
TRANSNATIONAL CRIMINAL ORGANISATIONS AND
INTERNATIONAL SECURITY*

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To understand the causes of turbulence and disorder in the post-Cold War world it is necessary to examine sub-national and transnational forces as well as inter-state relations. The danger is that the consideration of new security challenges will encourage the fabrication of enemies or security threats. This, however, should not inhibit efforts to reassess the challenges to national and international security, and to identify non-traditional threats when these have a strong empirical basis.

There are several reasons why one might object to treating transnational criminal organisations (TCOs) as an international security problem: they are economic rather than political organisations; they do not pose the same kinds of overt or obvious challenges to states as do terrorist organisations; crime is a domestic problem; and law enforcement and national security are based on very different philosophies, organisational structures and legal frameworks. The contention of this article, however, is that TCOs pose serious threats to both national and international security, and are extremely resistant to efforts to contain, disrupt or destroy them.

The first section of this article discusses the changing international conditions that have led to the emergence of TCOs. The second sec-

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tion examines the structure and operations of these organisations, particularly in drug trafficking. The third section analyses the threats that these organisations pose to national and international security. The article concludes with an assessment of the problems faced by states in trying to control TCOs.

THE CHANGING INTERNATIONAL ENVIRONMENT

Organised crime has a long history, and has traditionally been seen as a domestic law-and-order problem. Over the past two decades, however, crime has taken on new international dimensions and criminal organisations have developed to resemble transnational corporations. Although these TCOs are usually based partly on familial ties and kinship—at least at the top level—their structures make them highly proficient, adaptable and able to “treat national borders as nothing more than minor inconveniences to their criminal enterprises.”¹

The emergence of TCOs is partly a result of underlying changes in global politics and economics, which have been conducive to the development of all transnational organisations. The emergence and development of the “global village” in the second half of the twentieth century has fundamentally changed the context in which both legitimate and illegitimate businesses operate. This has, moreover, created unprecedented opportunities for international criminal activity. Increased interdependence between nations, the ease of international travel and communications, the permeability of national boundaries, and the globalisation of international financial networks have facilitated the emergence of what is, in effect, a single global market for both licit and illicit commodities. There has been a vast increase in transnational activity—the movement of information, money, physical objects, people, and other tangible or intangible items across state boundaries—in which at least one of the actors involved in the transaction is non-governmental.² As Edward Morse has noted, virtually all tangible items involved in such transactions are likely to have a significant economic value because they can be treated as a commodity or service to which a monetary value can be attached.³ It is not, therefore, surprising that we have seen the development of TCOs that transport illicit commodities across national jurisdictions against the wishes of governments.⁴ With the globalisa-

tion of trade and growing consumer demand for leisure products, it is only natural that criminal organisations should become increasingly transnational in character.

The scale of these activities largely reflects the opportunities resulting from changes in both international relations and within states. The second half of the twentieth century has not only witnessed a great increase in transactions across national boundaries that are neither initiated nor controlled by states, but has also seen a decline in state control over its territory. TCOs are both contributors to, and beneficiaries of, these changes.

The speed and ease of international transport has greatly increased the ability of people and products to cross national boundaries. In a 1970s discussion of the underlying conditions that had led to the emergence of multinational corporations, Raymond Vernon noted that "between 1960 and 1974 . . . passenger volume on international commercial flights rose from 26 billion passenger miles to 152 billion."⁵ By 1992 the figure had increased to between 600 and 700 billion passenger miles.⁶ Other statistics underline the phenomenal growth that has taken place in transnational travel and movement. In 1984, for example, 288 million people entered the United States; by 1990 the figure had increased to 422m; by 1992 it had gone up to 447m. Similar increases have occurred in the number of carriers (aircraft, ships and boats, trains, buses and cars). From 90m in 1984 the number increased to 125m in 1990 and over 131m in 1992.⁷ In Western Europe not only have there been increases in the number of visitors, but, even more importantly, there has been significant immigration from Turkey, North Africa and, especially since the end of the Cold War, from Eastern Europe. In 1989 over one million people migrated into the European Community, largely as a result of the upheavals in Eastern Europe. Not all immigration has been short term however. By 1990, the number of legal immigrants from North Africa and Turkey totalled almost 1.8m in Germany and over 1.6m in France.

