



# Responding to Transnational Organized Crime — Supporting Research, Improving Practice

by John T. Picarelli

The U.S. government looks to research from home and abroad as it reformulates its law enforcement response to transnational organized crime.

On July 13, 2010, some 3,000 police officers fanned out across Italy. In one day, the dragnet conducted 55 searches, made 305 arrests and seized \$75 million in illegal assets. The target of this nationwide sweep was the Calabrian organized crime group known as the 'Ndrangheta. While not as well known as other transnational organized crime (TOC) groups, the 'Ndrangheta nonetheless had grown to become one of the most powerful and aggressive criminal organizations in Europe. In preparation for their sweep, Italian authorities spent two years collecting 64,000 hours of videotaped surveillance of 'Ndrangheta meetings and transcribed more than 1 million phone conversations.

Nevertheless, as the activities of July 13 drew to a close, Italian authorities discovered that some of their long-held beliefs about the organization and operations of the 'Ndrangheta were wrong. For example, they learned the 'Ndrangheta had dual power bases in Italy, not one, as was previously assumed. They also discovered that, contrary to their expectations, the group did in fact have a central, hierarchical organization that maintained order among 'Ndrangheta groups.

One lesson stands out from this episode: A focused and sustained research program on TOC is needed to inform and shape anti-organized crime policies and programs. Many countries, including Italy and the

United States, are retooling their TOC policies and programs, and they are looking to the research community to provide them with the best methods for assessing TOC threats and improving threat assessments.

With this in mind, the National Institute of Justice (NIJ) has revitalized its TOC research portfolio and affirmed its role in the U.S. government's efforts against TOC.

### The U.S. Government's Response to TOC Recalibrated

In the 1980s and 1990s, the U.S. government began to recognize the threat TOC posed. During this period, criminal organizations leveraged the burgeoning globalization movement and the end of the Cold War to expand across borders and garner ever-larger profits from smuggling and other global criminal activities. By 1995, the U.S. identified TOC as a national security threat and authorized new tools to address it. For example, recognizing the need for global cooperation to dismantle these criminal enterprises, the U.S. embraced efforts that culminated in the United Nations Convention Against Transnational Organized Crime in 2000. The U.S. also adopted new economic sanctions that targeted drug trafficking organizations and their leadership.

The U.S. government's focus on TOC as a national security threat changed after Sept. 11, 2001. The terrorist attacks forced the U.S. to direct its energies toward preventing future attacks. Understandably, many of those who had experience identifying, investigating, analyzing and prosecuting clandestine groups — including transnational criminal organizations — switched their focus to international terrorist threats full time.

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The threat from TOC continued to evolve in the 2000s. For example, TOC groups increasingly focused attention on capturing legitimate businesses and penetrating global financial, commodity and other markets. Terrorist organizations sought the assistance of TOC groups and the global expansion of TOC destabilized new regions of the globe, such as western Africa.

By the late 2000s, the Department of Justice (DOJ) took steps to address the significant gap in U.S. efforts against international criminal syndicates. In 2008, DOJ released *The Law Enforcement Strategy to Combat International Organized Crime*, which outlined steps to promote a more robust law enforcement effort against TOC. In order to coordinate this effort across federal law enforcement agencies, the Attorney General reconvened the Organized Crime Council (AGOCC). Prior to 2008, the AGOCC had not met for some 15 years.

The U.S. government continued rebuilding its capacity to counter TOC as the decade drew to a close. In 2009, DOJ formed the International Organized Crime Intelligence and Operations Center, through which it and other federal agencies could marshal the resources and information of nine

U.S. law enforcement agencies and numerous federal prosecutor offices nationwide. The National Intelligence Council also completed work on a National Intelligence Estimate (NIE). The NIE, which was published in 2010, is a classified review of all intelligence on TOC and provided the best estimate of its trajectory for the next five years. Soon after the completion of the NIE, President Obama tasked the National Security Staff with forming a government-wide strategy to counter TOC.

In July 2011, the U.S. government released a White House strategy on TOC. This is the first strategy in more than 15 years.

### NIJ and TOC Research

Research on TOC is nothing new for NIJ. Since the late 1990s, NIJ has sponsored research projects, hosted working groups and evaluated programs related to TOC. NIJ-funded researchers have mapped transnational criminal groups operating in the U.S. from Russia, Ukraine, China, the Philippines, Japan and a number of other countries. NIJ's grants have provided surveys of local law enforcement to pinpoint the impact of TOC in their communities and NIJ-funded research has explored the linkage between TOC and terrorism.

