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International Organized Crime:

A Growing National Security Threat

by Brian Sullivan

Conclusions

- Organized crime has grown far more powerful recently because of the fall of the Iron Curtain and the spread of international drug trafficking.

- Russian organized crime is particularly dangerous due to the weakness of Russian law enforcement agencies and the huge flow of dirty money through Russian banks. Some experts believe the Russian security services may be colluding with organized crime.

- Despite the threat to U.S. security, organized crime should be fought mainly by law enforcement agencies not the Armed Forces.

- In rare cases, such as those in which organized crime controls a weak state, military intervention may be warranted.

A National Security Threat

Currently, foreign criminal organizations weaken American national security by their attacks on U.S. financial institutions, massive export of illegally obtained dollars and their provision of addictive drugs to millions of Americans. The 1995 *The National Security Strategy of Enlargement and Engagement* states: "Not all security risks are immediate or military in nature. Transnational phenomena such as narcotics trafficking... have security implications for both present and long term American policy."

In 1960, fewer than 30,000 people were arrested in the United States for violating drug laws. Recent annual drug arrests have increased to more than one million. For the past seven years, more people have been imprisoned for drug offenses than for all violent crimes combined. The explosion of drug-related offenses explains why more than two million people may be incarcerated in the United States before 2010. The financial burden caused by the drug trade is appalling. In late 1991, the Director of the Office of Management and Budget testified that substance abuse cost the United States $300 billion per year. A 1996 Justice Department calculation that crime costs the American people some $450 billion a year leads to the conclusion that drug abuse accounts for two thirds or more of this staggering loss. In 1992, the House Select Committee on Narcotics Abuse and Control estimated that there were 6.5 million American drug users. And these numbers seem to be rising.

Organized crime also injures or poses grave threats to the United States through a host of other illegal activities including: smuggling illegal migrants, murder-for-hire, terrorism, corrupting political and police officials, currency and document counterfeiting, arms trafficking, and pirating of intellectual properties. Potentially the most dangerous threat of all has been the conspiracy by organized crime in Russia to steal and sell materials for

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nuclear weapons construction.

Organized crime also endangers the well-being of U.S. allies in Western Europe and East Asia, is undermining some of the new democracies in Eastern Europe and the former Soviet Union, and is attacking the sovereignty of a number of weak states, particularly in the Caribbean, Latin American and West Africa. While organized crime does not present a military threat, it causes such damage to warrant a concerted international, federal, state and local effort to bring it under control. The alternative would be the corruption of much of the prosperous world and the enslavement of much of the developing world.

What is Organized Crime?

Organized crime (as opposed to ordinary gangs, terrorist groups or guerrilla organizations):

- lacks ideology
- has an organized hierarchy
- has continuity over time
- has willingness to threaten or use force
- has restrictive membership
- gains profits through criminal activity
- provides illegal goods/services desired by segments of the general population
- neutralizes some public officials and politicians by corruption or intimidation
- seeks monopolies of specific goods or services
- assigns specialized activities to gang members
- has a code of secrecy
- carefully plans for long-term goals

The most important factor in the growth of organized crime has been the development of a global network for illegal drug trafficking that produces multi-billion dollar profits. Other developments also have an impact. The collapse of the Soviet Empire and the growth of capitalism in China removed barriers to both legitimate business and criminal activity. The worldwide financial system now involves so many transactions that they cannot be monitored adequately. The establishment of a North American free trade area and the lowering of European customs and passport controls provides unintended opportunities for criminals. And, the weakening of state authority in former Communist countries and in so-called failing states has weakened their police agencies and judicial systems.

The Major Organized Crime Groups

The United States, Canada, Mexico, Colombia, Italy, Russia, Turkey, China and Japan suffer most from the strongest organized crime groups.

The United States and Canada: Until recently, organized crime was dominated by the American Mafia or *Cosa Nostra*. In 1931, after a bloody struggle among the gangs for national dominance, the Mafia worked out a system of arbitration and the territorial division of the United States and Canada into "family" fiefs. Their main activities include drug trafficking, union control and corruption, loan sharking, illegal gambling, stock and financial fraud, and takeovers of legitimate business. A sustained campaign by the FBI, the Drug Enforcement Agency (DEA), the Royal Canadian Mounted Police, and state, provincial and local police forces, has greatly weakened the *Cosa Nostra*. However, Russian, Latin American and East Asian organized crime have moved into many criminal activities in the United States previously monopolized by the *Cosa Nostra*.

