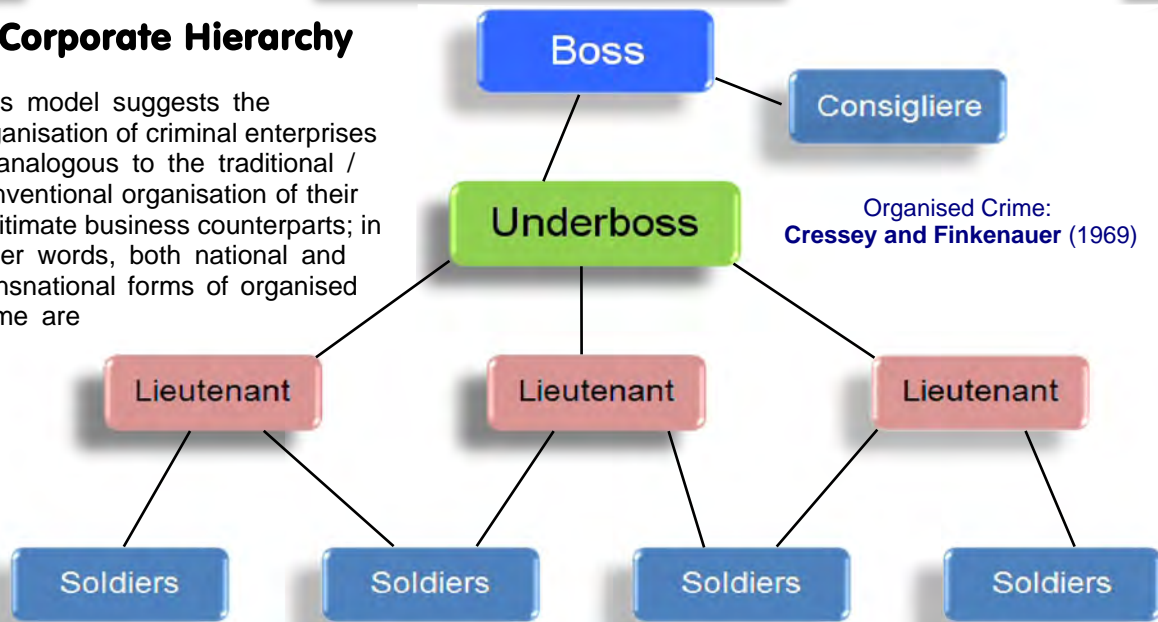
Secondly, as **Lea** notes, both sociological and law enforcement definitions have "over time...become increasingly vague".

Models

Although these types of definition don't move us particularly far forward in the analysis of transnational organised crime they do highlight both changing official perceptions and possible changes in the structure of organised crime (although whether this represents a real change in organisational structures or simply a greater recognition and understanding of these organisational structures is debateable). In this respect we can identify and examine four basic models of transnational organised crime:

1. Corporate Hierarchy

This model suggests the organisation of criminal enterprises is analogous to the traditional / conventional organisation of their legitimate business counterparts; in other words, both national and transnational forms of organised crime are



Organised Crime: Cressey and Finkenauer (1969)

structured around a top-down hierarchy consisting of an overall boss (such as the “Godfather” of American Mafia families), a range of senior managers (“underbosses”) in control of a wider level of middle managers / supervisors (“lieutenants”) who, in turn, control the behaviour of a large number of “shop-floor” - or street-level - workers (“soldiers”).

Coppola’s “The Godfather” (1972), Scorsese’s “Once Upon a Time in America” (1984) and “Goodfellas” (1990) and, in a slightly-different, more contemporary context, TV programmes like “The Wire” (2002). Three further noteworthy dimensions of this type of corporate model involve ideas about:

As this suggests, another frequently-used way of portraying this kind of hierarchy – one that reflects a sense of discipline and respect for rank – is a **militaristic** organisational model. In this interpretation a large number of foot-soldiers (the ones who actually sell the drugs, supervise the sex workers or whatever) are overseen by a strict hierarchy of “other ranks” – with the whole organisation ultimately overseen by a “supreme commander”.

1. Ethnicity: One of the main ways the organisation is held together is through a shared *ethnic background and culture* – the most obvious example here being the Italian origins and cultural practices of the “American Mafia” but

The organisational structure of this model is “top-down” in sense that control over the structure and behaviour of the organisation flows from the top (a boss or godfather) to the bottom through the various managerial layers. It is a model that has classically been applied to the organisation of the Italian and American Mafiosi, most notably in recent times by sociologists such as **Cressey and Finkenauer** (1969) and in more everyday representation by films such as



contemporary variations focus on ideas like the “Russian Mafia” (who rather conveniently for modern media reporting seem to behave in similar ways to their American counterparts, albeit using a different language...) and the Japanese Yakuza.

2. Otherness: This dimension builds on the idea of shared ethnicity to develop what **Potter** (1994) has called an “alien conspiracy” theory of organised crime. Both official (such as the police) and unofficial (such as the media) control agencies have historically propagated the idea that organised crime within a particular (especially, but not exclusively, American) society is seen as being “foreign” in origin; in other words, such societies are effectively invaded by a form of organised crime that is somehow alien to the indigenous culture. As **Woodiwiss** (2000) argues “official thinking about organized crime” in America has focused on the idea that “forces outside of mainstream American culture threaten otherwise morally sound American institutions”.

3. Locality: The model suggests criminal organisations are primarily located within a particular territory where, by and large, they “do their business and make their money”. Although the organisation frequently reaches-out across different territories for its saleable resources (such as drugs, prostitutes or whatever) it doesn’t necessarily *operate* transnationally in the sense of, say, having “branch offices” in different territories. Rather, while locally-based organisations may interact with other locally-based organisations across different territorial borders, each *organisation* remains national, rather than transnational or global, in terms of their basic structure and organisation.

Woodiwiss argues that in the American context (as a result of successive waves of immigration), a slightly more sophisticated version of the “alien conspiracy interpretation” evolved into a:

Pluralist model that saw organised crime in terms of different groups based around different ethnicities (Italian, African-American and Latin American in particular). Although the same basic corporate organisational structure was characteristic of these groups they either competed against each other for control of different types of criminal operation or, in many instances, established local monopolies in different types of criminal enterprise. In other words, a **cartel system** (a “cartel” involves a

group of businesses - in this instance, organised crime groups - forming an alliance to control a particular market) was established whereby, within reason, different criminal organisations were able to co-exist, with contact and conflict between them kept to the absolute minimum (since conflict was bad for business). The logical extension of this model into a worldwide context is the idea of:

Global Pluralism: Just as national forms of organised crime are explained in terms of a range of different crime groups who sometimes competed and sometimes cooperated, so too are transnational forms of criminal behaviour. Thus, in terms of this basic model *national* organisations have developed into

transnational organisations; while their basic structures and modes of behaviour have stayed much the same the playing field, so to speak, has grown much larger...

Evaluation

We can note a range of **criticisms** concerning this general model of organised crime:

Scope: While, as **Woodiwiss** (2000) suggests, “No one disputes the existence of gangster groups all over the world. Enough serious research has been conducted...to reveal at least some of the ways various Triads, Mafiosi, Camorrista and other groups have survived and adapted to enforcement efforts and more frequent periods of competitive bloodletting”, two things are open to question:

Triads...



They came from There - and now They're Here! (or maybe not).

Firstly, the kind of organisational structure put forward by the **corporate model** – assuming it accurately reflects the structure of *national* forms of organised crime - is not one that can be easily and convincingly applied to corporate behaviour in the globalised world; it is, for example, too rigid, inflexible, centralised and limited to operate effectively in fast-moving, competitive, world markets. **Lea** (2007) also identifies a fatal weakness in this type of structure:

“Governments, whether individually or jointly, would have few problems combating organized crime if it really was dominated by a relatively small number of supercriminal organisations. They would eliminate the leadership of these organisations and that would be the end of the problem. However, as the Americans have found, orchestrating the downfalls of Al Capone, Lucky Luciano, Tony Salerno, John Gotti and the rest did not see the end of the messy reality of American gangsterism let alone the much more pervasive and multifaceted problem of organized crime”.