NIJ's TOC research portfolio covers four broad areas. Specific topics handled under each area are:

- Measurement and assessment issues that focus on the nature and types of organized crime by market and jurisdiction, the impact of law enforcement efforts, and the assessment of harms.
- Risk assessment and other methods for targeting enforcement

## The Evolution of Transnational Organized Crime

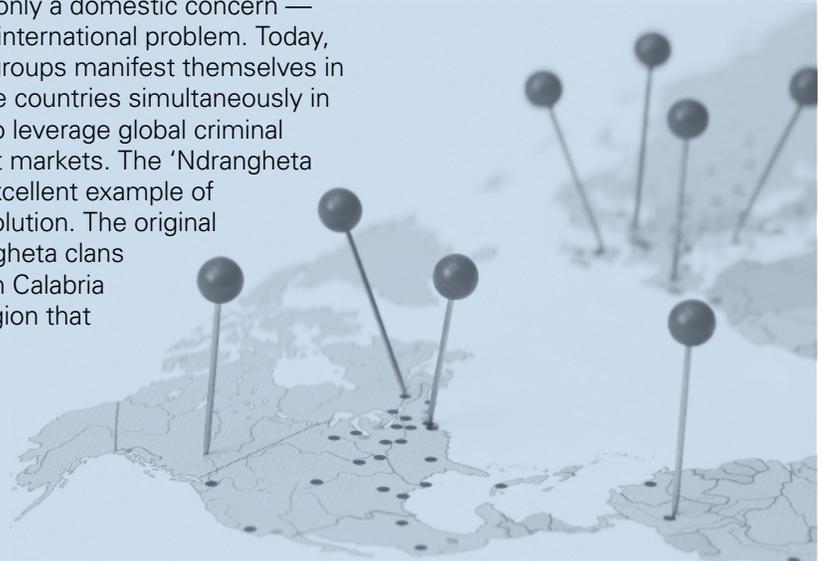
Many people are familiar with traditional forms of organized crime thanks to films like *The Godfather* and *Goodfellas*. In 1968, the Omnibus Crime Control and Safe Streets Act defined organized crime as “the unlawful activities of the members of a highly organized, disciplined association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loan sharking, narcotics, labor racketeering, and other unlawful activities of members of such organizations.” Organized crime was primarily a domestic concern, comprised of groups that rarely looked beyond their own city for profits and power.

Starting in the 1970s, but accelerating in the early 1990s, a new form of organized crime took hold. The combination of a new geopolitical climate, a globalized world economy and resulting softer borders, and a revolution in information technology available to crime groups hastened a shift. Crime groups changed from domestic organized crime groups that were regional in scope and hierarchically structured to criminal organizations that are global and transnational in nature, increasingly networked

with other criminal groups, and often flatter in structure. The U.S. Department of Justice defines transnational organized crime in part as “self-perpetuating associations of individuals that operate internationally for the purpose of obtaining power, influence, monetary, and/or commercial gains, wholly or in part by illegal means, while protecting their activities through a pattern of corruption and/or violence, or while protecting their illegal activities through an international organizational structure and the exploitation of international commerce or communication mechanisms.”

In short, organized crime is no longer only a domestic concern — it is an international problem. Today, crime groups manifest themselves in multiple countries simultaneously in order to leverage global criminal and licit markets. The ‘Ndrangheta is an excellent example of this evolution. The original ‘Ndrangheta clans arose in Calabria (the region that

makes up the toe of Italy’s boot) in the late 1800s. Until the 1970s, the ‘Ndrangheta rarely operated outside Calabria. Yet by the 1990s, the ‘Ndrangheta was looking to global criminal markets for new opportunities. For example, the ‘Ndrangheta began to enter into contracts with Colombian drug trafficking organizations in the 1990s, importing cocaine for a growing European market. Currently, the ‘Ndrangheta has a significant presence in more than a dozen countries, ranging as far as Australia and Canada.



efforts, including the identification of markets or jurisdictions at high risk for TOC penetration and practical tools for allocating enforcement resources.

- Illicit groups and products, focusing on the types of TOC groups and how they operate based on product and opportunity.

- Identification, prevention and anticipation of new trends.

In January 2010, NIJ hosted an expert working group of 50 international academicians and practitioners to discuss the current state of knowledge and how research can inform policy and practice. The group

concluded that research on TOC was uneven — robust in some areas, scant in others (for example, it felt that research on TOC actors and organizations was particularly strong, but research on the links between TOC and terror groups was lacking). Nonetheless, the group believed that the existing

research at least provided a level of information that could guide future research and practice.