Closely related to the increased mobility of populations has been the growth of international trade. Facilitated by the free trade system of the post-war period, there has been a vast global increase in the import and export of goods and services. The increase in the value of global trade between 1970 and 1990 was immense. In 1970 global

imports totalled \$(US)331bn. By 1980 the figure had reached \$2 trillion and by 1990 had increased to \$3.5 trillion.⁸

The increase in transnational economic activity has made it easier to hide illicit transactions, products and movements because law enforcement agencies and customs officers are unable to inspect more than a small proportion of the cargoes and people coming into their territories. As a result, national borders have become increasingly porous.

Linked to the development of transport, communications and international trade has been the growth of global financial networks. As Laurence Krause has noted, this partly reflects the particular qualities of money:

Money is the most fungible of all commodities. It can be transmitted instantaneously and at low cost. . . . It can change its identity easily and can be traced only with great effort if at all. These characteristics work to the disadvantages of governments in their efforts to tax, regulate and control economic activity.⁹

As a consequence of this, TCOs are able to transfer the profits from their illegal transactions with speed, ease and relative impunity. Indeed, money laundering is simply one sub-set of the much larger problem for states of maintaining even a semblance of control over global financial networks, which operate according to the logic of a global market and are not very responsive to the dictates of state economic policies or national legal requirements.

Global financial centres are associated with cities rather than countries—London, Frankfurt, New York, Tokyo and Hong Kong. Yet this is also part of a much broader phenomenon—the rise of cities that are closely linked by advanced communications and transportation systems and act as the key nodes in the global economic system. This is reflected in the cosmopolitan nature of major cities throughout the world. Cities are the repositories not only of capital and wealth, but also of technological innovation and advancement.¹⁰ Along with corporations, they are major facilitators of transnational transactions. It is not coincidental, therefore, that cities are also now the major loci for criminal organisations. Although organised crime may have initially developed in Sicily as a rural phenomenon, ports have traditionally been favourite bases for organised crime and cities

have increasingly offered even greater opportunities.¹¹ The cocaine trade, for example, has been dominated by cartels in two Colombian cities—Medellín and Cali. Chinese criminal organisations based in Hong Kong play a prominent role in the distribution of heroin from Southeast Asia, and Istanbul acts as a clearing house for heroin being shipped from Southwest Asia to Western Europe.

While the changing international conditions have contributed to the rise of, and continue to facilitate, these illegal activities, organisations have also taken advantage of the new markets that have resulted from the development of industrial and post-industrial “mass consumption” societies. The period since 1945 has seen unprecedented demands for goods and services, with surplus wealth creating new opportunities for recreation and leisure. While expenditure of wealth for pleasure is not new, there is an unprecedented number of people who are now able to engage in such spending.

Linked to this is the communications revolution, which has created a degree of global transparency that has both accentuated inequalities between societies and led to the emulation by developing countries of patterns of consumption in economically advanced societies. Indeed, the growing ease of travel and the expansion in international communications has led to a convergence of consumer tastes in many different countries. Although “truly universal products are few and far between,” we have seen the development of a global market place in which consumers “have access to information about goods and services from around the world.”¹² Entrepreneurs have recognised the opportunities this presents for global marketing and the successful corporations are those which have acknowledged the emergence of global markets and have tried to exploit them.

It is in this context that illegal drugs have emerged as a global commodity of immense significance, and TCOs have developed to meet the demands of what has become, if not a single global market, a series of regional markets. This is not new, of course, as during the nineteenth century opium was a key component of the commodity trade—albeit a trade dominated by governments. Now, however, TCOs control what has become a global industry in heroin and cocaine production and distribution. Although the type of drug differs from region to region, illicit drugs have become one of the few truly global products. Determining the scale of the drug trafficking indus-

try has proved elusive because of its illicit nature. Some estimates, however, suggest that it is worth \$500bn a year—larger than the global trade in oil.¹³ Although this is one of the more generous estimates, illicit drug trafficking is clearly a major worldwide economic activity.

Moreover, it is likely that illicit drugs will become an even more significant commodity in the future. The turbulence that has arisen with the end of the Cold War, the resurgence of ethnic and regional conflicts, and the rise of sub-national groups challenging existing states has meant a growing number of groups and actors requiring armaments. Engaging in criminal activity, especially drug trafficking, is a way to obtain the funds needed to buy armaments. In the future, therefore, the development of the drug trade is likely to be increasingly influenced by political as well as economic motives.

One important implication of this is that there are likely to be new opportunities for criminal activities that are regional and global rather than local or national in scale. Furthermore, the incentives for engaging in such activities are likely to increase rather than decrease in the future. Continued inequalities, both within and between societies, combine with poverty to encourage individuals and groups to engage in illicit activities to provide a source of income. This is as true of the Peruvian and Bolivian peasants who grow coca as it is of the young Afro-Americans in US cities who sell drugs.

