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Introduction

International and transnational crime perpetrated by organised criminal groups poses a significant threat to the Mediterranean region. On a global scale organised crime has been estimated to control from two per cent to one quarter of the world's gross domestic product. [1] Whichever is more accurate it amounts to a significant portion of world trade. Given that organised crime thrives in countries with weak policing structures, with significant corruption and money laundering, combined with relatively few legitimate economic opportunities for the population to engage in - which describes several nations in the region – it is reasonable to assume organised crime also controls a considerable proportion of commerce in this region. Their activities range from drug trafficking, people smuggling, money laundering, counterfeit goods to even supporting terrorist groups.

This paper will seek to provide a brief overview of international and transnational crime in the OSCE Mediterranean area. It will begin by examining some of the threats posed by organised criminals as well as examining some of the characteristics of these groups. The paper will then move on to examine some of the responses from the international community, particularly those originating from the European Union. In conclusion the paper will identify some of the challenges confronting policy-makers.

International Crime in the Euro-Med Region

An examination of international or transnational crime with the European region inevitably focuses upon the provision of illegal goods and services provided by internationally organised crime groups. The range of transnational

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[1] Zaheed, T. (2004) Transnational Organized Crime: US Policy, Programs, and Related Issue. *CRS Report for Congress*, January 8th, 2004.

crimes affecting Europe is shaped principally by the demand Europe has for illegal drugs, the significant income inequality within the region and in comparison with the developing South, and by Europe's potential to launder the proceeds of crime within its economic and banking systems.

In May 2004 the European Union re-drew the economic and political boundaries as ten new member states joined. The EU regards enlargement as also providing increased opportunities for organised crime groups seeking illicit markets. In addition, a wide range of other factors in the broader region of the OSCE are providing a stimulus for transnational crime in developing and transitional states, with unstable governments in Albania and South Eastern Europe, and with increasing populations, particularly in Northern Africa. In short, the EU is a major economic draw for legal and illegal migration, for organised smuggling and trafficking of human beings for labour markets and for the purposes of sexual exploitation.

These international criminal challenges are accompanied by increased threat of political violence. This has had two forms, in the war crimes committed in the break up and civil wars within the former Yugoslavia, and secondly the terrorism that is evident in the northern Africa and the Middle East, spilling-over to the wider European domain, as well as the more recent targeting of western European countries and their interests by radical Islamic groups. Indeed there has been a growing concern that the decrease in state sponsorship of terrorism may lead to groups turning to transnational criminals for assistance. There is evidence already of terrorist groups making use of criminal organisations' transportation networks to smuggle operatives and weapons and fears these may also be used for nuclear weapons grade material.[2] The recent bombings in Madrid would seem to have been perpetrated by extreme Islamic terrorists originating from North Africa, illustrating the desire for such groups to operate in the European Union. With increasing attention being paid to such groups this may lead to a greater need

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[2] Makarenko, T. (2003) Tracing the Dynamics of the Illicit Arms Trade. *Jane's Intelligence Review*, September 1, 2003.

to use the expertise of organised criminal groups to utilise their smuggling networks. Indeed a recent report argued,

> Narcotics traffickers have entered symbiotic relationships with Islamic groups in and around the port of Tangiers. Although they remain organizationally separate, the traffickers and religious extremists share tactics and a deep distrust of the secular government…[3]

The most recent evidence of trafficking shows an increased diversification of organised crime groups from single commodity smuggling to poly-drug smuggling (that incidentally reflects greater poly-drug use by consumers) and a mix of drug and criminal enterprise activities.[4] From these sources we have an indicator of illicit drug prevalence, with seizure statistics centering upon a small number of countries such as cannabis resin in Spain, Netherlands, Morocco and the United Kingdom, where 75% of world seizures are concentrated (along with Pakistan). Within Europe, Spain tops Europe's cocaine seizures whilst the Netherlands and the UK head synthetic drug seizures. Conclusions need to be qualified, when looking at this enforcement data, but examining trade routes highlights how the wider European region is embroiled. The North-South cannabis trade 'axis' from Morocco to northern Europe in intersected by the Balkan heroin trafficking route from the Golden Crescent into Europe's Balkan region via Turkey. Indeed it has been reported that 75 per cent of illegal narcotics originate or are transported through Turkey.[5] The abolition of internal EU border controls has ensured that the free intra-community distribution of a burgeoning and diversified synthetic drugs market with manufacturing based mainly in the Netherlands and Belgium distributed to the wider Europe, along with the distribution of cocaine from Spain to the wider European demand countries. The EU's accession of ten