The working group concluded that three topics required more focused attention in the future. The first was the need to develop reliable estimates of the harm TOC inflicts on society, markets, the economy and individual citizens. The second was the need for more evaluations of existing programs and policies to ensure that they are indeed the “best practices” for investigating and prosecuting TOC. The third was the need for more comparative research that uses observations and data from multiple countries to better identify how TOC forms, organizes and operates across borders.

### NIJ and the Fight Against TOC

Although the NIJ working group meeting was in part a step toward embedding research in the larger interagency effort to recalibrate the U.S. government’s efforts against TOC, NIJ has also initiated some independent activities based on the group’s findings. As a result, NIJ is focusing on five ways that it can assist the Administration’s efforts against TOC and meet its goal of facilitating increased research among the U.S. and its international partners:

1. Sponsoring TOC research that will have value to all of its stakeholders, whether they are researchers, practitioners or policymakers.
2. Evaluating programs and tools to identify and validate best practices against TOC.
3. Conducting outreach efforts that promote discussion between researchers and practitioners.
4. Working with NIJ’s partners in all levels of government to provide research support and other services.<sup>1</sup>
5. Publishing research and providing a platform for dissemination of U.S. government information to inform and educate the general public and the private sector about TOC.

Sponsoring research on TOC topics of interest to practitioners is the primary tool that NIJ can deploy in supporting the effort against TOC. To that end, NIJ solicited research proposals on this subject in 2010. The goal of the solicitation was not only to sponsor research that could inform practitioners about the nature of TOC, but also to garner knowledge about TOC that could educate the public about the threat it poses. The solicitation welcomed a wide array of research. It also singled out an interest in having researchers evaluate current practices to validate them as “best practices.” Awards were made to the University of California – Los Angeles and Michigan State University. Applications for the fiscal year 2011 TOC research solicitation are currently under review.

NIJ also supports evaluations of innovative foreign criminal justice programs to assess their effectiveness and determine their viability for use in the U.S. criminal justice system. As part of this program, NIJ has commissioned a transferability study of the use of unexplained wealth orders in foreign countries. An unexplained wealth order is the result of a legal process that identifies individuals who live beyond their discernible means and requires them to justify the legitimacy of their financial circumstances or

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face seizure of that wealth. The transferability study will help determine whether these programs are effective and, if they are, how they might be adapted for use in the U.S. criminal justice system.

Research and evaluation are essential to understanding TOC, but their full value is realized only when the stakeholders involved in policy and practice are made aware of the results and can determine how the findings relate to their work. NIJ strives to ensure that results from the research it sponsors reach the broadest possible audience, including practitioners. In 2010 and 2011, for example, NIJ sponsored panels at major conferences, such as the American Society of Criminology conference, that focused on how TOC research can inform practice. Likewise, NIJ has convened

## NIJ's Transnational Organized Crime Research Portfolio

The National Institute of Justice's portfolio of research on transnational organized crime (TOC) dates back to 1998. Since then, NIJ has funded 25 projects in four focus areas: the measurement and assessment of TOC, risk assessment and its use in targeting counter-TOC programs, the deconstruction of TOC groups and their illicit operations, and the prevention of TOC. The portfolio has produced vital information for practitioners and stakeholders in this field, including:

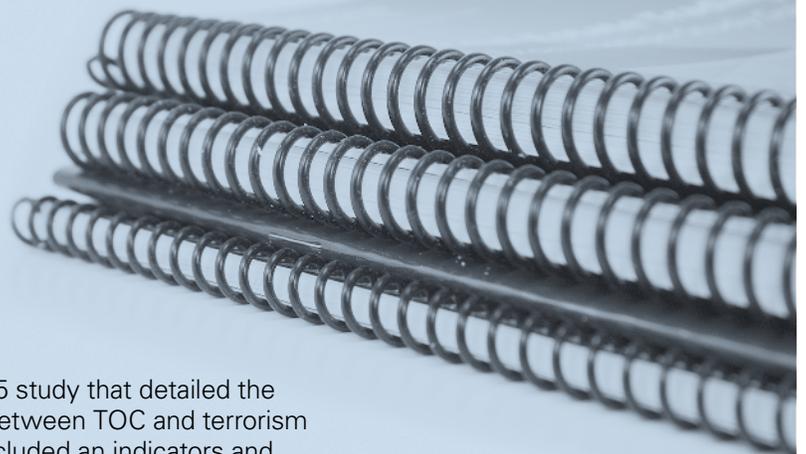
- A 2003 survey of state and local law enforcement officials that pinpointed perceptions of the threat from TOC and the most significant challenges for addressing TOC at the local level.
- A 2003 project that developed a TOC risk assessment tool that law enforcement officials can employ to improve their targeting of TOC.
- A 2004 survey of practitioners in six Asian countries that found, among other things, that TOC groups in these countries were highly specialized and only collaborated when smuggling goods or people through or outside the region.