If opportunities and incentives are important in the globalisation of crime, so too are capabilities: the criminal groups which have developed into transnational criminal corporations have displayed both organisational skill and entrepreneurial flair. The next section of this article discusses these groups and their activities and suggests that they rival many transnational corporations in the scale and sophistication of their operations.

THE RISE OF TRANSNATIONAL CRIMINAL ORGANISATIONS

Just as the modern industrial economy and the rise of mass consumer markets encouraged the growth of organised crime in the US, so growing opportunities for transnational activities have facilitated the growth of TCOs. Not only is transnational activity as open to criminal groups as it is to legitimate multinational corporations, but

the character of criminal organisations also makes them particularly suited to exploit these new opportunities. Since criminal groups are used to operating outside the rules, norms and laws of domestic jurisdictions, they have few qualms about crossing national boundaries illegally. In many respects, therefore, TCOs are transnational organisations par excellence. They operate outside the existing structures of authority and power in world politics and have developed sophisticated strategies for circumventing law enforcement in individual states and in the global community of states.

Samuel Huntington has argued that transnational organisations conduct centrally directed operations in the territory of two or more nation-states, mobilise resources and pursue optimising strategies across national boundaries, are functionally specific, and seek to penetrate and not acquire new territories.¹⁴ This is also true of TCOs. Criminal enterprises, however, differ from transnational organisations that operate legally in one crucial respect: most transnational organisations seek access to territory and markets through negotiations with states¹⁵ while TCOs obtain access not through consent, but through circumvention. They engage in systematic activities to evade government controls, which is possible because the conditions that have given rise to their emergence also make it very difficult for governments to counter them.

Transnational criminal organisations vary in size and scale. Some, such as the Colombian cartels, focus almost exclusively on drug trafficking while others, such as the Chinese triads or Japanese yakuza, engage in a wide range of criminal activities, including extortion, credit card fraud, prostitution and drug trafficking.

For most, however, drug trafficking is one of their most profitable activities. The pre-eminent TCOs in cocaine trafficking are the Colombian cartels. These organisations are not like other cartels who fix price and production levels. They are loose confederations of kinship-based organisations that both coordinate activities and engage in extensive cooperation. Brought together in 1981 partly in response to the kidnapping by the guerrilla organisation, M-19, of the sister of one of the drug kingpins of Medellín, the traffickers recognised the need for, and the advantages of, cooperation in furthering what was becoming an increasingly lucrative activity.

In some respects, the drug trafficking industry is similar to any other kind of agri-business. There is a sequence of activities beginning with the growing of coca (which is done primarily in Peru and Bolivia), the collection and transportation of either the coca leaf or coca paste, the processing of the coca into cocaine base and then cocaine hydrochloride (which in turn requires the procurement of precursor chemicals), the transportation of the finished product to the US, wholesale distribution, retail distribution and profit taking. Through vertical integration the Colombian cartels now dominate all stages of the industry, with the partial exception of the growing and retailing sectors.¹⁶

Although the industry is based on low technology, it has been characterised by a quest for innovation at all levels, including the development of new products and the opening of new markets. The development of crack cocaine and its marketing in the US is the best example of this entrepreneurial flair.

To circumvent law enforcement organisations the cartels use multiple transshipment points, various means of transport and concealment, and a variety of routes. In transporting cocaine into the US, for example, a Caribbean route was initially used, with the Bahamas being the transit point and Florida providing the key point of entry. As law enforcement efforts increased, however, so transportation routes shifted to the Southwest border of the US, with cocaine being flown into Mexico and then smuggled across the border to be distributed to American cities.

Interdiction efforts by the US military and law enforcement agencies have had some limited success but, for the most part, have simply forced the cartels to develop ever more ingenious evasion techniques and less obvious, if more convoluted, routes. Shipments of cocaine, for example, have been made to the US through a Brazilian electric transformer company acting as a front organization, and via Canada and Western Europe.

The Cali cartel has been particularly innovative—expanding its product range to include heroin, which has larger profit margins than cocaine, and opening an additional market in Western Europe, where the price of cocaine is generally higher than in the US. Spain and Portugal are the most important points of entry into Europe (in

1991 51% of all the cocaine seized in Europe was in these two countries), although increasing use has been made of Eastern Europe. The difficulty for law enforcement organisations is that there are many potential carriers and an even greater number of concealment techniques. In March 1992, for example, British customs officials seized 900 kilos of cocaine that had been placed inside lead ingots.