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[3] Berry, L., Curtis, G., Gibbs, J., N., Hudson, R., A., Karacan, T., Kollars, N. and Miro, R. (2003) *Nations Hospitable to Organised Crime and Terrorism.* Washington DC: Library of Congress. p 7.

[4] Europol (2004). *Drugs.* A Europol Briefing. (Hague: Europol).

[5] Berry, et al, op cit, p 142.

new member states brings into the intra-community market established synthetic drug producers from Poland, Estonia Lithuania and the Czech Republic.

Irregular migration, comprising the smuggling and trafficking of people, has provided low risk and high gain opportunities for organised crime groups in facilitating entry to the European Union.[6] In terms of smuggling and trafficking the main difference is the continued exploitation of trafficked people after their illegal entry as opposed to the smuggled migrant would not remain under the influence of a 'facilitator' once at their destination. Thus payments for the services of a smuggled migrant would end with entry to the country, whereas trafficked persons would continue to be indebted to the traffickers after entry, being in a form of 'debt bondage', providing the basis for ongoing exploitation. Those trafficked for the purposes of sexual exploitation would come into regular contact with outsiders via 'clients' whereas those in forced labour conditions would tend to be more isolated from the outside world. Quantifying the extent of the trafficking phenomena is difficult, with UK estimates being in the region of 140-1400 cases per annum.[7] Dutch research has shown that the trend is increasing substantially in the European region, and that organised crime groups are becoming more structurally involved in the trade with the Dutch authorities finding that 30% of asylum seekers to the EU used a trafficker in 1996, rising to 60-70% by the late 1990s.[8]

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[6] Europol (2003a), p 18.

[7] Kelly, L & Regan, L. (2000). *Stopping Traffic: Exploring the extent of, and responses to, trafficking in women for sexual exploitation in the UK.* Home Office Police Research Series Paper 125. (London: Home Office). Retrieved 2 April, 2004 from http://www.homeoffice.gov.uk/rds/prgpdfs/fprs125.pdf

[8] Aronowitz, A.A. (2001). Smuggling and Trafficking in Human Beings: The phenomena, the markets that drive it and the organisations that promote it. *European Journal of Criminal Policy and Research*, 9, 163-195

The position of organised crime groups within Europe who sate the appetite of Europeans for illegal goods and sexual services is mapped by Europol in its annual *Organised Crime Report*.[9] In 2003 it was estimated that 4 000 (3000 in 2002) organised crime groups were operating within the EU with 40 000 (30 000 in 2002) members. What is clear, is that the traditional hierarchical and territorial controlling groups of Sicily (and the perception of the media industry) are eclipsed by increasingly professional and technologically sophisticated cell-based networks with dynamic but loose affiliations. An 'enterprise model' of organised crime provides more explanatory use as this ensures cognisance of the entrepreneurial dynamics and the interface between legal and illegal economies and the laundering of the proceeds of crime into the legitimate economies of Europe.

Organised crime in Europe primarily encompasses indigenous crime groups but with significant influence from divergent Russian and Nigerian organised crime groups. The Russians tend to be strictly hierarchical, with a clear division of labour and regulated by high levels of violence, whilst the Nigerians are very loosely structured and focused upon trafficking of humans and drugs. Within Europe, ethnic ties are strong with the Turkish and ethnic Albanian groups being most notable outside the EU Member States. Moroccan organised crime groups are of increasing interest, controlling cannabis markets through to Spain, Netherlands northern Europe, with a diversification of smuggling activities into cigarettes, harder drugs and vehicles.