Secondly, the Pluralist model is, counter-intuitively perhaps, based around the idea that a variety of criminal organisations effectively “agree” to work together to carve-up illegal markets – one crime group takes the drug market, another takes prostitution and so forth. In other words, Global Pluralism sees organised crime as having monopoly control of a variety of illegal markets across the globe which are then divided-up in various ways so as to limit competition and maximise profitability. However, as **Ruggiero and South** (1995) have suggested, illegitimate global markets are characterised more by **fragmentation** and **competition** than monopoly.

Structure: **Haller** (1992) argues that **Cressey and Finkenauer’s** (1969) portrayal of organised crime as essentially a corporate, rigidly

bureaucratic, structure was mistaken. His research suggested it resembled nothing more than a relatively loose, informal, association of independent operators who, on occasions, joined forces for a range of both legal and illegal projects.

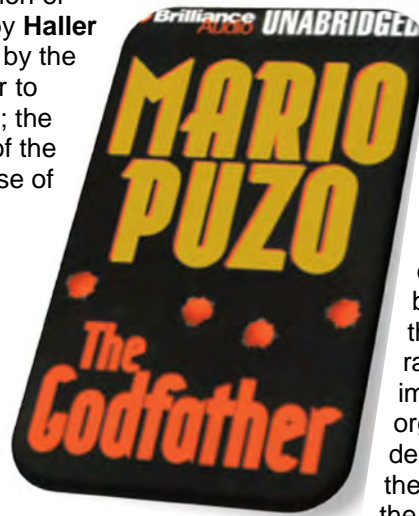
A further dimension to notions of corporate structure is introduced by **Gambetta** (2009) when he argues that the organisation and behaviour of criminal gangs such as the American Mafia have been heavily influenced by the media. As **Chakraborty** (2009) explains:

“For some people, The Godfather is no mere movie but a manual – a guide to living the gangster's life. They lap up all that stuff about going to the mattresses and sleeping with the fishes. The famous scene in which a mafia refusenik wakes up next to a horse's head may be macabre make-believe, but in some quarters it's treated like a tutorial...So who are these apparent innocents taking their cues from Hollywood? None other than the mafia themselves...**Gambetta** offers example upon example of gangsters aping Francis Ford Coppola's masterpiece – or what he calls "lowlife imitating art".

There's the Don who took over a Sicilian aristocrat's villa for his daughter's wedding – with 500 guests revelling to the film's soundtrack; the building contractors of Palermo who receive severed horse's heads if they get in the mob's way; and John Gotti's former lieutenant, Salvatore "Sammy the Bull" Gravano, who confessed that plagiarism ranked among his (lesser) crimes: "I would always tell people, just like in The Godfather, 'If you have an enemy, that enemy becomes my enemy.'. Yet Mario Puzo, The Godfather's inventor, admitted that he "never met a real honest-to-God gangster"...So what accounts for its influence not just among the mafia but with Hong Kong triads, Japanese yakuza and Russian mobsters?

Well, strip away the mystique and organised crime is a business – one with big handicaps. It may be called "the Firm", but managing a poorly educated, violent workforce is a challenge, advertising job vacancies only attracts the law and appraisals for underperforming staff can err on the brusque side. The Godfather and other gangster movies plug those holes, says **Gambetta**. They give criminals an easy-to-follow protocol and a glamour that serves as both corporate feelgood and marketing tool. Uncomfortable though it may be to acknowledge, the underworld is not above taking its cues from the upperworld”.

The implications of **Gambetta's** argument are profound in that they suggest a sense of tradition, culture and, above all, corporate social organisation stem more from the way the "relatively loose, informal, association of independent operators" identified by **Haller** were given a behavioural template by the media (and film in particular – prior to *The Godfather* (1972), for example; the template was the "gangster films" of the 1930's) than from any intrinsic sense of organisation and purpose. As **Gambetta** notes, films like *The Godfather* (with its largely invented language and traditions – the classic "I'm going to make him an offer he can't refuse", for example, was taken from an 1835 novel ("Father Goriot") by **Balzac** - "stylized their lives, improved on them, and gave criminals a better ability to communicate with the upper world". Equally importantly, of course, was the impact of these behavioural templates on outsiders in the sense that where people – control agencies, politicians and the general public – began to believe in the idea of corporate hierarchies they behaved in ways that acknowledged their existence - life imitating art imitating life...



Mario Puzo's Mafia Training Manual?

separate and only meet when innocent citizens become victims or the police successfully act against organised criminals. The available evidence suggests this view of organised crime is, like its "corporate structure" counterpart, both partial and, in many respects, self-serving on the part of both control agencies and legitimate business organisations. **Beare and Naylor** (1999) suggest the relationship between organised crime and legitimate business is less well-defined than is popularly supposed; rather than each being a "mirror image" of the other (similar organisational structures designed for the pursuit of, on the one hand, illegitimate and on the other legitimate business) they suggest a rather more dependent relationship – a *symbiotic* one in which organised crime seeks legitimate outlets for its illegal gains and some legitimate businesses are open to the receipt and use of illegitimate profits. Organised crime, in this respect, is not "*alien* to legitimate society"; rather it is interwoven into the very fabric of the society in which it exists in two related ways:

Ideology: This general argument echoes that of **Bell** (1960) who went slightly further by suggesting that not only was the prevailing control and criminological consensus of "corporate organised crime" misconceived, it also reflected an image of organised crime perpetuated by both government and associated control agencies that was well-suited to their political, economic and ideological purposes – namely that if organised crime was such a massive threat, not only to law and order but possibly to the very fabric of (American) political and economic life, it had to be met with a similarly well-organised (and suitably well-resourced) response. In other words the argument here is that the portrait of organised crime – at least in the USA and possibly in other countries – as a "powerful corporate entity" reflected not so much the reality of its organisation but more an ideological fantasy promoted by police and politicians (and promulgated through the media) to serve their own particular purposes.

Symbiosis: Global pluralism has a further, possibly fatal, weakness in that it essentially reflects a **binary opposition** between, on the one hand, organised criminals and, on the other, the non-criminal, law-abiding, majority. In other words, the two worlds are seen as being quite



1. Economic logic: Economic globalisation has involved the pursuit of various "free market" (or liberal economic) reforms and polices around the globe (up to, including and very probably beyond the 2009 global credit crisis) which have opened-up competition within and between different societies – and what is true for the *legitimate*, non-criminal, economy is also true, as **Beare and Naylor** argue, for the *illegitimate* criminal economy.

Where governments have encouraged transnational investment and trade in the legitimate economy through various forms of economic deregulation, the removal of barriers to trade and the like they have also – unintentionally perhaps – both removed barriers to illegitimate trade and made it easier for criminal enterprises to take advantage of (generally much looser) political and economic regulations. For example, as part of the political and economic development of the European Community the free movement of both people and money within the member countries makes it easier for legitimate companies to do business; the flipside to this, of course, is that it is also much easier for illegitimate organisations to conduct *their* business across national borders and, most importantly, police jurisdictions. In other words, economic globalisation based around a Western free market system has created an economic logic for both transnational criminal and non-criminal enterprises to exploit.

2. Economic practice:

Various forms of (legal and illegal) economic practices flow from this economic logic since, in basic terms, just as non-criminal organisations are able to exploit the removal of restrictions formerly placed on the global movement of money, people, communications and so forth, the same is true of criminal organisations.