It is unlikely that government seizures account for a significant proportion of the drugs that are smuggled: 10% is the usual estimate, although even this may be too high. There has been some success against the Cali cartel but it has proved very resilient, partly because its activities have been highly compartmentalised. Moreover, some of the cartel's criminal activities, such as money laundering, have been run by support organisations. Although it has utilised support activities that operate in the grey area between illicit and licit business, the Cali cartel has generally operated as a low-profile business corporation rather than as a high-profile criminal organisation seeking confrontation with the Colombian government.

The same is not true for the Medellín cartel, which has displayed not only a willingness to use violence, but also a concern for proficiency in its use. The cartel even hired an Israeli company to provide Israeli and British mercenaries to train their private security forces. The cartel has also imported significant amounts of weapons into Colombia. In 1988, for example, an intercepted Panamanian ship destined for Colombia was discovered to be carrying enough rifles, machine guns and mortars to equip an infantry battalion.¹⁷ Although there was some uncertainty about whether the intended recipient of the cargo was a drug trafficking organisation or one of Colombia's revolutionary groups, it is clear that some drug trafficking organisations have imported arms into Colombia, often using Antigua as the conduit.

This is not to suggest that all TCOs place the same emphasis on violence. There have been important differences between the Medellín cartel, which dominated the industry until the late 1980s, and the Cali cartel, which has since emerged as the dominant organisation within the industry. The Medellín cartel lost its pre-eminent position due to its violent confrontation with the government, the breakdown of its agreement on market shares with the Cali cartel, and the death or capture of some of its leaders, culminating in the death of Pablo

Escobar at the hands of Colombian government forces in December 1993. The Cali cartel, in contrast, has favoured cooption over confrontation. Its leaders have become part of the local and regional political and economic establishment, mixing illicit activities with legitimate businesses. The Cali cartel is a highly professional group that, although ruthless in dealing with its enemies, runs its business according to sound economic and management principles. As one observer has noted,

The Cali cartel operates more like the senior management team at Exxon or Coca Cola. Its transportation, distribution and money laundering networks cover the globe.¹⁸

It is no exaggeration to say that the Cali cartel is not only the developing world's most successful TCOs, but is also its most successful transnational corporation.

Other TCOs dominate the heroin trade. Perhaps the most important of these are the Chinese triads. Based in Hong Kong and Taiwan, the triads were initially patriotic organisations which have since become involved in crime. One of the most powerful triad organisations in Hong Kong, with over 30 sub-groups and 20,000 members, is the 14K. Another triad organisation is the Chiu Chaio group, which has members in Bangkok and elsewhere in the Golden Triangle and includes the Sun Yee On, which has over 25,000 members.¹⁹ Although individual triads are usually made up of factions and do not operate as monolithic organisations, their members engage in extensive criminal activity in both Hong Kong and the US. Chinese organisations have superseded the Mafia as the most important criminal groups in many American cities. They have long been active in smuggling illegal immigrants into the US, in money laundering, gambling, heroin smuggling and the theft of computer chips. They became the focus of considerable attention in 1986 when members of the United Bamboo Gang, a Taiwan-based triad, killed a California-based Chinese journalist who had criticised the Taiwanese government.²⁰ Although this act may have been politically rather than economically motivated, the gang's willingness to resort to violence was certainly not atypical. Indeed, Chinese criminal organisations are notoriously violent. According to former FBI Director, William Sessions, "violence . . . or the threat of violence is implicit in every single transaction" undertaken by Chinese criminal organisations.²¹

The Hong Kong triads have strong links with the various tongs and merchant associations located in every Chinatown in the US. While some tongs are little more than chambers of commerce, others engage in extensive criminal activity and have established very close links with Chinese youth gangs. It is tempting to conclude that this three-tier structure forms a clear hierarchy, with the Hong Kong triads providing the leadership and the commerce-based tongs and youth gangs acting as local subsidiaries. In fact, the organisational structures are fluid, allowing for initiative, enterprise and the entry of new players at both the wholesale and retail levels.²² There have been occasions, for example, when members of Chinese youth gangs in the US have established links with Hong Kong traffickers to assist in the importation of heroin into the US. As one US intelligence assessment noted,

ethnic Chinese criminal organisations that traffick in heroin are best viewed as syndicates or joint ventures. Participation in these organisations is based upon experience, expertise, contacts, and wealth; however, close cultural, familial or criminal affiliation (membership in a tong, triad or gang, for example) are important *bona fides*, which facilitate that participation.²³