The collapse of the former Yugoslavia combined with strong family and clan ties in the region has created conditions facilitating the expansion of organised criminals. The sanctions imposed upon Serbia and Montenegro (formerly Yugoslavia) combined with other factors have fuelled a state

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[9] Europol (2003a). *2003 European Union Organised Crime Report*. (Luxembourg: OOPEC).

sponsored criminal infra-structure that plundered state assets, aided trafficking, illegal exports of arms as well as war crimes. In Bosnia and Herzogovina the main nationalist parties have also funded their political (and military) activities largely from smuggling and illegal financial transactions. This was exposed in the Autumn of 2002 when aircraft parts produced by the Bosnian-Serb owned Orao were delivered to Iraq in contravention of international sanctions. Bosnia is also a significant destination for women trafficked from Eastern Europe and the former Soviet Union to supply the growing sex industry there.[10]

Croatia has been implicated in racketeering, drugs trafficking and arms smuggling with evidence of corrupt political officials neglecting such crimes as a priority. In Kosovo the raison-d'etre of many of the terrorist liberation groups are criminal activities. They have been implicated in drugs trafficking, particularly heroin from Turkey as well as people smuggling. Macodonia is also important to the heroin route from Turkey into Western Europe and has also faced major problems with money laundering by criminal groups.[11]

Perhaps the biggest growth in organised crime during the last decade, however, has emanated from Albania, which could account for 40 per cent of the distribution of heroin in Western Europe alone. The clan based organisation of these groups combined with a weak state and endemic corruption has made them very powerful in this country. There has also been evidence of links emerging with the Italian mafia in the trafficking and distribution of narcotics. The routes from Albania also supply many women from this region for the sex trade fuelled by the limited economic opportunities and desire to 'escape' to the West. Organised crime also benefited from rioting in 1997 in Albania, which 'liberated' substantial arms stock piles of the government, many eventually finding their way into the illegal arms trade.[12]

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[10] Berry, et al, op cit, p 79.

[11] Ibid.

[12] Ibid.

Responding to the threat

The threat of organised crime has led to a multi-layered response at both national, bilateral, European and international levels. It is not possible to examine all of these, but some of the more salient responses will be explored, particularly those from the European Union.

The United Nations has pursued a number of initiatives recently to tackle organised crime, although its interest dates back to 1950. On the 15th of November 2000 the UN General Assembly adopted the Convention Against Transnational Organized Crime and its supplementary Protocol against trafficking persons. On May 31st 2001 a further Protocol on the illicit manufacturing and trafficking of firearms was adopted and a further Protocol on corruption is in the process of been drafted. The G8 group at their summit in 1995 also considered the issue of organized crime and set up what was to become known as the Lyon Group which made 40 recommendations to tackle such groups and close loopholes, which have been largely implemented amongst the G8 countries as well as others.

The Council of Europe has also assumed a role in tackling organised crime. Numerous treaties have been agreed covering mutual co-operation, extradition, mutual legal assistance, the transfer of sentenced prisoners as well as the trans-border issues covering organized crime, cybercrime and terrorism. Many of these are now requirement of membership of the European Union (EU). Some of the most significant operational developments at a European level have emerged from Europol, which will now be considered.

Police cooperation between the member states of the EU is directed both at the effectiveness of border controls to create a 'hard outer shell' and the

detection, surveillance and prosecution of transnational offenders. The response to international crime within the OSCE region can be seen as a developing compact between the EU, its member states and what it terms its 'near neighbours' in eastern and southern Europe.

The EU's operational capacity in tackling cross-border and organised crime is primarily focused upon Europol an international police organisation that gained its full operational mandate as recently as January 1st 2003, in the aftermath of September 11.[13] Europol's five hundred staff (in 2003) helped to ensure it performed five main roles: acting as a central point for EU Member State's exchange of criminal information; operational intelligence analysis using a central analytical database; conducting strategic intelligence analysis on crime trends; spreading best investigative practice; and finally, supporting transnational operations conducted by EU Member States.[14] But the effectiveness of such a role relies upon national Member States providing the operational capacity to affect arrest, etc. This is being extended by a developing network of bilateral and multilateral partnerships in the wider OSCE region, such as the Baltic Sea Task Force to the north, South-Eastern Europe Cooperative Initiative (SECI) in south eastern Europe and finally the Euro-Med partnership in the southern Mediterranean region. This increasingly formalised transnational policing network, extending to other justice issues including irregular migration and counter-terrorism,[15] links the EU to other countries in the region (complementing candidates states, Russia, Ukraine, etc) as well as to other international organisations such as Interpol and the World Customs Organisation.