The main point at which (nominally) legitimate and criminal organisations meet is through the banking system; while criminal organisations seek ways of legitimising profits from illegal activities by “laundering” money, banks may also see a vast influx of “dirty money” as a quick and simple way of boosting profits. **Lea** (2007), for example, notes this ambivalent relationship when he argues: “A much more serious obstacle [to law enforcement] is where an entire bank, or key section of it, is either captured by criminals or, in the search for profits openly approaches money launderers”. Classic examples here include:



- **Banco Ambrosiano**, an Italian bank that collapsed in 1982 “with debts varying from \$30m to \$300m...It is widely rumoured that organised crime had considerable deposits in the Banco Ambrosiano which were effectively being laundered”.

- **Bank of Credit and Commerce International (BCCI)**: What was then one of the top 10 largest private banks in the world was closed in 1992 by regulators in 7 countries (a move co-ordinated by the Bank of England) following well-founded suspicions that it was little more than what **Lea** (2005) has termed “a global bank that appeared to solicit close relations with organised crime”; it

was, in other words, a once-legitimate banking corporation that, over the course of its 20-year existence, simply became a gigantic money-laundering enterprise facilitated by the ease through which economic transactions could take place in a globalised economic system.

Ismi (1996) also notes the involvement of a number of legitimate North American banks in various forms of money-laundering. “Florida banks have been particularly prominent in laundering drug money. 60 to 70 of them accept such deposits and the state banking system reports cash surpluses of \$6 to \$8

billion every year - more than twice the amount in any other state...Canadian banks have been laundering drug money on an enormous scale. Notorious in this regard is the Bank of Nova Scotia (BNS) which has laundered a \$100 million in drug money through its Miami and Caribbean branches. The money was sent to BNS' Bahamas and Cayman Islands branches from Miami and then wired to its New York office where the funds could be withdrawn by the original depositors”.

He also suggests a further dimension to the **sybiotic** relationship between organised crime and non-criminal organisations:

“**Narcocorruption** in North America is widespread amongst public officials. Sixty policemen in Miami have been identified as corrupt and 80 lawmen and public officials in Georgia have been charged with serious offenses such as accepting bribes. A Georgia state Senator promised to protect drug smugglers if they contributed to his campaign for

the governorship...Two-thirds of the cocaine coming into the U.S. does so at official entry points along the Mexican frontier. In Miami, three FBI agents and one from Customs were charged with stealing \$200,000 from drug dealers in 1994 and a former senior Justice Department official and two former prosecutors were indicted in June 1995 on charges of helping Colombian drug barons in a criminal conspiracy...When the FBI tried to prosecute World Finance Corporation (an international lending company) for laundering drug money, the Bureau was reportedly informed by an Internal Revenue Service (IRS) agent that 'WFC was a legitimate company: if it dealt in drug money so much the better; narcotics money that stayed in the U.S. was good for the economy'".

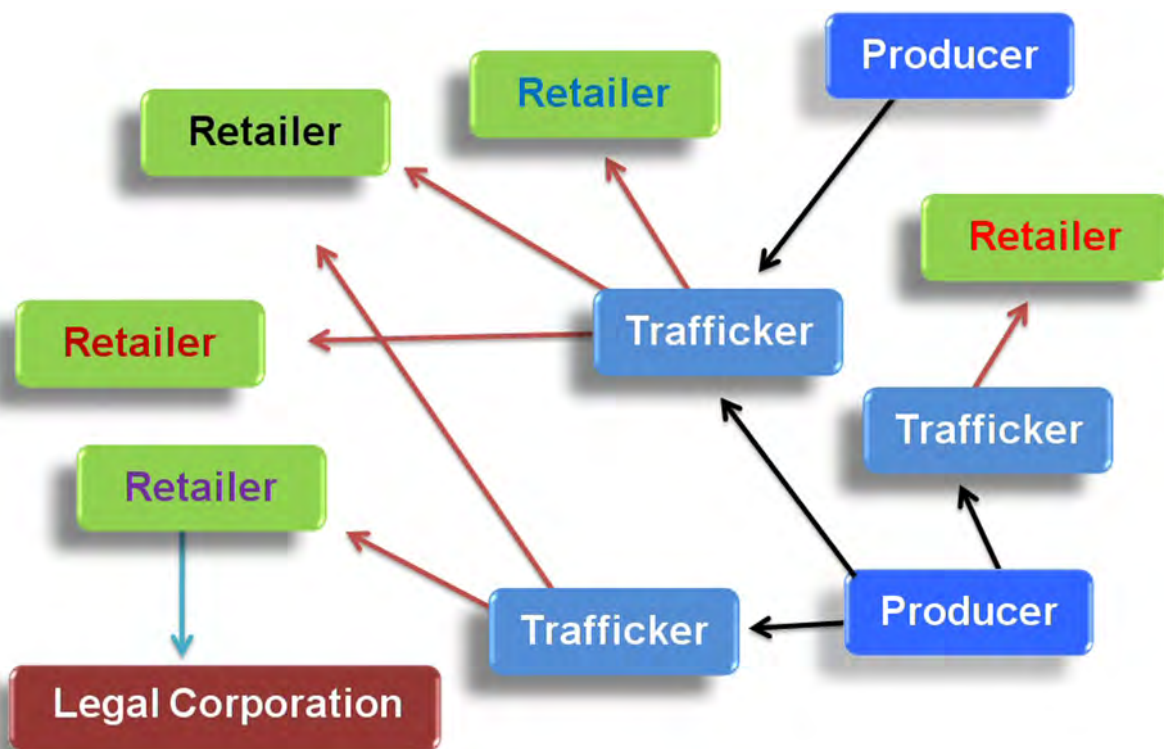


Woodiwiss (1990) summarises this general state of affairs when he argues: "Organised crime involves American politicians, police, lawyers, bankers, businessmen and the US intelligence community, not just career criminals. It involves collaboration between these groups, and it also involves collaboration with the citizens who demand illegal goods and services". These observations lead us towards the development of an alternative way of thinking about the structure and organisation of transnational organised crime – one that perhaps more closely reflects the changing nature of globalised political and economic relationships.

2. Network Structure

Although a model of organised crime that mirrors the corporate organisation of legitimate businesses is an attractive and pervasive one (at least in terms of a national or regional power base), it suffers from a problem in that the activities of organised crime are *illegal*. This simple observation is a powerful critique of corporate models for two main reasons:

Firstly, whereas legitimate business organisations can, within reason, conduct their activities away from the glare of control agencies, their criminal counterparts cannot. This makes "corporate criminal organisations" both highly



vulnerable to disruption (through, as we've suggested, the arrest of major figures in the organisation) and uniquely exposed to the massive organisational problem of how to conduct large-scale (criminal) business "in secret" while potentially being scrutinised by a variety of control agencies (including the police and media).

Secondly, although, as we've suggested, organised crime does, by the very nature of its organisational model, seek to penetrate and co-opt legitimate business into its activities the resources required to successfully (and secretly) achieve this on even a national level, are huge; to apply this model to transnational crime would be to suggest not only criminal organisations that are unimaginably large but also behaviour that would make the distinction between criminal and non-criminal economic behaviour largely superfluous, if not meaningless. An alternative model that avoids these problems is one based around the concept of:

Networks: According to **Lea** (2007):

"The development of the Internet, email and the mobile phone make it possible to organise quite complex international shipments of, for example, illegal drugs, *without a complex organisation*. The guy making a mobile phone call in the high street may be phoning his mum or his girl friend or he may be phoning some guy he knows vaguely, but well enough to trust, in Amsterdam to arrange an import of heroin, cocaine or other illegal drugs. The Amsterdam guy knows someone with a boat, he maybe also knows some Colombians in Rotterdam who have friends in Bogota or Medellin (cities in Colombia - get yourself a map!) who know a group who run an illegal drugs refinery tucked away in the jungle areas of that country. Our modern network criminal entrepreneur thinks nothing of working abroad for a time and establishing working relations with people of quite different ethnicity and language. He enters into contracts for particular activities, with people he doesn't know that well but whom he has been led to trust. The number of people who actually know each other personally and work together as a family or stable business may be very small".