Heroin is produced in the Golden Triangle at the confluence of the borders of Laos, Thailand and Myanmar. Myanmar is the world's largest producer of raw opium and refiner of heroin. The sale and shipment of heroin to other parts of Asia is arranged by international brokers. Much heroin goes through Bangkok, but the overland route from Myanmar, through Yunnan, to Hong Kong has become increasingly important. Hong Kong is both a major transshipment point and a money-laundering centre. Unlike cocaine, which (in spite of a recent trend towards containers) is still often transported to the US in private planes, heroin smugglers favour commercial containers, although they have occasionally used Central American diplomats as couriers. Much of this heroin is sent to New York via Vancouver and Toronto, both of which have significant Chinese populations. Chinese involvement in legal businesses also provides a cover for drug trafficking and money laundering.

Chinese criminal organisations also traffick in people, including into the US through a variety of routes and carriers. Hong Kong residents, for example, have been taken through Frankfurt, London, Caracas,

Panama and Montreal before their arrival in New York, while others have used routes through Vancouver and Toronto. Unable to meet the cost of this service—which can range from \$15,000 to \$30,000—some illegal aliens have worked as drug couriers or become involved in other criminal activities to pay the traffickers.

The heroin entering Western Europe comes primarily from Afghanistan and Pakistan and is brought in by a variety of organisations. Although Pakistani and Iranian groups have been active in trafficking, the most significant are Turkish criminal organisations. Turkey's location between Southwest Asia and Europe has made Istanbul "the main clearing house for heroin bound for European markets," a role somewhat akin to that of Hong Kong in the trade from the Golden Triangle to the US.²⁴ Moreover, the extensive Turkish communities in Germany, the Netherlands and Italy provide both excellent cover and effective distribution networks. Although European law enforcement agencies have had some success in controlling this trade (in 1990 around 700 Turks were arrested for trafficking in drugs throughout Europe), the fact that organisations are largely based on familial ties reduces their vulnerability. The heroin is brought into Europe through various Balkan routes, often using the Transport International Routier lorries that are not subject to customs controls for tax purposes and are, therefore, less likely to be searched. Although the conflict in the former Yugoslavia has led to some route shifts, trafficking organisations have once again displayed considerable adaptability. The fluid nature of their networks and the absence of sunk costs in fixed installations has facilitated flexibility, making it easy both to respond to difficulties and to take advantage of new opportunities.

The most significant opportunities have emerged in Eastern Europe and the former Soviet Union. Polish amphetamine producers are one indigenous response. There is also evidence that the Colombian cartels are shipping cocaine through and to this region; that opium is being shipped into and through Central Asia from Afghanistan; and that Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan and Kyrgyzstan are increasingly involved in opium or hashish cultivation.

Perhaps most disquieting of all, however, has been the emergence of major criminal organisations in Russia. The pervasiveness of corruption, the loose banking regulations that provide opportunities for

both fraud and money laundering, and the threat of violence could discourage Western investment in the former Soviet Union at a time when external investment is desperately needed. Of even greater concern is the growing trafficking in nuclear material. Although this has not yet involved plutonium or highly enriched uranium, the fact that some 200 smuggling operations took place in 1993 suggests that the scale and seriousness of the problem should not be underestimated.

Other key players in international drug trafficking include Nigerian criminal organisations, which deal mainly in heroin but also in cocaine, and the Japanese yakuza, which engages in a wide variety of criminal activities including shipping crystal methamphetamine, or "ice," to Hawaii and the west coast of the US. Some observers believe that the most important groups of all are still the Sicilian and Italian Mafia, which have long been economically and politically powerful in southern Italy and have been heavily involved in both cocaine and heroin smuggling.²⁵

TCOs are diverse in structure, outlook and membership. What they have in common is that they are highly mobile and adaptable and are able to operate across national borders with great ease. They are able to do this partly because of the conditions identified above and partly because of their emphasis on networks rather than formal organisations. It is of interest that legitimate transnational corporations have also adopted more flexible, fluid network structures, which enable them to exploit local conditions more effectively. Perhaps not surprisingly, this is one area where TCOs have taken the lead as their illegality has compelled them to operate covertly and to de-emphasise fixed structures.