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[13] Council of the EU (2001). Council Decision of 6 December 2001 extending Europol's mandate to deal with the serious forms of international crime listed in the Annex to the Europol Convention. *Official Journal,* C 362, 1 (Brussels: European Communities).

[14] Europol (2003b). *Factsheet on Europol.* January. (Hague: Europol). Retrieved 2 April, 2004 from http://www.europol.eu.int/ataglance/facts/files/2003/2003-01-01-E-EN-FactSheet.doc

[15] Gillespie, R. (2004). Reshaping the Agenda? The Internal Politics of the Barcelona Process in the Aftermath of September 11th. In Junemann, A. (Ed.). *Euro-Mediterranean Relations After September 11th: International, Regional and Domestic Dynamics.* (London: Frank Cass Ltd.).

The integrity, effectiveness and depth of relations between the countries of the OSCE have been dramatically affected by the response to September 11th. The counter-terror focus has had a clear impact on 'internal' EU policing and judicial practices with the introduction of the European Arrest Warrant abolition extradition between EU member states, and the policing and judicial cooperation with the EU-USA agreements on mutual legal assistance and extradition.[16] These 'external relations' of the EU were given added impetus after September 11th as the EU was provided with its 'first truly 'cross-pillar' test of the Union's role as a security actor'.[17] Here it was seen that effective counter terrorist cooperation was not just a policing matter, but also included coherent action on the economic, political, diplomatic and military fronts.

The 11 March 2004 bombings in Madrid underlined the key need to realise the solemn political commitments and practically deepen operational cooperation within and between the EU and its near neighbours in the region, particularly in North Africa, with EU foreign minters coming to the view that aid and trade links needed to deployed as levers to oblige cooperation on the 'war on terror'.

Conclusion

Organised crime poses a growing challenge to countries in the Mediterranean region. Drug trafficking, people smuggling, money laundering, counterfeit goods and a growing threat of a terrorism -

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[16] Council of the EU (2003). Op cit; and Norman, P. (2004, in press). European Policing Strategies and Transnational Crime. In J. Sheptycki & A. Wardak, (Eds). *Transnational and Comparative Criminology.* (Cavendish Publishing Ltd)

[17] den Boer, M. & Monar, J. (2002). 1 September and the Challenge of Global Terrorism to the EU as a Security Actor. *Journal of Common Market Studies*, 40 (Supplement 1), 11-28.

organised crime nexus are all significant risks. A range of strategies have been pursued to combat these strategies at varying levels. Central to these have been the emerging European policing strategies against transnational and organised crime. The period after September 11th can be seen as a period substantial institutional and legislative development within the European Union. Prior to September 11th the pace of harmonisation and integration between criminal police and judicial authorities in general was slow. It was also clear that the EU policing strategies could not be effective in tackling transnational offending *into* the Union, if Europol's reach could not be developed to other third countries and major international criminal justice organisations. The EU's developing 'external relations' strategy in justice and home affairs has now deepened significantly with the USA with agreement on mutual stationing of liaison officers, an extradition agreement, mutual legal assistance agreement and the USA's prospective involvement the operational Joint Investigation Teams. The contemporary EU-USA criminal police and judicial relationship can be regarded as one indicative thread of the web of global relationships that will be required to attain effective EU policing strategies against transnational and organised crime – the challenge for Europe is to extend these relationships across a very diverse and in many ways divided OSCE region. The threats from drug trafficking and terrorism from North Africa pose significant challenges, while the political instability in the Balkans also requires further investment in the policing infra-structure to adequately address the threat from this region.