Whereas a feature (and major weakness) of corporate models is the need for a **complex organisation** to achieve **complex goals** (how, for example, to turn the cultivation of cocaine in Columbia into a marketable product on the streets of Sheffield or Stoke) network structure models have their distinct advantage of being able to achieve

complex goals using a very **simple structure** – the relationship between two criminal individuals – that is simply repeated over and over again in order to achieve organisational goals. In this respect, transnational criminal networks, according to this model, have four basic characteristics:

1. Flatness: Standing (2003) notes that whereas hierarchical models of organised crime involve such attributes as "vertical division of roles, authority by rules, specialisation, departmentalisation and impartiality" one significant characteristic of networks is the "flatness" of their structure. That is, they are based on interconnections between independent parts. In the **Lea** (2007) extract above, for example, the "independent parts" or "**nodes**" of the network are people like drug producers, smugglers, importers and dealers – they may only know each other by reputation and may never all meet in the same physical place, but together they are part of an efficient and effective illegal network.

2. Flexibility: "Flat networks" are flexible because they can adapt quickly and easily to outside disruption. The arrest of a drug producer, for example, may temporarily disrupt the network by restricting the flow of product (until another producer can be found) but the network itself is unlikely to be broken since the producer will have little or no knowledge to give control agencies about anyone else in the network (and tracing the various branches of the network – from one node to the next – is time-consuming and difficult for control agents). Flat networks are also able to bypass or avoid the problem of disruption by



So that's agreed then, Mum - 100k of Colombian, arriving Tuesday, Amsterdam

control agencies caused by the arrest of members because, in the long term, no single member of the network is any more – or any less – important than any other member. As we noted earlier, the fact the “American Mafia” has suffered periodical purges of its senior leadership through their arrest and imprisonment doesn’t seem to have seriously reduced this organisation’s criminal effectiveness – something that lends support to the idea that organised crime is based around flexible networks rather than rigid hierarchies.

3. Fluidity: Flatness and flexibility combine to give criminal networks a fluidity that stands in strong opposition to the rigidity of hierarchical structures and, in consequence, networks are able to adapt and change rapidly to meet new and evolving circumstances (as is likely to be the case in fast-moving global markets). In this respect, since the various individuals (or “nodes” – see below) in the network only need take responsibility for organising their particular aspect of the overall enterprise (such as transporting drugs, people, information and so forth between producers and sellers) they can more-easily adapt their behaviour to any disruptions introduced by control agencies.

4. Familiarity: Networks are relatively loose arrangements that may consist of a variety of **nodes** (the aforementioned producers / traffickers / dealers, for example) around which are gathered a variety of people performing more-or-less specialised criminal roles. Their relationship is generally an informal one - based on familiarity – rather than a corporate type of structure. That is, the members of a group “come together” (which doesn’t necessarily mean being in the same physical space – the group may be connected by phone and / or computer network, for example) at various times to complete a certain type of illegal job and then disband once the job has been completed. Where the unity of corporate organisations is based on centralised authority (the “boss” rules the “underboss” and so forth) network unity is achieved, according to **Standing** (2003), by the fact members share a common objective and, in order to achieve that objective a “mutual dependency” develops between them – and while it might seem odd to suggest it in the context of organised criminal behaviour, a key concept here is:

Trust - something that forms both a central *strength* and potential *weakness* of transnational criminal networks. This follows, in the case of the former, because each node in the network is dependent on its connections to other nodes – that they can deliver what they promise (be it

drugs, people, money, information or whatever). If criminal networks are periodic partnerships that lack bureaucratic mechanisms to centrally co-ordinate behaviour they become highly-dependent on members “trusting” one another to do what they are required to do; each individual network member, therefore, becomes locked-into a dependency of trust, such that if the overall operation is to work they must play their allotted individual roles and trust that others similarly play their roles. “Trust”, in this respect, is not so much an individual trait but a **functional network imperative** (something that must exist at each nodal point if the network is to achieve its objective).



The most precious commodity of all...
© TweeCapCorp

However, “trust” can be a serious network weakness for the deceptively simple reason that periodic (or *convenience*) partnerships are much more open to control agency penetration; control agents find it easier to insert themselves into criminal networks through their ability to demonstrate what other network members misinterpret as reliability and trust. Having said this, of course, the element of risk for criminals is perhaps lessened because police infiltration of complicated transnational networks is made more difficult by their diffuse nature. As we’ve previously suggested, since there is not (contrary to what the media generally like to suggest) a “criminal mastermind” standing behind the network – just a number of individual links in a long chain – breaking into one part of the network is likely to reveal only a limited number of individuals and connections. In other words, although a large number of people may combine to create an effective transnational criminal network it exists only by grace of their individual relationships; if these are broken then the network either collapses or, more-likely, simply reforms using a new set of connections to replace broken ones. This ability to regenerate after attack by control agencies is, perhaps, one

of the most significant features of criminal networks – the risks associated with crime can, within reason, be minimised. Trust can be seen as an integral part of the:

Situational logic of transnational organised crime in that such networks reflect what **Cook** (2001) terms two features of all social networks:

1. Nodes or people (individuals or groups) in a particular network. “The only requirement for a node,” according to **Cook**, “is that it must be able to relate to other nodes” – something that leads to the concept of:

2. Ties – or the relationship between two *nodes*. *Ties* are generated through *shared meanings* based around role-play – for example, the tie between a supplier and a dealer in a criminal network. Group networks are also *not* self-contained; they involve links to other social networks which **Cook** refers to as:

Bridging ties – a relationship that ‘connects two otherwise distant portions of a network’. These “bridging connections” may involve related criminal networks but they also relate to the connections made between criminal and supposedly non-criminal networks (such as organised criminals using the banking system to launder illegal profits).

A further dimension to network models is that they fit more neatly than their corporate counterparts with contemporary notions of **hypercrime** perpetrated using computer technology, in two ways:

1. Although the focus has been on the relationships (nodes and ties) formed within and between criminal networks (and their relationship to control agency networks) a further significant characteristic of hypercrime is the network relationship between perpetrators and their victims. Unlike many forms of conventional crime, where the perpetrator and victim interact in the same physical space (face-to-face, as it were), hypercrime involves social interaction in virtual space (using computer technology) where not only do the participants never meet, the identity of the perpetrator may well be unknown to the victim (because the former has taken steps to disguise or falsify it or simply because it is beyond the knowledge of the victim to fully establish the identity of the people with whom they are interacting).

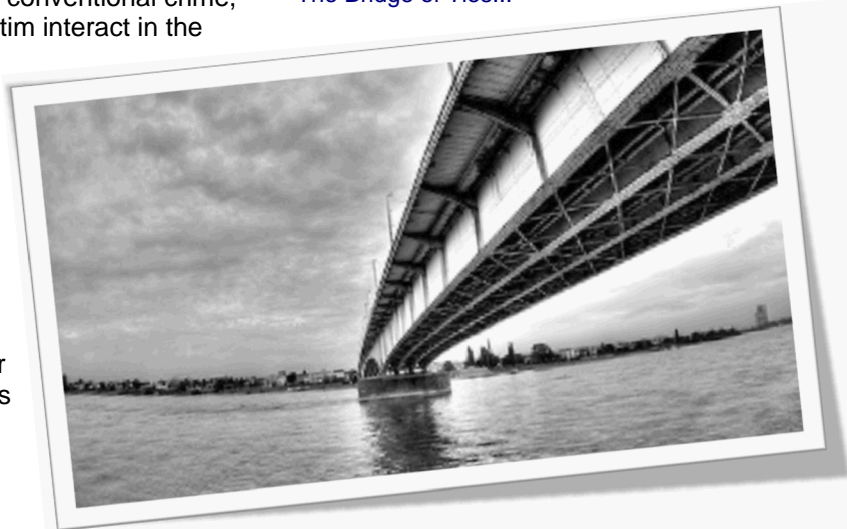
2. Many forms of hypercrime do not require the perpetrator to be part of an extensive and cohesive organisational structure since the network itself (the relationship between a perpetrator and their victims) is effectively established through their computer connections; the technological connections between perpetrators and their victims form the network through which criminal interactions occur.