Another important trend among transnational corporations has been the growth of strategic alliances, especially between regional transnational corporations that want to develop globally. For legitimate corporations, alliances facilitate production where costs are low and allow corporations to take advantage of local knowledge and experience in marketing and distribution. TCOs pursue strategic alliances for similar reasons. Even if these organisations circumvent state structures, they may still have to negotiate with national and local criminal organisations, and strategic alliances permit them to cooperate with, rather than compete against, indigenously entrenched

criminal organisations. Moreover, these alliances enhance the ability of TCOs to circumvent law enforcement agencies, facilitate risk sharing and make it possible to use existing distribution channels. Finally, strategic alliances enable drug trafficking organisations to exploit differential profit margins in different markets.

Although it is difficult to make a definitive analysis of the links between and among TCOs, there is considerable evidence that these alliances exist. Green Ice, a "sting" operation conducted over three years by the US Drug Enforcement Administration, resulted in the arrest of almost 200 people in Britain, Spain, Canada, the US and Italy in 1992. It also revealed the links between the Cali cartel and the Sicilian Mafia as the arrest included members of the Neapolitan Camorra, the Calabrian 'Ndrangheta and the Sicilians. One explanation for this was that the Sicilian Mafia was helping the Colombians break into the New York heroin market in return for franchise arrangements on cocaine in Europe.

Similar links seem to be developing between the Italian groups and some of the criminal organisations in Russia. There have been reports from the Czech police, for example, that the Mafia signed a deal with Russian gangs to traffick nuclear weapons materials and drugs.²⁶ Other links include ties between Pakistanis and Danish organisations, and Turkish and Dutch groups. It has also been reported that in 1992 Japanese and Italian criminal organisations held a conference in Paris to discuss their common interests in money laundering.²⁷

These links between various groups, especially those engaged in drug trafficking, have made TCOs an increasingly serious problem for governments. The extent to which these activities constitute a threat to national and international security is examined next.

THE THREAT TO SECURITY

It is tempting to say that the activities of TCOs have little impact on national and international security. Unlike revolutionary or terrorist groups, TCOs have predominantly economic objectives. Moreover, it is arguable that even illicit enterprises add to national wealth, create jobs and provide a safety net against recession. TCOs also employ entrepreneurial and managerial skills that would otherwise be

wasted. The profits from their activities are enormous and at least some of them are ploughed back into local and national economies, usually with some multiplier effects. In these circumstances, one might conclude that TCOs do not pose a threat to national and international security.

Such an assessment is based on a narrow military conception of security. If one defines security as not just external military threats but as a challenge to the effective functioning of society, then drug trafficking is much more serious than many issues that have traditionally been seen as a threat to security. Drug trafficking poses one of the most serious challenges to the fabric of society in the US, Western Europe and even many drug-producing countries, which have also become consumers of their product. The threats to security are more complex and subtle than more traditional military challenges. Nevertheless, drug trafficking was designated a national security threat by the Reagan Administration in 1986 and subsequent US administrations have concurred with this assessment. Taking this further, it is clear that TCOs pose threats to security at three levels: the individual, the state and the international system of states.²⁸

At the individual level, security is the provision of a relatively safe environment in which citizens do not fear violence or intimidation. TCOs have had a profound geo-social impact on this security. Indeed, if individual security is inversely related to the level of violence in society—the greater the violence, the less the security enjoyed by citizens—then drug trafficking and its associated activities pose a serious security threat.

This is partly because of the close connection between drugs and violence. There are three kinds of violence usually associated with the drug industry: violence by criminal organisations to protect their “turf” and profits; crimes against people and property by drug users who need to pay for illicit drugs; and violence perpetrated by individuals under the influence of mind-altering substances.²⁹ It has been estimated, for example, that the average heroin user commits 200 crimes a year to feed his habit.³⁰

The problems of drug-related violence have become apparent in many societies with a significant number of addicts, including those which have been used for the transshipment of drugs. It is in the US,

however, that violence has become the most prevalent. The pervasiveness of gang activity and the emergence of “no go zones” for ordinary citizens and even law enforcement officers are associated, in particular, with the trafficking of “crack” cocaine. While not all violence within US society can be attributed to drug abuse or trafficking, it is clear that there are links between drugs and violence, and that the greater the level of drug abuse within society then the lower the level of security that individual citizens enjoy. Moreover, it is unlikely that these problems can be dealt with adequately as long as the flow of drugs continues unimpeded. Reducing the demand for drugs through education, treatment and rehabilitation is crucial, but unless more effective curbs are placed on drug supplies, demand reduction is unlikely to be successful. The wholesalers and retailers of the drug business, however, are experts at marketing and they have an insidious product, whose supply helps to create its own demand.