- A 2005 study that detailed the links between TOC and terrorism and included an indicators and warning model that law enforcement practitioners can use to identify future linkages.
- Numerous studies of TOC's links to intellectual property theft and the smuggling of natural resources, which developed more accurate estimates of the size and scope of these forms of TOC.

To read these and other studies, visit NIJ's topical collection on transnational organized crime on [NIJ.gov](http://NIJ.gov) > Publications and Multimedia > Topical Collections > Transnational Organized Crime.

In 2010, NIJ funded two projects in this area — one at the University of California – Los Angeles, and the other at Michigan State University. The University of California project

will employ an innovative methodology to estimate the size of an illicit market and to pinpoint the social networks that allow the market to function, a necessary step toward improving law enforcement targeting of TOC groups and those that facilitate them. The Michigan State project will detail the organization and operations of online credit card fraud with the goal of improving the field's understanding of how TOC groups are exploiting cybercrime. In 2010, NIJ also sponsored an evaluation of how foreign countries use unexplained wealth orders as a tool against TOC with an eye toward how the U.S. might employ this tool in the future.



additional expert working groups that focus on particular topics of interest to specific segments of the stakeholder community. NIJ hosted one such group in November 2010, when it brought together a small panel of academic experts and

TOC practitioners from the U.S. and the United Kingdom to discuss how the research community might help practitioners think more strategically — that is, long term — about TOC.

It is not enough, however, for researchers to share their findings with practitioners. It is also important that practitioners hear from researchers about researchers' concerns — and vice versa — and

the obstacles and pitfalls they face when conducting TOC research. To address this need, NIJ continues to meet with practitioners and discuss how to construct a research portfolio that is useful to practitioners and researchers alike.

NIJ works closely with federal partners to transfer knowledge from research to practice. For example, NIJ works with its sister agency, the Bureau of Justice Statistics, to provide stakeholders more robust statistics on the impact of TOC. NIJ also has a strong working relationship with the State Department, supporting its diplomatic efforts to foster regional and multilateral responses to TOC. NIJ continues to attend inter-agency and international meetings on this topic to promote its research findings and discuss potential partnerships to meet future research requirements.

Just as the U.S. government continues to refine its response to the threat of TOC, so too will NIJ grow its efforts to provide its diverse stakeholders with the information they need. NIJ will continue to coordinate with a range of domestic and international agencies to ensure that its research program on TOC benefits practitioners and researchers. It will work with the research community to provide researchers with the tools and resources they need to produce high-quality research in this field. By joining research to practice, NIJ will help practitioners, the public and policymakers better understand the nature of TOC and the threat it poses.

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*Listen to a discussion of policy and research on international organized crime from the 2010 NIJ Conference: <http://nij.ncjrs.gov/multimedia/audio-nijconf2010-organized-crime.htm>.*



*Check out the transnational organized crime topic page on NIJ's website: <http://www.nij.gov/topics/crime/transnational-organized-crime/welcome.htm>.*

*Learn more about NIJ's International Working Group on Transnational Organized Crime and read a summary of its recommendations: <http://www.nij.gov/topics/crime/transnational-organized-crime/working-group.htm>.*

*Read Connecting International Organized Crime Research to Policy and Practice: The Strategic Context in the U.S. and the U.K.: <http://www.nij.gov/topics/crime/transnational-organized-crime/expert-working-group-report.htm>.*

*Read an overview of The Law Enforcement Strategy to Combat International Organized Crime: <http://www.justice.gov/ag/speeches/2008/ioc-strategy-public-overview.pdf>.*

## Note

1. NIJ is working closely with the Organized Crime and Gang Section and the Asset Forfeiture and Money Laundering Section of DOJ's Criminal Division; the State Department; the National Security Council; the Office of National Drug Control Policy; and others in the U.S. government. It is also working with partners in Australia, Germany, the U.K., Italy and a host of other countries, as well as the United Nations Office on Drugs and Crime.