Internet auction sites

In this type of general crime a fraudster sets up a shop on an auction site (such as eBay), using a false name, references, email address and so forth and offers goods for sale (which they may or may not actually possess). Buyers are attracted to the shop, which establishes the network, and they may then fall victim to a variety of fraudulent practices, examples of which include:

1. **Bid Shilling:** The price of an item is driven upwards by false bids (made by the seller and / or their accomplices). Real bidders end up paying a high price for something of much lower value.
2. **Bait and Switch:** A buyer is encouraged to bid for an item on the basis of a picture that shows something in perfect condition (the bait). What the successful bidder receives is something in less than pristine condition and worth a lot less than they paid for it (the switch).
3. **Bait but No Delivery:** Successful bidders for expensive items never receive their goods once they've paid for them.
4. **Fakes:** The victim pays for what they believe is something genuine. What they receive is a cheap copy or fake...

The Bridge of Ties...



Evaluation

While the corporate hierarchy model may (at least in contemporary societies) *overlay* the organisation of crime, the network model potentially *underplays* the organisational structures of transnational criminal networks. In particular, this type of loose-network theory (one where the network is held together by relatively fragile individual connections) involves three main problems:



1. **Trust:** If transnational criminal networks are simply loose collections of individuals / small groups who come together for various purposes and then disband or go dormant, the basis of the trust between individual members required to ensure the network performs its intended functions is unclear, for two reasons:

a. The establishment of trust implies a much stronger sense of obligation between network members than this general theory suggests and:

b. How can trust be established and reinforced if “network members” are, at best, only loosely known to each other and, at worst, do not know each other at all? Research by the **Symantic Corporation** (2005) into the type, extent and organisation of online fraud, for example, concluded that “Not surprisingly, there is no honor (*sic*) among online thieves...message boards are also used to expose members of the fraud community who steal from other members by renegeing on agreements to provide cash for stolen data or simply keep the data without paying the provider. These unpopular fraudsters are known as “rippers,” a serious insult in the black market”.

2. If, as **van der Heijden** (1996) argues, one characteristic of organised crime is the ability to exert influence on “politics, the media, public administration, judicial authorities or the economy” it follows that this is much less likely to happen if the members of crime networks are:

a. Engaged in piecemeal criminal activities (production, distribution, exchange) that are effectively self-contained. With no over-arching organisational structure it is difficult to see how individual group members can co-ordinate their behaviour to exert effective pressure on people like politicians or institutions such as the media.

b. Known only to each other at the local level (the producer may have contact with the distributor, the distributor with the dealer and so forth).

This suggests one of two things: on the one hand this “characteristic” of transnational organised crime has been *overstated* (criminal networks are no-longer able, willing or particularly interested in exerting political power in this way) while, on the other, it suggests network theory is poorly-positioned to explain how such diverse and disparate networks can exert influence over wider social institutions – a key idea, perhaps, in the sense that even if they wanted to, criminal networks are unlikely to be capable of exerting this kind of political influence.

3. “Trust” is a key concept in network models because it is, in effect, the “explanatory glue” that holds the model together. If people don’t trust each other then business – including criminal business - effectively falls apart. However, when we examine the idea of transnational criminal networks (as opposed to legitimate transnational economic networks) the increase in competition created by globalisation suggests that criminal individuals are significantly *less likely* to trust one another since there is no regulatory framework on which to base and cement such trust; in other words, if many criminal markets are characterised by numerous criminal organisations ruthlessly (sometimes literally) competing against one another for market share then it is difficult to see how network models can, on their own, satisfactorily explain transnational organised crime – we need, therefore, to consider a further type:

3. Economic Market

While network models conceptualise criminals as “free floating agents” who plug-into and out-of criminal networks, a central weakness of this model is that it fails to convincingly explain how and why these networks are organised to achieve wider political aims. The picture this model presents is that “organised crime” is actually just a relatively loose collection of individuals who come together at certain times and disperse once “the deal” has been done.

While this model has certain attractions and advantages over corporate models (it can explain, for example, how transnational criminal behaviour is at one and the same time both organised, in the sense of a joint enterprise, and “disorganised” (in the sense of leaving little or no organisational trace that can be easily and effectively penetrated by control agencies - the criminal network of the night melts away with the morning light...) its main weakness is its lack of central (or even peripheral) organisation. Where corporate models argue organised crime exists because it can exert monopoly control over criminal activities and their markets, network models reject this notion and provide explanations based around criminal collusion; in effect, for networks to function at a transnational level there has to be monumental levels of trust and collusion between individual criminal actors. Criticism of these models leads to a different take on organised crime.

If criminal markets are *not* seen as invariably monopolistic (although just as in the legitimate business world there are some markets broadly under monopoly control) but **competitive**, it follows that corporate forms of organised crime are



The nature of the market determines the organisational structure of crime

either ineffective or non-existent in this general scenario for the reasons we’ve previously outlined. However, competitive markets have their own economic logic that requires businesses – criminal or otherwise – to adapt their organisation to *the market in which they operate*. In other words, rather than arguing that “organised crime” has a certain type of general structure which is then imposed on illegitimate economic behaviour, the **market model** argues the *reverse* is generally true; the structure of organised crime develops *out of* the nature of the market in which criminals operate.

Zabludoff (1997), for example, provides an example of how this works when he notes a clear difference between the markets for cocaine and marijuana.

Cocaine is a product that has one main global source (Columbia) and production is controlled by a small number of criminal cartels; in other words, although these organised crime groups may “compete” against each other to produce and distribute cocaine, taken together they have control of the market. As **Zabludoff** notes: “The Colombian cocaine industry has a triangular structure. The dominating firms at the top of the pyramid directly employ a relatively small number of people. The numbers increase through several layers of support entities. Colombia has about 10 core organizations active at any one time; together, they handle more than 60 percent of the cocaine that reaches North American and European markets”. From this strong economic base transnational organised crime develops elements of **both corporate hierarchy and network connections** in the sense that the trade in cocaine involves the creation of strong network connections between corporate hierarchy structures across national borders. “The organizations”, **Zabludoff** argues, “operate on a giant international scale by forming strategic agreements with similar enterprises in other countries”.

Marijuana, on the other hand, is a product grown all over the world – by large-scale “agribusiness” enterprises employing hundreds, if not thousands, to relatively small-scale one-person “bedroom” enterprises. It is, in other words, extremely difficult for any single criminal organisation to dominate the market – there are just too many producers, suppliers and dealers. Competition at all levels, therefore, determines the nature, size and shape of organised crime in this market, making it more amenable to the development of relatively simple **criminal networks** that do not require or need high levels of structural organisation.

This general model suggests, therefore, that it is the nature of the criminal market that determines how crime is organised – **monopoly markets** lend themselves to **corporate structures** (with **network extensions**) while **competitive markets** lead to **networks** with **limited corporate structures**. This model suggests, therefore, two things:

1. There is no single, dominant, form of organised crime.
2. The structure of criminal organisations is shaped by forces beyond their control in the sense that, in this instance at least, market forces play a not-inconsiderable role in determining how crime is organised.

Evaluation

There are three main problems to consider in relation to market models:

1. Incorporation: Although they differ from previous models on the basis of the primacy they give to market forces as a causal factor in shaping the organisation of criminal gangs it's evident that both hierarchical and network models can happily co-exist with this type of model; market models, in this respect, may be better-conceived as a way of explaining which type of model is dominant in a particular situation rather than as a strict *alternative* to other models of organised crime.