Mexico: Organized crime is dominated by four cartels that are consolidating. The cartels emerged from Mexican gangs organized by the Colombian drug cartels to help smuggle cocaine into the United States. However, the Mexican gangsters grew so rich and powerful from such activity that they gained co-equal status with their Colombian sponsors. The Mexican cartels smuggle huge amounts of heroin, amphetamines, marijuana, and cocaine, into the United States. In league with the Chinese Triads, they also smuggle large numbers of illegal Chinese migrants into the United States. The Mexican gangs have corrupted many politicians, as well as judges, police and union officials, and carry out many murders, for intimidation and profit.

Colombia: The Medellin and Cali cartels control about 75% of the world production of cocaine, smuggling much into the United States themselves, but selling large quantities to other organized crime groups. Recently, the cartels have imported opium poppies from Central Asia and begun producing heroin, as well. Excessive Medellin cartel violence proved counter-productive. Now, the wilier Cali cartel predominates. It has corrupted many Colombian officials, including some senior officials.

Italy: Organized crime is dominated by the Sicilian Mafia or *Cosa Nostra*. The *Cosa Nostra* is the largest and most powerful of four main criminal gangs. It operates in more than 40 countries, including all the Americas and throughout drug-producing countries of Asia. Italian gangs engage in every conceivable form of illegality, although their most lucrative activity is drug trafficking. Italian gangs have begun large-scale smuggling of Albanians and members of other Balkan nationalities into the European Union. Kidnapping for ransom and prostitution are common organized gang activities, although the *Cosa Nostra* prohibits its members from engaging in those activities. The *Cosa Nostra* also serves as an intermediary between other national criminal associations. For example, the *Cosa Nostra* was instru-

mental in introducing opium poppies into South America and coca plants into Central Asia.

The FBI and Italian internal security forces have formed a close partnership to fight the *Cosa Nostra*. Creating trust, sharing intelligence, learning to appreciate each others' methods and viewpoints have produced significant results. This joint police activity offers a model that could work in other cases of international cooperation against organized crime groups. Another example of American-Italian anticrime cooperation has been the passing of laws by the legislatures of both countries making the same criminal activities illegal in both countries. The lack of uniform laws has been one of the major obstacles to international cooperation against organized crime.

Russia: The Russian *mafiya* has expanded into Europe and North America. Slavery, car theft, extortion, arms trafficking, murder-for-hire, credit theft, money laundering, raising poppies in Central Asia—world opium-base production has doubled since the collapse of the Soviet Union—and heroin dealing are their preferred crimes. But their attempts at the theft and sale of nuclear materials makes them a threat of unparalleled danger to the world.

Recent activities by Russian organized crime also illustrate a disturbing development. While dangerous in isolation, many of the individual international criminal gangs are forming far more threatening alliances. Such coalitions take two forms: agreements between two or more international crime groups and cooperation between organized crime and government officials. The control of an estimated 400 banks by the *mafiya* allows it to launder much of the estimated annual $250 billion in international organized crime's drug profits. The lack of Russian regulatory agencies, and the crippling of their law enforcement agencies, makes Russia ideal for such purposes. Passing such huge amounts of hard currency through the country gives international organized crime immense power. Additional power may flow from links to the Russian state.

In the 1950s, members of the government, the Party, the KGB, and the police allied with organized crime to provide goods and services not legally available under Communism. In the late 1980s, the gangsters took advantage of the new economics, while retaining their links to Russian officials. But the relationship has shifted in favor of the criminals, as the state has weakened and illicit profits have soared. Many ex-Communists were forced from the police, security and intelligence services. Their links to organized crime, as well as their knowledge and skills, made them natural recruits for the *mafiya*.

Turkey: Organized crime in Turkey is dominated by a dozen Kurdish clans commonly known as "The Turks." These gangs began as bands of smugglers that operated across the Caucasus and the Ottoman-Persian borders centuries ago. "The Turks" are closely connected to the Kurdish struggle for independence in Turkey, Iran and Iraq. Part of their heroin profits from Central Asia, Afghanistan and Pakistan are paid in transit fees to the Kurdish rebels. In addition to heroin, these gangsters deal in pirated electronic and video products, and counterfeit passports and identity papers. They also run prostitution and slavery rings, illegal gambling dens, and a wide assortment of extortion, fraud and embezzlement operations. "The Turks" also have roots in the Kurdish communities in Germany, Sweden and other European countries.