Not only does drug abuse add to the health-care burden and undermine productivity and economic competitiveness, but transnational drug trafficking also results in societies in which violence is more pervasive and individual security is, therefore, more elusive.

Transnational criminal organisations can also pose serious threats to the security of their host and home states. In some cases, their power rivals that of the state itself. Their willingness to use force against the state and its law enforcement agencies challenges the state monopoly on organised violence and can be more destabilising than the activities of revolutionary or terrorist groups. This has certainly been the case in Colombia and Italy, where TCOs have resisted state control and engaged in extensive violence and terrorism. In Colombia, the Medellín cartel posed a direct threat to the Colombian government and, despite the death of Pablo Escobar, the cost has been enormous. The Colombian judiciary has been decimated, violence has, at times, reached levels characteristic of small civil wars, and Colombian political and economic activity has been dominated by the threats posed by the narcotrafficantes. The cartels have threatened the country's democratic values by killing journalists critical of their activities and corrupting the institutions of the state.

Similar problems have been experienced in Italy, where the Mafia has launched attacks on the judiciary and has proved to be a far more formidable opponent than terrorist organisations, such as the Red

Brigades. This is partly because the Mafia has created an illicit but effective authority structure and has its own territory, population, laws and armed forces.³¹ Having gained tremendous power and wealth through its involvement in the heroin trade from Southeast Asia and the cocaine trade from Latin America, the Sicilian Mafia, in particular, has routinely used both corruption and violence to further its aims. It has had very close links with the Christian Democratic party and has infiltrated government at the local, regional and, to a degree, national levels. It has also resorted to violence to protect or advance its position: throughout the 1980s the Mafia regularly killed magistrates, policemen, politicians, civil servants and trade unionists.³² In 1992, these killings took on a new dimension with the assassinations of Paolo Borsellino, the special anti-Mafia prosecutor for Palermo, and Judge Giovanni Falcone. These killings were a similar challenge to the Italian judicial system as that posed to the Colombian judiciary by the Medellín cartel.

Although the challenge backfired and led to more strenuous efforts by the government—acting under public pressure—to confront the Mafia, the events in Italy illustrated the vulnerability of even advanced industrialised states to the challenges posed by powerful TCOs. Moreover, these challenges to state authority may be unavoidable. As one eminent criminologist has noted,

each crime network attempts to build a coercive monopoly and to implement that system of control through at least two other criminal activities—corruption of public and private officials, and violent terrorism in order to enforce its discipline.³³

TCOs, therefore, by their very nature undermine civil society, destabilise domestic politics and undercut the rule of law.

Transnational criminal organisations sometimes create chaos, but they also exploit the uncertainty created by other domestic and international developments. Not surprisingly, TCOs flourish in states with weak structures and dubious legitimacy, which derives from economic inequalities, the dominance of traditional oligarchies, the lack of congruence between nation and state, poor economic performance and ethnic divisions. In such circumstances, the development of parallel political and economic structures is almost inevitable. Sometimes this follows from the fact that parts of the

country are outside the control of central government. In other cases, government institutions may be so corrupt that they no longer have either the incentive or the capacity to reassert control. The Cali cartel in Colombia, for example, has deliberately avoided the direct attacks on the state as perpetrated by the Medellín cartel and has instead embraced a strategy based on cooption and corruption. This is a less obvious security threat but, to the extent that it undermines the proper functioning of political and legal institutions, may be an even more insidious challenge to the integrity of the Colombian state.

It is important not to exaggerate the importance of TCOs in causing political upheaval because whenever states lose legitimacy and political authority the problems have deep and extensive roots. Nevertheless, there is an important link between the rise of TCOs, on the one hand, and the crisis of governance and decline in civil society that have become familiar features of the post-Cold War world, on the other. Whatever the underlying reason for the breakdown in authority structures, political chaos provides a congenial environment for criminal activity. One of the key features of TCOs is that they link “zones of peace” and “zones of turbulence” in the international system.³⁴ They take advantage of the chaos that exists, for example, in countries such as Myanmar, which lacks an effective, legitimate government, is the world's main producer of heroin, and is internationally isolated yet is penetrated transnationally. Moreover, criminal organisations have a vested interest in the continuation of weak government and the conditions which allow them to export heroin from Myanmar with impunity.