2. Over-determination: A type of analysis that might be applicable to the behaviour of *legal* markets may not be so easily applicable to *illegal* markets. In this respect, "market forces"

Neither the 2001 ("9/11") bombing of the World Trade Center in New York nor the 2005 ("7/7") London tube and bus bombings seemed to be motivated by economic gain.



are seen as the primary force determining the shape of *both* legitimate and illegitimate business organisations – but the question here is the extent to which the organisation and behaviour of illegal markets is equivalent to legal markets in the sense of determining how and why people behave in a particular way. More specifically, perhaps, the functioning of illegal markets is *qualitatively* different precisely because they face different problems (such as government interventions, the activities of the police and armed forces and so forth) to their legal counterparts

3. Rationality: A major assumption of this model is that criminals are rational economic beings; that is, they identify and pursue certain economic goals (such as making profits) in a broadly similar way to their legal counterparts. Organised crime is simply a mirror image of organised business. However, it is arguable that for some types of criminal behaviour the motive is not primarily economic; certain forms of **terrorism**, for example, may involve generating income through illegal means that are not ends in themselves (making the criminal rich) but simply a means towards an end – the financing of terror designed primarily to meet political goals.

4. Clans

Clans are probably one of the oldest forms of criminal organisations in that their initial organisational basis is:

Kinship, whereby relationships are based around *biological*

(relationships such as those between parents and children), *affinity* (relationships based on custom, whereby people live together as a kinship group) or *legal* bonds (a contractual relationship such as marriage). **Paoli** (2001) argues clans have certain features that both mark them apart from other forms of organised crime and, in what we might term one of the paradoxes of globalisation, provide strong (local) foundations that give the clan a unique opportunity to flourish in globalised markets:

Status contracts: Clan membership, as we've just suggested, is initially forged around kinship relationships whereby "family members" form a loose, if close-knit, criminal organisation. In other words, clan members are initially bound together by their kinship status to one another – something that involves both **trust** ("blood is thicker than water") and, most importantly:

Loyalty: Clan organisation is based on certain group norms, obligations and traditions. If and when the clan starts to expand its activities and membership, non-kin are drawn into the organisation in ways that mimic the original kin-based relationships (involving affinity forms of kin relationship rather than those of biology / blood). These relationships are cemented by new members being initiated and immersed into the general **status contract** that binds clan members (a process that may involve symbolic ceremonies or entrance rituals as a way of reinforcing the concept of loyalty to the organisation).

Mafia Initiation
(Paoli, 2003)

"The rite of mafia initiation establishes not only a status as "man of honor" (*sic*), but also a ritual kinship, an almost religious communion that creates obligations of correctness and solidarity vis-à-vis the other members of the same mafia family and in principle also to all other mafia brothers. These ties promote trust and provide a basis for specific purposive contracts, even between members from different families who have never met before".

Protection: The idea, noted by **Paoli**, that one of the original functions of the clan was to afford a means of protection to its members is significant in the context of organised crime models because it suggests two things:

1. The origins of clan development suggest "crime", *per se*, was not its main initial purpose; however, once established as a means of protecting members - through their group solidarity and sense of obligation to each other –

the social situation of clan members allied to a strong sense of group organisation positioned it perfectly for various types of organised crime.

2. The idea that the structure of organised crime may develop quite independently of illegal economic markets provides a strong counterpoint to **market models** (since if the organisation exists prior to criminal involvement then its shape cannot be determined by illegal markets).

Community: Clan development – especially a clan that has moved into organised crime and expanded the scope and range of its illegal activities – is more-likely to foster a sense of community; that is, a sense of the clan being rooted in the locality in which it develops. In other words, rather than simply being "alien" to and corruptive of a community within which it happens to operate (**corporate** models), exploitative of that community (**market** models) or simply ignorant of such community (**network** models), clan models suggest organised criminals are embedded within the locality – a feature (allied to concepts of loyalty and obligation) that makes them difficult for control agencies to penetrate.

Glocalisation: Thinking Globally, Acting Locally

In some respects clan models hark back to pre-modern society, in that their organisation is based on neither the rational bureaucratic rules of modern society nor the free-flowing network associations characteristic of postmodern society; this type of



organisational model should, in short, have disappeared along with the type of society (feudalism) in which it initially developed and flourished. It is, however, another of the paradoxes of globalisation that a type of organisation initially developed as a form of collective protection for small groups of related individuals should prove itself perfectly positioned to take advantage of the opportunities for large-scale transnational crime created by globalisation. The reasons for this, so proponents of this model argue, are deceptively simple:

1. Globalisation creates fragmented economic markets that lend themselves to network organisational structures.

2. Criminal network structures require both a certain level of organisation if they are to function efficiently and a certain level of freedom if they are to avoid detection / penetration

3. Clan organisations are well-placed to provide basic levels of criminal organisation but are sufficiently flexible to take advantage of global networks. In other words, clan structures provide relatively strong organisational foundations for criminal behaviour that are able to reach-out and deal with other related or like-minded organisations across transnational borders

In this respect clan models are an interesting example of a feature of globalisation that is sometimes over-looked, namely:

Glocalisation – a concept that, in this context, describes something that is both locally-based and connected to wider global forces. In other words, the “paradox of globalisation” is that rather than “transnational criminal organisations” *reaching in* to different societies and transforming the nature of crime and criminal organisation, the reverse is the case; criminal organisations with strong local roots and connections are able to *reach out* to other, similar forms of criminal organisation (or effectively co-ordinate the activities of significant individuals and groups within a transnational network). The *global*, in this respect, has become the *local* (hence “*glocal*”).



Clans, therefore, effectively combine the strengths of network and market models while avoiding their weaknesses. They also avoid some of the problems of corporate hierarchies in that clans can be responsive to change and relatively impervious to control agency penetration and disruption.

Major Transnational Organized Crime Groups

Finckenauer and Chin (2006)

Russian Mafia: Around 200 Russian groups that operate in nearly 60 countries worldwide. Involved in racketeering, fraud, tax evasion, gambling, drug trafficking, arson, robbery, and murder.

La Cosa Nostra - the Italian or Italian-American mafia. The most prominent organized crime group in the world from the 1920s to the 1990s. Involved in violence, arson, bombings, torture, loan sharking, gambling, drug trafficking, health insurance fraud and political and judicial corruption.

Yakuza: Japanese criminal group. Involved in multinational criminal activities, including human trafficking, gambling, prostitution, and undermining legitimate businesses.

Fuk Ching: Chinese organized criminal group in the United States. Involved in smuggling, street violence and human trafficking.

Triads: Underground criminal societies based in Hong Kong. Control secret markets and bus routes and are often involved in money laundering and drug trafficking.

Heijin: Taiwanese gangsters who are often executives in large corporations. Involved in white collar crimes, such as illegal stock trading and bribery and sometimes run for public office.

Jao Pho: Organized crime group in Thailand. Involved in illegal political and business activity.

Red Wa: Gangsters from Thailand. Involved in manufacturing and trafficking methamphetamine.

Evaluation

There are a number of criticisms we can note in relation to this model of organised crime:

Inflexibility: Clan models can, at certain times and under certain conditions, be resistant to change and the grasping of new opportunities. The traditional norms, values and structures on which they are based may serve to hold back their exploitation of transnational criminal opportunities (they in effect *think* and *act* locally).