China: The Six Great Triads have existed for centuries. The Triads form the world's largest organized crime association with at least 100,000 members scattered throughout the world, wherever Chinese ethnic communities exist. Five of the Triads have been headquartered in Hong Kong and Taiwan but have recently joined the *Great Circle* triad in Shanghai. This move seems to be due to the increasing wealth of the Peoples Republic of China (PRC). More ominously, the move may indicate the type of organized criminal-police-government cooperation that afflicts Russia.

The Triads engage in drug trafficking, arms trafficking, smuggling of illegal migrants, vehicle theft, pirating of electronics and software, gambling, loan sharking, prostitution, pornography and fraud. The Triads also engage in many legal activities ranging from arbitration of commercial disputes to helping arrange marriages. Such services have allowed the Triads to burrow their way deeply into Chinese society, making them difficult to uproot. The Triads could become the most dangerous organized crime group in the 21st century.

Japan: the *Boryokudan*, commonly known in the West as the *Yakuza*, number 60,000, a powerful presence in a country of 126 million. The *Yakuza* have benefitted from an anti-Communist alliance with the Japanese National Police that was established shortly after World War I. The *Yakuza* specialize in the production and sale of amphetamines; protection and extortion rackets centering on large businesses and banks; stock, real estate and financial fraud; illegal gambling; loan sharking; arms trafficking and prostitution. Japanese organized crime also operates in South Korea, Hawaii and Australia.

Using U.S. Armed Forces against Organized Crime

The 1878 Posse Comitatus Act, and its subsequent interpretations, forbids the use of the Army and its successor, the Air Force, for the enforcement of American laws. Following Civil War Reconstruction, Congress decided that using soldiers as police was bad for mili-

tary morale and opened a dangerous chasm between the Army and civilian society. While not formally covered by the Act, the Navy and Marines are customarily excluded from law enforcement. However, court decisions allow the services to assist police agencies and recent laws expand the military's counternarcotics authority.

The Armed Forces have assisted law enforcement in the struggle against organized crime in a number of ways. Such activities have included:

- Aerial, ground and maritime surveillance to detect aircraft and boats illegally entering U.S. airspace and waters.
- Border surveillance and study of records to detect patterns of illegal cross border movement.
- Training and equipping of Latin American paramilitary counter-drug forces.
- The fusion of intelligence on organized crime activities, and providing collated information to the U.S. and foreign governments.
- The translation and analysis of records seized from organized crime members.
- Providing transportation assets to law enforcement agencies at home and abroad.

Some Americans have suggested using the armed forces in combat missions against foreign organized crime. Combat operations would likely be interpreted as infringements of foreign sovereignty, if not outright acts of war. Such actions could embroil the United States in hostilities and arouse nationalist sentiment in favor of the criminals attacked, making such assaults very counter-productive. And, even well-established organized crime groups are unlikely to possess the permanent, irreplaceable assets that provide targets for swift, powerful military strikes.

A better way for the Armed Forces to fight organized crime abroad would be to assist the military and security services of endangered states. This approach has proved successful in some countries. In other cases, some states might be ruled by governments controlled or intimidated by organized crime. American offers of assistance probably would be rebuffed or, if accepted, sabotaged. At the same time, organized criminal groups are unlikely to so undermine a host state as to cause its downfall. Organized criminal organizations want sanctuaries within weak and ineffective states, not the burden of ruling such states themselves. In these cases, international sanctions such as blockades backed by military force might be the remedy.

In rare and extreme cases, it may well be that the only way to eradicate the menace of a state run by organized crime would be an invasion by military forces. But such an operation should be conducted under the auspices of the UN or regional organizations, such as the Organization of American States.

In general, however, the military only can assist in the struggle against organized crime. The apprehension, trial and punishment of gangsters is the mission of the criminal justice system. Furthermore, the military is neither organized nor trained for law enforcement. To use it extensively for such purposes would gravely detract from the ability of the armed forces to defend the United States against conventional security threats.

Recommendations

- The United States should work with other countries to fight organized crime in a concerted fashion. Most important is the creation of uniform laws against organized criminal activities.
- The provision of training, equipment and advice to foreign police forces by the FBI, Secret Service and other federal law enforcement agencies should be expanded.
- The U.S. Armed Forces should encourage foreign militaries to render more assistance to their national police forces in the struggle against organized crime.
- Military images, such as a "war on drugs" and a "war on crime" should be avoided by federal officials. Law enforcement is not a form of warfare. Police and soldiers have very different functions. That distinction is one of the bases of American democracy.

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