

# Kings of the jungle

## Criminal multinationals threaten global order

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LAST June 24, Prime Minister Khaleda Zia addressed a regional seminar on security in South Asia. She identified a disturbing trend in global affairs that affects all countries in South Asia: the rise of international criminal networks. As the Prime Minister aptly pointed out, these networks have taken advantage of the opportunities offered by globalisation.

I would go one step further than the prime minister and call these criminal networks, which now represent a phenomenon that criminologists call transnational crime, as globalisation's big winners. As the world economy integrates, these networks have jumped on the opportunities offered by a global village that has acquired a huge appetite for all kinds of goods and services.

Criminal organisations from countries all over the world -- Japan, Russia, Turkey, Colombia, Hong Kong, the Dominican Republic, as well as Bangladesh -- have formed strategic alliances to traffic in drugs, arms, intellectual property, humans, architectural treasures and a number of other lucrative but illegal trades.

In Bangladesh, for instance, there exists part of a well organised criminal network that traffics women and children to the major cities of India, Pakistan and the Middle East for prostitution and domestic work, while children are sent to the Middle East to become camel jockeys. In fact, Bangladeshis have been trafficked to as far away destinations as Canada and the U.S.

Developing alliances have

allowed criminal groups to address "business issues" of common concern, such as production, security, marketing, transportation, and the laundering and "investing" of illicit profits.

It's globalisation's flip side, a part that advocates of neoliberalism and free trade, don't talk too much about the criminal aspect of the economic and financial integration of the world's economy. The advocates for globalisation argue that free trade and global development are helping to strengthen the international economy, while critics maintain they have caused unemployment in industrialised countries and poverty and slum conditions in developing and Third World nations.

As that debate rages, however,



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it's difficult to deny that organised crime has been the big winner in the era of the big business, borderless regions, and fewer national and international economic barriers.

The outcome was aptly expressed by former UN Secretary-General Boutros-Boutros Ghali in a 1994 address to the World Ministerial Conference on Organised Transnational Crime in Naples,

Italy. As Ghali told his audience, "A sociologist recently posed the question: What does a market without a state and without rules of law resemble? The jungle. And what organisation is born of the jungle? The mafia."

The international crime syndicates, however, are more than the wild beasts of the lawless international marketplace. They're actually "crime multinationals." In

advantage of the same forces that have spurred globalisation and the rise of "legitimate" multinationals to business preeminence. First, they utilise the revolution in global communication and transportation. Criminals now employ sophisticated technology to plot radar and avoid monitoring. They can move their profits in seconds to almost anywhere in the world, using faxes, computers, and cellular phones to coordinate their activities and make their businesses run smoothly.

The Italian Mafia reportedly encrypts its computer files using the free and popular PGP (Pretty Good Privacy), an Internet security programme. The Cali drug cartel used scanners to monitor the movement of DEA agents. To survive in a brutally competitive business environment, crime multinationals innovate and adapt to changing market conditions. The Colombian drug cartels, for example, are now operating a fleet of submarine-like boats that can avoid radar detection.

Another factor has been the collapse of communism. Organised crime groups in the East and West were the first organisations to establish links after the Berlin Wall came down. The sudden shift from communism to capitalism throughout the former Eastern Bloc fostered the organisation of numerous front companies that have enabled criminals to hide their money in legitimate enterprises.

While communism has collapsed in Eastern Europe, it's changing in the People's Republic of China, where the profit motive and market economy have become increasingly important. But along with this has come crime, corruption, and the increasing importance of China as a drug producer, consumer, and distribution centre.

The declining importance of national borders has also helped. The European Union, NAFTA, and the other regional regimes that supersede traditional boundaries have weakened customs and security safeguards, making it easier for international organised crime to reach new markets and shift their profits to countries that are eager to serve as safe havens for cash deposits and other laundered transactions.

In assessing the growth of free trade in its 1993 report, The International Drug Challenge and the New World Order, the Centre for Strategic Studies concluded that the "European Community and other recent trade initiatives ... portend an upward trend in cross-border trading so that collectively ... [they] largely neutralise drug interdiction efforts and create unparalleled opportunities for the drug trade's [chemical] precursors, products and profits to move throughout the international system."

At the same time, millions of people around the world are migrating, searching for a better life, trying to avoid ethnic turmoil, or moving for other reasons. With them, unfortunately, come criminals who exploit immigrant communities and use them as strong bases from which to launch larger criminal schemes.

terms of size, resources, and sophistication, they operate like the corporate giants that populate the Fortune 500 list.

Like global corporations, crime multinationals can challenge national and international authority, disguise their political and economic activities, employ-- and exploit-- a work force spread around the world, diversify into a wide range of areas, and move quickly when local conditions become unfavourable. But they're even more dangerous than their legitimate cousins because they have shrewdly forged alliances to manipulate the marketplace and corrupt governments.

Colombia's Cali drug cartel was the pioneering prototype for the transnational criminal organisation. By the early 1990s, the Cali Cartel had organised itself along the lines of a legitimate multinational corporation. Its illegal drug trafficking activities "earned" the mafia \$5 to \$7 billion annually, and it used the profits to corrupt Colombia's political system, making the country a regular at the top of Transparency International lists of the world's most corrupt countries. The alliances the cartel forged with the Russian mafia, Italian organised crime and Mexican drug traffickers gave it a global reach of unprecedented criminal scope.

The rate of criminal globalisation has accelerated since the cartel's takedown in the mid 90s. Cocaine, for instance, has made inroads in Japan, mainly because the Yakuza, the dominant Japanese criminal organisation, is linking with South American drug lords, most notably the Colombians, to import drugs. Meanwhile, Russian criminal organisations have met with crime multinationals from other countries to map out strategy.

Crime multinationals take

on their own to stop the growth of crime across borders, law enforcement agencies world-wide have difficulty in coordinating their activities.

Carol Boyed Hallett, former US Ambassador to the Bahamas, compares international criminal organisations to guerrilla groups, but notes that the US and other countries are trying to stop the bad guys with the tactics of a regular army. "We must play by the rules while they must listen to nothing," she notes, "and are run by nothing, in terms of laws."

Prime Minister Khaleda Zia made a similar observation at the regional conference when she said, "We all speak about the global village, but there is no proper application of whatever international laws are there for ensuring discipline and peace in the world today."

So the prime minister's call for regional cooperation to combat transnational crime is timely. Borders no longer limit criminal

activity. As their criminal adversaries have done, countries in the region must develop strong alliances that will lead to the adoption of the latest technology, the sharing of intelligence and the pooling of resources and manpower. Countries should back the establishment of an international court whose jurisdiction would transcend national borders and bring the legal discipline to the global village that, as the Prime Minister pointed out, is sorely lacking today. Countries can also work to harmonise their money laundering laws to protect against the easy movement of illegal money.

Otherwise, the continued growth of transnational crime will be one more strong argument in the arsenals of those of us who reject the twin concepts of globalisation and free trade. The damage they are causing will be simply unacceptable.

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