Discriminatory: Clans are generally discriminatory in terms of who they admit, something that is both an organisational strength in the sense that clan members are strongly committed to the organisation and a potential weakness in that it restricts entry and may make it difficult for the clan to grow – something that is related to:



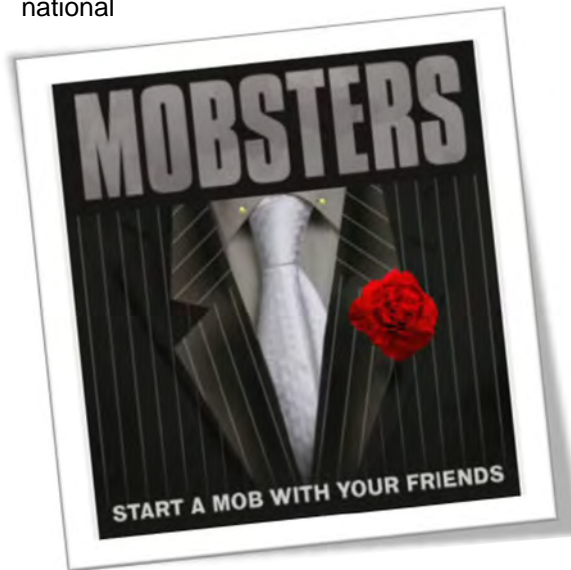
Advertising for new members could be a little problematic...

Personnel recruitment: This can be a problem in the sense that those recruited to the clan may have neither the skills, temperaments nor aptitudes for the roles they will be required to play – their only qualification for membership is the fact they are related, in some way, to existing members. This “lowering of the skills base” may make it difficult for clan structures to operate in new, global, markets.

Globalisation and Crime: Conclusion

In this section we’ve both identified a range of “globalised crimes” and offered a selection of models that have tried to explain the organisation of transnational crime. In both respects the relationship between globalisation and crime is difficult to disentangle. In the case of the former

it’s by no means clear that there exists a category of crime that is somehow definitively “global” (in the sense of having features that are unique to crimes that cut across national



and international boundaries). In the case of the latter the position is complicated by the fact that “crime” is not an undifferentiated category.

That is, there are many different types of “global crime” – from drug smuggling through money laundering to computer hacking - that have very little in common aside from the fact they are illegal. For this reason it’s probably true that no one model of organised transnational crime adequately covers all options – which may simply mean we should look at how different models explain different types of crime, rather than look for an overarching model that will satisfactorily explain every type of criminal activity.

A further complicating element is the idea of “globalisation” itself, for two reasons:

Firstly, globalisation is not a particular act or event in the sense of it being possible to provide a clear and unequivocal definition of what it is and what it involves. The best we can suggest is that globalisation is a process - or, if we’re being particularly picky, a set of interrelated economic, political, military and cultural processes - that consists of a wide range of acts and events, some of which are complimentary to each other and some of which are conflictual. We’ve considered examples of the former in terms of the way computer technology can be used to commit various types of crime “across the globe”, whereas we’ve encountered the latter in terms of the idea of “glocalisation” – the argument that globalisation is a process that is experienced differently – and perhaps modified by – different local and national territories.

Secondly, while in some respects globalisation occupies a causal relationship with some forms of crime - without globalisation such crimes (such as various types of hypercrime) would not be possible - this is a long way from saying that globalisation is a *cause* of crime. That is, without globalisation certain types of crime wouldn't – indeed couldn't – occur.

As **Finckenaer** (2000) argues, things like economic globalisation, high levels of immigration or improved communications technology “do not “cause” transnational crime. Rather, they facilitate crime, or in some cases, they are criminal opportunities in themselves. For example, immigration does not cause crime. The desire to immigrate, however, may cause people to violate immigration quotas and regulations and may lead to illegal immigration, which in turn is exploited by criminals. Most of the causes of transnational crime are not new; they are, in fact, quite similar to factors that drive crime in general: disparate socioeconomic conditions, which stimulate migration and its antecedent trafficking in persons; the desire for illegal goods and services, which moves crime into the transnational realm when the suppliers are in one country and the consumers are in another; and the universal greed for money and power”.

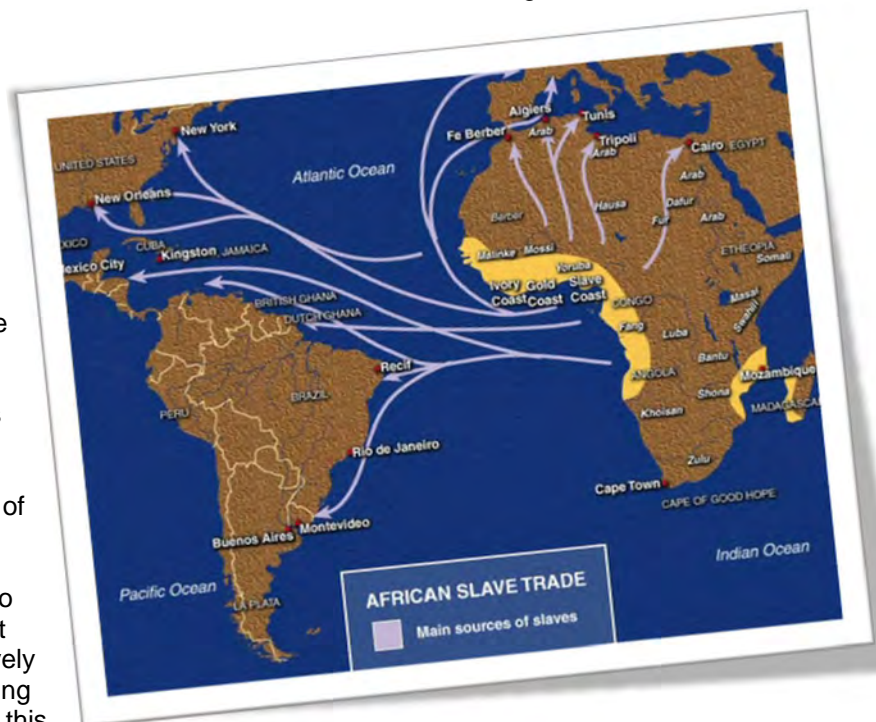
Finally, **Tijhuis** (2006) identifies **five assumptions** about the relationship between globalisation and crime that should make us wary of trying to draw easy conclusions about this relationship:

1. Transnational crime is a new phenomenon: As we've seen, we need to be careful not to simply assume that “global crime” is a new phenomenon that has “new causes” and hence “new explanations”. As **Tijhuis** argues “transnational crime has existed as long as there have been different nations” – both in terms of “crimes that no-longer occur, like the slave trade from Africa to the US” and “crimes that are often seen as relatively new, like human trafficking or cigarette smuggling...this type of crime is anything but



new, although its transnational character may have increased together with legitimate activities across borders”.

2. Criminal organisations: **Tijhuis** questions the assumption that two major features of transnational organised crime are the scale of its organisation and the nature of its ethnic composition. In terms of the former he argues that the idea of large-scale organisations operating across the globe in ways that control markets in various illegal activities owes more to media fantasies and **moral panics** about “organised crime” than to the reality of the situation “on the ground”.



There is, he argues, little evidence of “the development of large-scale criminal enterprises within illegal (global) markets”. In terms of the latter, although some large-scale criminal organisations with high levels of ethnic homogeneity do exist (such as the Italian Cosa Nostra) he argues these organisations – although frequently presented in the media as “the archetype of organised crime” – are actually unrepresentative of the behaviour of transnational (as opposed to national) organised crime groups. They are the exception that proves the rule.

3. Collaboration between transnational criminal organisations: There is little or no empirical evidence that large-scale criminal organisations operate and cooperate across national borders to form some kind of overarching global crime network: “As far as large scale organizations do exist, and as far as they may collaborate, they are just a part of a wide range of actors involved in transnational crimes. Far more important than these organizations are all kinds of networks and loose collaborations of criminals, organizing transnational crimes like drug trafficking and cigarette smuggling”.

4. Globalisation as the primary cause of transnational crime: The various globalising processes we’ve previously noted are frequently, and incorrectly, confused with transnational crime, such that the former is seen to cause the latter. While globalisation has made some forms of transnational crime easier to carry-out, the fact that “transnational crimes have always occurred” suggests the relationship between the two is not a causal one.

