**12. Transnational Crime**
**How can transnational organized crime networks be stopped from becoming more powerful and sophisticated global enterprises?**

The world is beginning to wake up to the enormity of the threat of transnational organized crime. The UN Office on Drugs and Crime has called on all states to develop a coherent strategy to counter TOC as a whole, but efforts still focus on pieces of the problem. Interpol held its 38th European Regional Conference developing a European strategy. The 2009 G8 meeting of justice and home affairs ministers explored global strategies, noting the increasing linkage between terrorism and organized crime. In June 2009, the U.S. opened the International Organized Crime Intelligence and Operations Center. OECD’s Financial Action Task Force has made 40 recommendations to counter money laundering. INTERPOL’s 187 member countries can now directly gain access to the organization’s central database management system (I-link), speeding investigations and cooperation. Meanwhile, transnational organized crime continues to expand in the absence of a comprehensive, integrated global counter-strategy.

Estimates of total organized crime vary widely. Havocscope.com estimates world illicit trade to be almost $730 billion per year, with counterfeiting and piracy to be $300 billion–1 trillion, the global drug trade at $321 billion, trade in environmental goods at $69 billion, human trafficking at $44 billion, and weapons trade at $10 billion. McAfee estimates that theft and breaches from cybercrime may have cost businesses as much as $1 trillion in 2008. These figures do not include extortion or organized crime’s part of the $1 trillion in bribes that the World Bank estimates is paid annually or its part of the estimated $1.5–6.5 trillion in laundered money. Hence the total income could be $2–3 trillion—about twice as big as all the military budgets in the world. Governments can be understood as a series of decision points, with some people in those points vulnerable to very large bribes. Decisions could be bought and sold like heroin, making democracy an illusion.

The UN Office on Drugs and Crime has launched a new campaign, represented by a blue heart, aimed at raising awareness about the millions of victims of slavery. There are 14-27 million people being held in slavery today (the vast majority in Asia), more than during the peak of the African slave trade. UNICEF estimates that 1.2 million children are trafficked every year. The online market in illegally obtained data and tools for committing data theft and other cybercrimes continues to grow, and criminal organizations are offering online hosting of illegal applications. One such ring with 2,500 customers was broken up by worldwide arrests of 56 principals, preventing possible losses of $70 million. Computer transfers of $2 trillion per day make tempting targets for international cyber criminals.

It is time for an international campaign by all sectors of society to develop a global consensus for action against TOC. Two Conventions help bring some coherence to addressing TOC: the UN Convention against Transnational Organized Crime, which came into force in 2003, and the Council of Europe’s Convention on Laundering, which came into force in May 2008. Possibly an addition to one of these conventions or the International Criminal Court could establish a financial prosecution system as a new body to complement the related organizations addressing various parts of TOC. In cooperation with these organizations, the new system would identify and establish priorities on top criminals (defined by the amount of money laundered) to be prosecuted one at a time. It would prepare legal cases, identify suspects’ assets that can be frozen, establish the current location of the suspect, assess the local authorities’ ability to make an arrest, and send the case to one of a number of preselected courts. Such courts, like UN peacekeeping forces, could be identified before being called into action and trained, and then be ready for instant duty. When all these conditions are met, then all the orders would be executed at the same time to apprehend the criminal, freeze access to the assets, open the court case, and then proceed to the next TOC leader on the priority list. Prosecution would be outside the accused’s country. Although extradition is accepted by the UN Convention against Transnational Organized Crime, a new protocol would be necessary for courts to be deputized like military forces for UN peacekeeping, via a lottery system among volunteer countries. After initial government funding, the system would receive its financial support from frozen assets of convicted criminals rather than depending on government contributions. Challenge 12 will be seriously addressed when money laundering and crime income sources drop by 75% from their peak.

**Regional Considerations**

**Africa:** The almost 12 million AIDS orphans in sub-Saharan Africa, with few legal means to make a living, constitute a gigantic pool of new talent for the future of organized crime. Piracy along the coasts of Somalia and Nigeria is increasing and believed to finance terrorist groups. Almost the entire West African coast has become a transit area for an estimated $1.8 billion annual drug traffic from South America to Africa and Europe. Corruption remains a serious limit to growth in many countries. Links between African rebel factions, organized crime, and terrorism may be increasing.

**Asia and Oceania:** North Korea is perceived as an organized crime state backed up by nuclear weapons involved in illegal trade in nuclear materials and equipment, weapons, counterfeit currency, sex slavery, drugs, and a range of counterfeit items. China has set up its first anti-trafficking program, in Yunnan, cooperating with ASEAN. Asia has the largest number of slaves in the world. Iraq has drafted a tough law against human trafficking. Japan will pay the salaries of Afghanistan's 80,000 police officers for six months in 2009. Poppy cultivation there dropped an estimated 18% in 2008, as some small progress was made in such alternate crops as saffron and mint. Myanmar is accused of deporting migrants to Thailand and Malaysia, where they are exploited, and has reportedly become a center for the ivory trade and elephant smuggling. Myanmar and China remain the primary sources of amphetamine-type stimulants in Asia, producing hundreds of millions of tablets annually. ASEAN’s Chiefs of Police and INTERPOL have linked their databases. The Asian Organized Crime Project launched by INTERPOL is targeting Asian organized crime groups worldwide as complex adaptive networks. Singapore announced that countering organized crime in now a top priority.

**Europe:** Russia has released 40,000 officers from its armed forces, making a tempting target for organized crime recruitment. The Sicilian Mafia is trying to rebuild, but 100 suspects were arrested before they could form a new commission. Nigerian swindlers and criminal gangs are increasing their presence in Italy, Switzerland, and the Netherlands. The Council of Europe Convention on Action against Trafficking in Human Beings is beginning its work. The EU has strengthened controls on money transfers across its borders to address trafficking and money laundering, especially in Eastern Europe. Norway has led the development of an international task force on illicit financial flows and their impact on development.

**Latin America:** Mexico has declared war on organized crime. From 2005 through 2008, some 11,000 deaths have been blamed on organized crime in Mexico. Most of the deaths are inter-crime group fights, but top Mexican government and police officials have also been assassinated. A total of 36,000 Mexican soldiers have been deployed to aid in the fight. Mexico's cartels receive an estimated $23 billion from smuggling drugs to the U.S., fueling corruption throughout the Mexican government. The U.S. Congress has authorized $1.6 billion for the Mérida Initiative’s first three years for cooperation among U.S., Mexican, and Central American governments to counter organized crime. Bolivian has suspended all U.S. Drug Enforcement Administration activities in the country. Guatemala’s Peten region has become a center for drug trafficking and illegal migrants. The U.S. Coast Guard seized a submarine with $187 million worth of cocaine off the coast of Costa Rica. UNODC says crime is the single largest issue impeding Central American stability. Some members of Colombia’s FARC are moving into Venezuela. FARC computers revealed links with organized crime in all major regions of the world.

**North America:** The new International Organized Crime Intelligence and Operations Center integrates information of nine U.S. law enforcement agencies and federal prosecutors to counter organized crime strategies and operations. The U.S. Department of Justice issued The Law Enforcement Strategy to Combat International Organized Crime, which establishes an investigation and prosecution framework that emphasizes priority areas of action against international organized crime. The Departments of Justice (FBI) and Defense are planning the construction of a $97.6 million joint Biometrics Technology Center. Organized crime and its relationship to terrorism should be treated as a national security threat. Countries must be held accountable for corporations that are involved in criminal activities in their own and other countries.