Threats to the integrity of states generate challenges to the international state system. Although the field of security studies has traditionally focused on military relations between states, in the future it will also have to consider the relationship between states and powerful non-state actors. The dominance of governments has increasingly been challenged by the emergence of such actors, operating either regionally or globally. Lacking the attributes of sovereignty is often an advantage rather than a constraint for transnational actors—they are sovereignty-free rather than sovereignty-bound and use this freedom and flexibility to engage in activities that are difficult for states to regulate.³⁵ The issue is control versus autonomy: states want control and transnational actors want autonomy.

Transnational criminal organisations challenge aspects of state sovereignty and security that have traditionally been taken for granted. They prove the permeability of national borders and penetrate societies that are nominally under the control of states. States formally retain sovereignty, but if they are unable to control the importation of arms, people and drugs into their territory then it loses much of its significance. Sovereignty remains a useful basis for the international society of states, but no longer reflects real control over territory. The permeability of national boundaries and the concept of sovereignty do not make easy bedfellows.

It can be argued, of course, that the activities of many transnational organisations undermine state sovereignty. Most of these groups, however, obtain access to national markets and operate on a state's territory only with the permission of the government, a process that revalidates state power and authority.³⁶ TCOs are different because they obtain access through clandestine methods, minimise the opportunities for state control over their activities, and prevent real sovereignty being exercised. Although the main purpose of their activities is to make a profit, an inevitable by-product is an implicit challenge to state authority and sovereignty. The threat is insidious rather than direct: it is not a threat to the military strength of the state, but is a challenge to the prerogatives that are an integral part of statehood.

This does not mean that all states oppose TCOs. Alliances of convenience between "rogue" or "pariah" states and TCOs could pose serious security threats, especially from those trafficking in nuclear material. As soon as a trafficking network is functioning effectively product diversification is easy. Organisations that deal in drugs can also traffick in technology and components for weapons of mass destruction. Whether the recipients of such transfers are terrorist organisations or "pariah" states, the link between criminal activities and security is obvious.

If non-proliferation and other regulatory regimes are to function effectively in the future, therefore, it will be necessary to curb the activities of TCOs. This will not be easy.

CONCLUSION

In a contest between governments and TCOs, the former suffer from several disadvantages. First, they have a multiplicity of purposes and constituents. Transnational crime is simply one item on a very crowded agenda—one that does not always enjoy a high priority. The short-term nature of US administrations, for example, militates against a sustained and systematic campaign against drug trafficking. Wars against drugs or crime are typically declared and then forgotten.

Governments have also found it difficult to pursue a consistent and coherent set of policies in which the activities of the different parts of the bureaucracy complement rather than undercut one another. The battle against drug-trafficking organisations is, therefore, a battle of unequals. It is a struggle between a government composed of multiple organisations and constituencies with diverse objectives and interest, and an organisation with a single purpose or goal, which is the maximisation of profits. Government agencies and departments are semi-independent fiefdoms, which do not readily collaborate with one another either through the sharing of information or through joint operations. More information is needed, for example, about the major characteristics, strengths and weaknesses of TCOs. This, in turn, requires improved intelligence and more effective bureaucratic integration. Unfortunately, intelligence about drug trafficking and TCOs is often jealously guarded, bureaucratically compartmentalised and lacking any clear sense of purpose or direction. Although these problems are particularly acute in the US, where the horizontal and vertical divisions in government enable organisations to traffick with considerable success, they are not wholly absent in other states.

Although not all are as fragmented as that of the US, most democratic governments are forced to work within a framework of rules. TCOs, by definition, work outside the rules, can be ruthless in carrying out their policies and are not democratically accountable for their behaviour. Ironically, these organisations use nationalism and the sovereignty of the home government as a defensive measure even though most of their activities undermine the sovereignty of others. The Colombian cartels, for example, tried to mobilise na-

tional support by presenting Colombia's extradition treaty with the US as a violation of Colombian sovereignty.

Another problem is a lack of experience on the part of the governments in dealing with TCOs. States are well-equipped to deal with security threats from other countries, but when they are faced with sovereignty-free actors they are unsure which instruments of influence are most appropriate and whether strategies aimed at the organisation itself or pressure on the home government are likely to be more effective.

There is a marked contrast, therefore, between the seriousness of the challenge posed to security by TCOs and the nature of the response by governments. Criminal organisations are sophisticated, adaptable and highly resilient. Governments have to acknowledge the scale and complexity of the problem, engage in more extensive functional cooperation arrangements with each other, and mobilise legitimate transnational organisations such as banks, airlines and freight transportation companies to assist them. Although progress has been made in some of these areas, especially in Western Europe, much more has to be done if one of the most insidious and long-term threats to national and international security is to be contained.

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NOTES

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