To this end **Tijhuis** further argues that “some aspects of globalisation can in fact **decrease** the causes for transnational crime”; for example, “The present scale of cigarette smuggling could not be imagined if similar countries did not maintain such large differences in taxation”. In other words, if economic globalisation creates the conditions under which different countries “agree” to standardise their taxation systems (as, to some extent, occurs within trading blocs such as the European Community) then transnational crimes such as cigarette smuggling would effectively cease to exist since there would be no profit in it for criminal organisations.



While legitimate business organisations can freely collaborate across the globe, the same may not be true of illegitimate business organisations

5. Transnational crime as cause of criminal infiltration of legitimate businesses and governments: **Tijhuis** questions the assumption that transnational organised crime seeks to corrupt legitimate business organisations – and even governments – on the basis that this kind of “business practice” is both:

Unnecessary - because “Many transnational crimes can be executed without any substantial infiltration or corruption”) and:

Not cost effective: “Evading law enforcement is often easier than trying to corrupt them” and “many services provided by legitimate companies and government agencies can be used by criminals without this being noticed by the companies and agencies”.

Finally, in any discussion of transnational organised crime the focus is generally placed on the behaviour of illegal actors and organisations operating around the globe in illegal markets and conducting illegal activities; in other words, explanations are generally focused on the nature of illegitimate (or criminal) organisations and how they operate in relation to both legal and illegal markets.

It is, however, possible to **change the focus** – away from the activities of “criminal organisations” and onto the behaviour of transnational organisations (such as legitimate corporations and governments) in order to understand their specific roles in transnational organised crime. We can do this, in terms of the former, by looking at **corporate crime** and in terms of the latter by looking at **State crimes**.

References

Aguilar-Millan, Stephen; Foltz, Joan; Jackson, John and Oberg, Rmy (2008) "The globalization of crime": The Futurist

Allen, Katie (2009) "Recession pushes white-collar crime to new highs": The Guardian, 31/21/09

Barak, Gregg, (2001) "Crime and Crime Control in an Age of Globalization: A Theoretical Dissection": Critical Criminology Vol. 10, Kluwer Academic Publishers.

Beare, Margaret and Naylor, Robert (1999): "Major Issues Relating to Organized Crime: within the Context of Economic Relationships": Nathanson Centre for the Study of Organized Crime and Corruption: Law Commission of Canada

Bell, Daniel (1960) "The End of Ideology": The Free Press of Glencoe

Callero, Peter (2009) "Teaching and Learning Guide for: The Globalization of Self: Role and Identity Transformation from Above and Below": Western Oregon University

Castells, Manuel, (1997), "The Power of Identity in The Information Age": Economy, Society and Culture, Vol. 2: Blackwell

Chakraborty, Aditya (2009) "Brain food: Why the mafia study gangster movies": The Guardian, Tuesday 29 September.

Cook, James, (2001) "Social Networks: A Primer": Duke University

Cressey, Donald and Finckenauer, James (1969) "Theft of a Nation: The Structure and Operations of Organized Crime in America": Transaction

Finckenauer, James (2000) "Meeting the Challenge of Transnational Crime": National Institute of Justice

Finckenauer, James and Chin, Ko-Lin (2006) "Asian Transnational Organized Crime and Its Impact on the United States": Final report for the National Institute of Justice, U.S. Department of Justice

Findlay, Mark (1999): "The Globalisation of Crime: Understanding Transitional Relationships in Context": Cambridge University Press

Gambetta, Diego (2009) "Codes of the Underworld: How Criminals Communicate": Princeton University Press

Giddens, Anthony, (1990), The Consequences of Modernity: Polity Press

Haller, Mark (1992) "Bureaucracy and the Mafia: An Alternative View": Journal of Contemporary Criminal Justice, Vol. 8, No. 1

Held, David, McGrew, Anthony, Goldblatt, David and Perraton, Jonathan, (1999), "Global Transformations – Politics, Economics and Culture": Polity Press

Ismi, Asad (1996) "Report on Canada's Sixth Year in the OAS: Focus on Corruption" [Excerpt: "Drugs and Corruption in North and South America"]: Canada-Americas Policy Alternatives

Karofi, Usman Ahmad and Mwanza, Jason (2006) "Globalisation and Crime": Bangladesh e-Journal of Sociology. Vol. 3, No. 1

Lea, John (2005) "Money laundering and criminal finance": www.bunker8.pwp.blueyonder.co.uk/

Lea, John (2007) "What is Organised Crime?": <http://www.bunker8.pwp.blueyonder.co.uk/>

McGuire, Michael (2007) "Hypercrime: The New Geometry of Harm". Routledge-Cavendish

Paoli, Letizia (2001) "Criminal fraternities or criminal enterprises?" in Williams, Phil and Vlassis, Dimitri (eds) "Combating Transnational Crime: Concepts, Activities and Responses": Routledge

Paoli Letizia (2003) "Mafia Brotherhoods: Organized Crime, Italian Style": Oxford University Press.

Potter, Gary (1994) "Criminal Organizations: Vice, Racketeering, and Politics in an American City": Waveland Press

Press Association, The (2009) "Crime on rise amid economic woe": The Press Association

Rosamond, Ben and Booth, Jane, (1995), "The Globalisation of the State": PSA

Ruffles, David; Tily Geoff and Tudor, Sandra (2003): "VAT missing trader intra-Community fraud: the effect on Balance of Payments statistics and UK National Accounts": Economic Trends No. 597.

Ruggiero, Vincenzo. and South, Nigel (1995) "Eurodrugs: Drug Use, Markets and Trafficking in Europe": UCL Press

Slapper, Gary (2007): "Corporate manslaughter law is a vast improvement": Times Online.

Smith, Mark and Doyle, Michelle, (2002), "Globalization": The Encyclopedia (*sic*) of Informal Education: www.infed.org/biblio/globalization.htm

Smith, Peter (1999) "Semi-Organized International Crime: Drug Trafficking in Mexico," in Farer, Tom (ed) "Transnational Crime in the Americas": Routledge.

Sporer, Zeljka, (2000), "Controversies of Globalisation": University of South Australia

Standing, André (2003) "Rival Views of Organised Crime: How Can Crime Be Organised?": Institute for Security Studies Monograph No. 77

Surin, A.J. (2003) "To catch a cybercriminal": Computer Crime Research Centre:

Symantec Corporation (2006) "What is Cybercrime?": www.symantec.com/norton/cybercrime/definition.jsp

Symantic Corporation (2005) "The Cybercrime Blackmarket": www.symantec.com/norton/cybercrime/blackmarket.jsp

Taylor, Paul (1999) "Hackers: Crime in the Digital Sublime": Routledge

Tijhuis, Antonius (2006) "Transnational crime and the interface between legal and illegal actors – the case of the illicit art and antiquities trade": Wolf Legal Publishers

Van den Heijden, Toon (1996) "Measuring Organized Crime in Central Europe": College of Police and Security Studies, Slovenia

Woodiwiss, Michael (1990) "Organized Crime, USA: Changing Perceptions from Prohibition to the Present Day": BAAS Pamphlet No. 19.

Woodiwiss, Michael (2000) "Organized Crime - The Dumbing of Discourse" in Mair, George and Tarling, Roger (eds) "The British Criminology Conference: Selected Proceedings. Volume 3

Yip, George, (1995), "Total Global Strategy": Prentice Hall

Zabludoff, Sidney (1997) "Colombian narcotics organizations as business enterprises": Transnational Organized Crime, Vol.3, No.:2

Zeviar-Geese, Gabriole (1998) "The State of the Law on Cyberjurisdiction and Cybercrime on the Internet": Gonzaga Journal of International Law. Vol. 1.

